

Journal

February 2013

BPA welcomes a new administrator



The Energy Department has selected Bill Drummond to be the new BPA administrator, succeeding Steve Wright. Drummond will manage the nonprofit federal agency, which markets carbon-free power from Columbia River hydroelectric dams and the region's one nuclear plant. BPA also operates most of the surrounding power

grid, distributing wind and other energy to the Pacific Northwest and beyond.

Drummond's leadership of BPA is part of a larger strategy of the U.S. Department of Energy to help lead the 21st century transformation of our nation's electricity sector. Reliable and affordable electricity is a foundation of economic growth, and a resilient electric grid helps to better protect our national security. Drummond, who has worked in the energy industry for more than 30 years, has served as BPA's deputy administrator since October 2011.

"The leadership of BPA is critically important because America's continued global competitiveness in the 21st century will be significantly affected by whether we can efficiently produce and distribute electricity to businesses and consumers, seamlessly integrating new technologies and new sources of power," said Secretary of Energy Steven Chu. "I look forward to working with Bill Drummond to help lead BPA's transition to a more flexible, resilient and reliable electric grid and establish much greater coordination among system operators in partnership with its customers."

Said Deputy Secretary of Energy Daniel Poneman, "The Bonneville Power Administration is truly fortunate to have Bill Drummond as its new administrator to lead the agency. Drummond has a stellar track record during his time at BPA and throughout his career in the

energy sector, and I am fully confident in his ability to provide the highest level of leadership and service to BPA's customers, constituents and employees. I also want to thank Administrator Steve Wright for his outstanding leadership of BPA and congratulate him for his achievements over the past 12 years in which he has served as administrator."

Before joining BPA, Drummond was manager of the Western Montana Electric Generating and Transmission Cooperative in Missoula, Mont., for 17 years. From 1988 to 1994, he led the Public Power Council, an association of all publicly-owned Northwest utilities. During his 30 years in the energy industry, Drummond has been a leader on many regional task forces and committees, including the Bonneville Environmental Foundation, Northwest Energy Efficiency Alliance, Northwest Wind Integration Forum and Northwest Energy Efficiency Task Force. Nationally, he has served on committees of the American Public Power Association and the National Rural Electric Cooperative Association. Drummond holds degrees in forestry from the University of Montana and economics from the University of Arizona.

"Bonneville represents the best expression of public vision and achievement, collaborative relationships, environmental stewardship and a commitment to operational excellence," Drummond said. "I am grateful for this opportunity and look forward to my new role at BPA."

The Energy Department conducted a competitive process under the federal civil service rules to select a new BPA administrator. BPA has annual revenues exceeding \$3.2 billion, over 3,100 full-time employees and approximately 1,500 contractors. Wright announced his plans to retire in June of 2012, and Drummond began serving as administrator following Wright's retirement in early February.

BPA addresses oversupply issues

On Jan. 23, BPA responded to the Federal Energy Regulatory Commission on its Dec. 20 order



conditionally accepting BPA's Oversupply Management Protocol. Under the protocol, BPA displaces generation when necessary to balance energy supply and demand, as well as reduce the amount of total dissolved gas to protect aquatic species in the Columbia River. BPA reimburses participating generators for payments they would otherwise receive for producing power.

The agency is seeking comments on proposed revisions to the protocol, established in Attachment P of BPA's Open Access Transmission Tariff. BPA plans to re-file the tariff attachment with FERC in March. The existing oversupply protocol expires March 30.

BPA's Jan. 23 filing was a request for rehearing of the requirement to submit a new methodology to allocate Oversupply Management Protocol costs within 90 days of the order. Because BPA had not completed its rate-setting process, the issue was not before FERC, and FERC did not have a record on which to make a ruling. BPA is currently conducting the OS-14 rate case to develop a cost allocation methodology, which the agency will then submit to FERC for approval.

BPA is also requesting a stay of the compliance filing requirement until FERC rules favorably on the request for rehearing (which would negate the requirement for a compliance filing), or until BPA files its final OS-14 rate proposal with FERC. BPA has requested expedited review of its request for a stay.

Consistent with FERC's orders and its conditional approval of the protocol, BPA will re-file the tariff attachment with several proposed revisions, which are described in a public letter posted at www.bpa.gov/goto/oversupply. BPA will accept comments on the revisions through Feb. 5.

BPA, PGE discuss transmission project

BPA and Portland General Electric have agreed to explore a modification to PGE's proposed Cascade Crossing Transmission Project that could benefit the region's grid and significantly reduce environmental impacts. The details of the agreement are included in a nonbinding memorandum of understanding.

Initially, PGE proposed a 215-mile transmission project from Boardman, Ore., to Salem, Ore. Under the modification in the MOU, the line would begin at Boardman and follow the path of the original project, but terminate at a new Pine Grove Substation that PGE would build about 18 miles southwest of Maupin. This would eliminate a substantial portion of the project from the Maupin area to Salem, avoiding most impacts to the Confederated Tribes of Warm Springs Reservation, the Mt. Hood and Willamette national

forests, and private forest and agricultural land in Oregon's Marion and Linn counties.

PGE also would invest in grid enhancements and/or exchange assets with BPA to increase transmission capacity and potentially reduce congestion and enhance reliability of the grid. In return, PGE could receive up to 2,600 megawatts of transmission capacity ownership rights to deliver power to customers in Portland and the Willamette Valley. Specific contract terms are still under discussion.

"We are very pleased with the collaborative effort with PGE and believe we have found a better alternative that reduces the overall economic and environmental costs of adding transmission capacity," said Larry Bekkedahl, BPA's senior vice president of Transmission Services. "We are in the early stages of exploring the commercial business aspects of working together to assure adequate, reliable and cost-effective transmission is provided for the Northwest."

BPA will conduct a formal stakeholder review process before entering into any further agreement. PGE and BPA would cooperate to complete necessary environmental reviews.

PGE intends to file amendments to the public permitting processes for the Cascade Crossing project. The utility will focus on permitting the project from Boardman to the Pine Grove Substation and will suspend permitting of the previously proposed section west of the Maupin area. The project currently is undergoing review by the Oregon Energy Facility Siting Council and federal agencies involved in the National Environmental Policy Act process.

BPA takes the gold for sustainability

The City of Portland's Bureau of Planning and Sustainability recognized BPA with its Sustainability at Work gold certification. The certification recognizes the agency's sustainability efforts at its headquarters. BPA is the first federal agency to achieve the gold level of certification in the city's program.

BPA's accomplishment was based on completing 60 out of a possible 74 actions related to initiatives including education, transportation, materials and waste, and energy and water use. The actions were verified during an onsite visit by a Sustainability at Work adviser.

"Very few organizations have achieved at such a level," notes Paul de Block, Sustainability at Work adviser, Portland Bureau of Planning and Sustainability.

BPA formed a sustainability team in 2009 and began implementing an action plan the following year that included conserving energy and water, reducing waste and petroleum use, and installing a green roof that harvests stormwater. Other accomplishments include electronic recycling, a recycling and composting program that cut waste by 44 percent, electric vehicle charging stations in its motor pool and a number of employee commuting options. In 2012, the agency launched a successful printing reduction campaign. Beyond the environmental benefits, the changes saved BPA about \$400,000 in printer-related costs over the previous year.

Larry Buttress, BPA's acting executive vice president of Internal Business Services, says BPA's approach to sustainability is founded on the agency's commitment to environmental stewardship and operational excellence. "Finding more earth-friendly, cost-effective ways to operate is just another way we're being a responsible steward and a good neighbor."

The Portland Bureau of Planning and Sustainability awards Sustainability at Work certifications to Portland organizations that create a more environmentally friendly workplace. "We're impressed and grateful," says Michael Armstrong, research and innovation manager, Portland Bureau of Planning and Sustainability.

Buttress adds: "This really is an achievement by Bonneville employees. A lot of dedicated people turned our sustainability program from a grassroots effort into an agency success story."

BPA's next challenge is scaling up its sustainability program to reflect its footprint across the Northwest. For 2013 and the near-term, the agency will shift its focus from its corporate headquarters to reducing energy, water and waste at its other facilities.

For a list of BPA's gold-certified achievements, see the Sustainability at Work listing at <http://sustainabilityatworkpdx.com/find-a-green-business/business-directory/bonneville-power-administration/>. To learn more about BPA's program, read its 2012 sustainability report at www.bpa.gov/news/pubs/.



OREGONIAN FEATURES BPA EMPLOYEE

Paralympic medalist and BPA employee Aaron Paulson was featured in the Jan. 27 edition of The Oregonian. Paulson credits his successes to determination and a positive attitude. Read the

full story at www.oregonlive.com/living/index.ssf/2013/01/portland_resident_aaron_paulso.html.

Public Involvement [Updates & Notices]

AGENCY PROJECTS

Quarterly Business Review [Regionwide]

BPA will hold its Quarterly Business Review on Feb. 5. For information, go to www.bpa.gov/corporate/finance/ibr/qbr.

SEE CALENDAR

BP-14 and OS-14 Rate Cases [Regionwide]

BPA is holding two rate proceedings to set rates for the 2014–2015 fiscal years. Power and transmission rates will be set in one docket, BP-14. A separate docket, OS-14, proposes rates to recover the costs BPA incurs under its Oversupply Management Protocol. For information, go to www.bpa.gov/Finance/RateCases/Pages/default.aspx.

FISH AND WILDLIFE

Lolo Creek permanent weir fish trapping facility [Clearwater County, Idaho]

BPA is proposing to fund the replacement of a 10-year-old seasonal fish weir. The preliminary EA is available for public comment through March 1. For information, go to www.bpa.gov/go/lolocreekweir.

Kootenai River Native Fish Aquaculture Program [Boundary County, Idaho]

BPA expects to release a preliminary EA in February 2013. For information, go to www.bpa.gov/go/kootenaiaquaculture.

Klickitat Hatchery Complex Program [Klickitat and Yakima counties, Wash.]

BPA is incorporating comments into the final EIS, expected to be complete in June 2013. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Klickitat_Hatchery_Program/.

TRANSMISSION

I-5 Corridor Reinforcement Project [Cowlitz and Clark counties, Wash., and Multnomah County, Ore.]

BPA extended the comment period and will be accepting comments on the draft EIS through March 25, and will host several opportunities for public participation during the comment period. For information, go to www.bpa.gov/goto/i-5 or call 800-230-6593. **SEE CALENDAR**

Midway-Benton No. 1 Replacement Project [Benton County, Wash.]

BPA is rebuilding the Midway-Benton No. 1 transmission line and approximately 11 miles of the Benton-Othello No. 1, both 115-kilovolt transmission lines, based on the Final EA and Finding of No Significant Impact. Construction began in January and is expected to conclude in May 2013. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/MidwayBentonRebuild/.

Midway-Moxee Line Rebuild [Benton and Yakima counties, Wash.]

BPA is proposing to rebuild the 34-mile, 115-kV transmission line from the Midway Substation to the Moxee Substation in Washington. BPA will host a scoping meeting on Feb. 20 in Moxee. A month-long public comment period will open Feb. 4. A project Web page will be activated this month. **SEE CALENDAR.**

Lane to Wendson Line Rebuild [Lane County Ore.]

BPA proposes to rebuild the 41.3-mile Lane to Wendson No. 1 115 kV wood pole transmission line between Eugene and Florence, Ore. BPA will prepare an EA, which is expected to be complete by June 2014. A project Web page will be activated this month.

Keeler to Tillamook Line Rebuild [Washington and Tillamook counties, Ore.]

BPA proposes to rebuild the 58-mile Keeler to Forest Grove and Forest Grove to Tillamook 115-kV transmission lines in Oregon. BPA will prepare an EA, which is expected to be completed in late 2013. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Keeler-TillamookRebuild/.

Alvey-Fairview Line Rebuild [Lane, Douglas and Coos counties, Ore.]

BPA is proposing to rebuild the Alvey-Fairview No. 1 230-kV Transmission Line between Eugene and Coquille, Ore. BPA expects to produce a preliminary EA by September 2013. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Alvey-Fairview/.

Vantage to Pomona Heights Line Interconnection [Yakima and Grant counties, Wash.]

Pacific Power proposes to construct, operate and maintain a new 230-kV transmission line from Pacific Power's Pomona Heights Substation east of Selah, Wash., to the BPA Vantage Substation

east of Wanapum Dam in Grant County, Wash. The Bureau of Land Management is the lead federal agency responsible for the preparation of an EIS. BPA, a cooperating agency on the EIS, will decide whether to interconnect the line. The Draft EIS is available for review. BLM is seeking comments through Feb. 19, and will host public meetings in Mattawa and Selah, Wash. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Vantage_to_Pomona_Heights/.

Precedent Transmission Service Agreement Reform [Regionwide]

The project team is evaluating proposals submitted by BPA customers to withdraw or modify their PTSAs. Comments on the proposals are posted at www.bpa.gov/comment. BPA expects to update customers and interested parties on new developments in early February. For project information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

Network Open Season and Generation Interconnection Reform [Regionwide]

The public comment period on the options for the next NOS closed on Jan. 11. All comments received are posted on the project Web page. For information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

CALENDAR OF EVENTS

To view BPA's public involvement calendar, go to www.bpa.gov/go/calendar. For Americans with Disabilities Act accommodations, call toll free 800-622-4519.

I-5 Corridor Reinforcement Project public meetings

- **Feb. 2**, 1 to 5 p.m., Mark Morris High School Common Room, 1602 Mark Morris Court, Longview, Wash.
- **Feb. 4**, 5 to 9 p.m., Castle Rock Elementary Multipurpose Room, 700 Huntington Ave. S., Castle Rock, Wash.
- **Feb. 6**, 5 to 9 p.m., Clark College Gaiser Hall Student Center and Fireplace Room, 1933 Fort Vancouver Way, Vancouver, Wash.

Quarterly Business Review

- **Feb. 5**, 9:30 a.m. to 3:20 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Midway-Moxee Transmission Line Rebuild Project public meeting

- **Feb. 20**, 4 to 7 p.m., Moxee City Hall, 255 W. Seattle Ave., Moxee, Wash.

CLOSE OF COMMENT

Submit comments to www.bpa.gov/comment.

- **Feb. 6**, Proposed Oversupply Management Protocol revisions
- **Feb. 15**, BP-14 and OS-14 Rate Cases
- **March 1**, Lolo Creek permanent weir fish trapping facility
- **March 8**, Midway to Moxee Line Rebuild
- **March 25**, I-5 Corridor Reinforcement Project

The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.

To order copies of documents, call: (800) 622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 14428, Portland, OR 97293-4428. E-mail address: comment@BPA.gov. BPA home page: www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see www.efw.bpa.gov/environmental_services/nepadocs.aspx. Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.

