



## Department of Energy

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

ENVIRONMENT, FISH AND WILDLIFE

March 31, 2005

In reply refer to: KEC-4

To People Interested in the Supplement Analysis to the Business Plan EIS:

Bonneville Power Administration is preparing a Supplement Analysis to its 1995 Business Plan Final Environmental Impact Statement. The Business Plan EIS evaluates alternatives for BPA's business activities in five key policy areas: Products and Services, Rates, Energy Resources, Transmission, and Fish and Wildlife Administration. The EIS also compares how the market responds to each alternative in terms of resource development, resource operations, transmission development and operations, and consumer behavior. These market responses are what determine the environmental impacts.

While embarking upon the review necessary for the Supplement Analysis, BPA asked stakeholders and other interested people to provide comments by March 1, 2005. Attached is a Comment Summary, and information on where to find the text of the original comments submitted.

The comments received will be considered while BPA continues its internal review of the 1995 Business Plan EIS. Over the next several months, BPA will complete its internal review and publish a Supplement Analysis, currently targeted for September 2005. Pursuant to U.S. Department of Energy and Council on Environmental Quality National Environmental Policy Act regulations, BPA will use the Supplement Analysis to determine whether:

- there have been substantial changes in the proposed action that are relevant to environmental concerns; or
- there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts. (See 10 CFR 1021.314(c); 40 CFR 1502.9(c).)

More information on the Business Plan EIS and Supplement Analysis is available on the Web site: ([http://www.efw.bpa.gov/environmental\\_services/Document\\_Library/bpsa/index.aspx](http://www.efw.bpa.gov/environmental_services/Document_Library/bpsa/index.aspx)).

Please feel free to contact me if you have any questions.

Sincerely,

/s/

Richard Yarde  
Project Manager

Attachment: Comment Summary

# BONNEVILLE POWER ADMINISTRATION SUMMARY OF PUBLIC COMMENTS ON THE SUPPLEMENT ANALYSIS TO THE BUSINESS PLAN EIS

## INTRODUCTION

Bonneville Power Administration (BPA) is preparing a Supplement Analysis (SA) to its 1995 Business Plan Environmental Impact Statement. BPA sent a letter to stakeholders throughout the region on December 17, 2004 seeking comments on the determinations that BPA needs to address in the SA. The determinations, according to the U.S. Department of Energy and Council on Environmental Quality National Environmental Policy Act regulations, are whether:

- there have been substantial changes in the proposed action that are relevant to environmental concerns; or
- there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts. (See 10 CFR 1021.314(c); 40 CFR 1502.9(c).

The comment period closed on March 1, 2005. Six commenters replied, including 3 private citizens and 3 interest groups. Some letters contained more than one comment, and all of the comments are summarized by issue below. **This Comment Summary is not intended to be exhaustive.** Please see the project Web site to view the full text of all comments received ([http://www.efw.bpa.gov/environmental\\_services/Document\\_Library/bpsa/](http://www.efw.bpa.gov/environmental_services/Document_Library/bpsa/)).

## ISSUES

### *Rates and the Economy*

Two comments focused on BPA rates, and specifically how rates affect the Northwest economy. Both comments encouraged BPA to provide low rates to industrial power customers to provide regional economic benefits, including employment opportunities.

### *Environmental Concerns*

One comment was devoted to what the writer called the “waste” of the environment. The environmental concerns noted included water, air, and food resources; the toxicity of the resources; and the manner in which the remaining resources are denied to certain classes of people. Another comment suggests that, today, there is more certainty regarding the human causes and resulting impacts of global warming. This commenter remarked that, based on what is now known regarding global warming compared to the understanding in 1995, the importance of greenhouse gas emissions was not adequately considered in the Business Plan EIS.

### *Generation Resources*

Several comments addressed existing and expected new electric generating resources. One noted that there have been changes in the operation of the system of hydroelectric dams to meet current in-river flow and spill requirements for fish. These “fish-friendly operations,” it is suggested, limit the electric generation flexibility of the hydrosystem and are outside of the scope of the operations considered in the 1995 Business Plan EIS.

A number of other comments relating to generation resources noted the changed business environment attributable to deregulation of the electric industry and the split of BPA into transmission and generation functions, and how these factors influence the development of new resources.

There were also several comments regarding types of generation resources. For example, three comments noted that the 1995 Business Plan EIS predicted that development of new generation resources would likely be primarily natural gas-fired combustion turbines. However, the comments advise, the price of natural gas has risen significantly, and the Business Plan EIS did not adequately consider the impacts of development of alternative generation resources. This would include the different impacts associated with the development of renewable resources.

#### *Transmission*

Transmission issues also were raised in several comments. The comments included a wide range of topics, but some themes emerged. More than one comment mentioned the split of BPA into its separate power and transmission business functions. Consequently, the commenter suggested that the impacts of transmission system development and marketing were not fully analyzed in the Business Plan EIS.

Specific comments related to transmission included issues related to transmission rates, adequacy standards, and a Regional Transmission Organization (RTO). RTO was mentioned most often in the context of potential impacts of BPA choosing to join an RTO. The comments included a discussion of rate impacts, resource location and operation, and the impacts associated with decision-making by the entity.

#### *Direct Service Industries*

According to two of the comments received, the Business Plan EIS overestimated the amount of energy that BPA would provide to the Direct Service Industries. The comments suggest that changes in the amount of energy required by the industries have led to changes in BPA's power and transmission businesses, which were not adequately considered in the BP EIS.

#### *Regional Dialogue*

BPA's ongoing Regional Dialogue was mentioned in some comments. One comment remarked that a recent Record of Decision on Regional Dialogue represented a "steadfast commitment to its 1995 EIS," and that through Regional Dialogue, BPA has reached a "preliminary conclusion" on the determinations relevant to the SA. Another comment stated that Regional Dialogue represents a new direction in BPA's business practices that more closely resembles the current "Preferred Alternative" than that which was described in the 1995 Business Plan EIS.