

Department of Energy
Bonneville Power Administration

Klondike III Wind Project Interconnection

Notice of Intent to Prepare an Environmental Impact Statement (EIS).

SUMMARY

This notice announces Bonneville Power Administration's (BPA) intention to prepare an EIS, under the National Environmental Policy Act (NEPA), on a proposed interconnection requested by PPM Energy, Inc. (PPM) to integrate electrical power from their proposed Klondike III Wind Project (Wind Project) into the Federal Columbia River Transmission System (FCRTS). The Wind Project is located in Sherman County, Oregon. BPA proposes to execute an agreement with PPM to provide them with an interconnection for up to 300 megawatts (MW) of generation from the Wind Project. Interconnection would require BPA to build and operate a new 230-kilovolt (kV) transmission line and two substations.

OPPORTUNITIES TO COMMENT

Written comments on the NEPA scoping process are due no later than **March 17, 2005**. Send letters with comments and suggestions on the proposed scope of the Draft EIS and requests to be placed on the Wind Project mailing list to:

Bonneville Power Administration
Communications - DM-7
P.O. Box 14428, Portland, OR 97293-4428

OR you may send your comments to the following Web site:
<http://www.transmission.bpa.gov/NewsEv/commentperiods.cfm>.

Please refer to the *Klondike III Wind Project* in all communications.

Comments may also be made at an EIS scoping open-house meeting:

March 1, 2005, 6:00 p.m. to 8:00 p.m.

St. Mary's Parish Hall
807 Barnett Street
Wasco, Oregon

At this open house meeting, BPA representatives will be available to discuss the proposed project, answer questions, and accept oral and written comments. BPA representatives will provide information on alternative routes being considered for the proposed BPA transmission line, the types of transmission line structures being considered, and topics to be addressed in the EIS. PPM representatives will be available to discuss the proposed Wind Project.

FOR FURTHER INFORMATION CONTACT

Kimberly St.Hilaire, Bonneville Power Administration – KEC-4, P.O. Box 3621, Portland, Oregon 97208-3621, toll-free telephone 1-800-282-3713; direct phone number 503-230-5361, fax number 503-230-5699, email krsthilaire@bpa.gov. Additional information can be found at BPA's Web site: <http://www.transmission.bpa.gov/PlanProj/Wind/>.

SUPPLEMENTARY INFORMATION

Proposed Action. BPA proposes to execute an agreement with PPM to provide interconnection services for up to 300 MW of the Klondike III Wind Project. As part of this agreement, BPA would agree to construct and operate a 230-kV transmission line about 12 miles long, and two new substations, one at each end of the proposed transmission line. The electricity from the Wind Project would interconnect to the FCRTS at BPA's existing John Day Substation through a new 500/230-kV substation which could accommodate wind developers in the area.. Transmission line structure types being considered include H-frame wood pole, steel pole, and lattice steel. The line and new substations would be located on privately owned land primarily used for dryland wheat farming.

In addition to these Federal actions, the EIS will consider the reasonably foreseeable consequence of construction and operation of PPM's proposed Klondike III Wind Project. The Wind Project would be located adjacent to the currently operating Klondike Wind Project, Phases I and II, on privately owned land, most of which is used for agriculture. The Klondike III Wind Project would add up to 165 operational wind turbines by the end of 2006. The Wind Project includes wind turbines, substations, access roads, and other project facilities. Siting of the proposed Wind Project is under the jurisdiction of Oregon Energy Facility Siting Council (EFSC). PPM is in the process of applying for an EFSC Site Certificate for the Wind Project, and is also determining which other State and Federal permitting requirements will need to be met for the Wind Project.

Construction of the BPA transmission line and substations and the Wind Project currently is expected to commence by March 2006. The Wind Project would be interconnected to BPA transmission lines in the fall of 2006, with a proposed operation date of December 2006. Agricultural activities could continue to take place directly adjacent to the transmission line structures and wind turbines. The Wind Project would operate for much of each year for at least 20 years.

Possible Alternatives for BPA's Proposed Action. An alternative to the proposed action of offering interconnection contract terms is to not offer these terms. The EIS will evaluate this "no-action" alternative. In addition, the EIS will evaluate alternatives for routing the proposed BPA transmission line. At this time, two potentially feasible alternatives have been identified:

- The Cross-County Alternative; and
- The Medler Road Alternative (see attached Project Area Map).

Another alternative, the South of Wasco Alternative (see Project Map), was initially considered but has been eliminated from further consideration in the EIS due to the potential for greater visual, airport safety, and wetland impacts, as well as greater cost relative to other alternatives.

Public Participation and Identification of Environmental Issues. BPA is the lead Federal agency under NEPA for the EIS. BPA has established a minimum 30-day scoping period during which affected landowners, Tribes, concerned citizens, special interest groups, local governments, State and Federal agencies, and any other interested parties are invited to comment on the scope of the proposed EIS. Scoping will help BPA identify potentially significant impacts that may result from BPA's proposed action and the private Wind Project, and ensure that all relevant environmental issues related to BPA's proposed action are addressed in the EIS. Based on BPA's experience, potential environmental issues for the Wind Project and BPA's interconnection facilities may include noise created by wind turbines, visual effects from the wind turbines and transmission line, socioeconomic impacts created by an influx of construction workers into a sparsely populated area, effects on recreation (primarily hunting), impacts on cultural resources, and impacts to wildlife habitat and populations, including migratory birds.

When completed, the Draft EIS will be circulated for review and comment, and BPA will hold a public comment meeting on the Draft EIS. In the Final EIS, BPA will consider and respond to comments received on the Draft EIS. BPA expects to publish the Final EIS in late 2005 or early 2006. BPA's subsequent decision will be documented in a Record of Decision.

In addition to BPA's EIS process, Oregon EFSC provides opportunity for public participation as part of its site evaluation process. It is expected that representatives from the Oregon Office of Energy will hold public meetings for the Wind Project during 2005. BPA will coordinate with Oregon EFSC to ensure full consideration of all public and agency comments received.

Issued in Portland, Oregon, on February 4, 2005.

/s/ Stephen J. Wright _____

Stephen J. Wright
Administrator and
Chief Executive Officer

Attachment:
Project Map