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**BONNEVILLE POWER ADMINISTRATION  
FOR IMMEDIATE RELEASE**

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CONTACT: Mike Hansen, 503-230-4328  
503-230-5131

**BPA proposal extends Port Townsend Paper contract nine years**

*Proposal subject to public review*

**Portland, Ore.** – Port Townsend’s largest private employer may get another nine years of federal power if a new proposal from the Bonneville Power Administration is adopted.

BPA is proposing to amend Port Townsend Paper Company’s existing power purchase contract extending the term of the contract until September 2022, preserving 300 family-wage jobs in a community of 8,300 residents.

BPA will take public comment on the proposed contract amendment and its accompanying equivalent benefits test through Sept. 14, 2012.

Port Townsend Paper Company’s current contract with BPA runs through Aug. 31, 2013, with the proposed amendment starting the following day. The proposal has BPA continuing to provide 20.5 average megawatts. However, BPA expects the newly formed Jefferson County PUD to take over Port Townsend Paper’s wheel turning load (load not integral to the industrial process) and the Old Corrugated Containers (OCC) recycling plant load totaling 8.5 average megawatts in July 2013. In that case, BPA would continue to serve the remainder of the mill’s load, approximately 12 average megawatts.

Twelve average megawatts is enough electricity to serve more than 8,000 homes for a year. Port Townsend Paper is located near the city of Port Townsend, Wash., on the northeast corner of the Olympic Peninsula.

“Our analysis indicates that this proposal would provide another decade of benefits to everyone involved,” said BPA Administrator Steve Wright. “We look forward to hearing from the public as we consider moving forward with the contract.”

Following Port Townsend Paper’s most recent request to extend service, BPA conducted an analysis, called the [equivalent benefits test](#), to determine whether net benefits would flow to BPA ratepayers through a contract with Port Townsend Paper. The results of the latest test show that service can be provided through September of 2022 while continuing

to benefit all BPA ratepayers. The ability to offer a nine-year extension is primarily due to the long-term market price forecast for Northwest electricity, which has been driven down by low natural gas prices.

BPA, celebrating its 75th anniversary in 2012, is a nonprofit federal agency that markets renewable hydropower from federal Columbia River dams, operates three-quarters of high-voltage transmission lines in the Northwest and funds one of the largest wildlife protection and restoration programs in the world. BPA and its partners have also saved enough electricity through energy efficiency projects to power four large American cities. For more information, contact us at 503-230-5131 or visit our website at [www.bpa.gov](http://www.bpa.gov).

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**Bonneville Power Administration**

905 N.E. 11th Avenue, Portland, Oregon 97232

**Mailing Address:** Media Relations - DKPM-7, P.O. Box 3621, Portland, OR 97208-3621

**Phone:** (503)230-5131 **FAX:** (503) 230-4019 **Web Site:** <http://www.bpa.gov>