

## **BPA putting Recovery Act funds to work**

### **Local News**

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Paterson, Wash. - Deputy Secretary of the U.S. Department of Energy Daniel Poneman, visiting from Washington D.C., today viewed the progress being made along the new McNary-John Day power line thanks to increased borrowing authority it received through the American Recovery and Reinvestment Act. The new 500-kilovolt line was the first project the Bonneville Power Administration initiated with funds it received under the Recovery Act. Deputy Secretary Poneman highlighted the positive impact of this investment, which is creating jobs and will help meet the energy needs of the region.

“BPA’s Recovery Act projects will create hundreds of good-paying jobs and help reduce carbon pollution by bringing even more renewable energy to the region,” said Poneman. “This important investment in the Northwest is an example of the Recovery Act at work—jumpstarting the economy, modernizing the nation’s infrastructure, delivering renewable energy, and enhancing energy independence.”

So far, construction crews have completed approximately 30 miles of line and towers and constructed or improved 54 line miles of access roads along the McNary-John Day line. When completed in early 2012, the power line will allow BPA to provide firm transmission service for an additional 495 megawatts of wind energy in the Northwest.

BPA has identified up to \$2 billion in major projects for which it will use Recovery Act funds and to date has spent \$174.4 million on these projects, which will enhance transmission and hydro system infrastructure, create hundreds of new jobs, implement energy efficiency and construct fish hatcheries.

The projects identified for Recovery Act funding are being developed now or scheduled to be initiated or undergo environmental review in the next two years. The Act increased the amount of money BPA can borrow from the U.S. Treasury. BPA must repay the money to the U.S. Treasury with interest.

Transmission enhancements include four major reinforcement projects totaling approximately \$1 billion, including the McNary-John Day line. Combined, these transmission line projects would add more than 220 miles of lines to the Northwest transmission grid. Three of these projects are currently undergoing extensive public and environmental processes. BPA will fund additional work totaling

approximately \$585 million of upgrades, additions and replacements to its existing transmission system.

The proposed transmission enhancements also include BPA's recently announced I-5 Corridor Reinforcement Project, which is currently undergoing environmental review. If built, that line would meet growing local and regional energy demands and help bolster BPA transmission system to accommodate energy deliveries, including wind power. If BPA builds all three lines under consideration, in addition to the McNary-John Day project, the lines would allow BPA to provide firm transmission service to about 3,881 megawatts of requests for new transmission service, including 3,138 MW of additional wind integration and green energy.

In addition, hydro system upgrades at five dams totaling \$250 million will help sustain the backbone of the region's renewable power supply, keep rates low by avoiding the need to develop other, more expensive resources, and reduce the need for fossil-fuel plants that emit greenhouse gasses.

BPA will use the Recovery Act's increased borrowing authority to fund approximately \$40 million of initiatives through its energy efficiency capital program in partnership with the agency's utility customers, which will save 18.2 average megawatts of electricity over two years. This will contribute to BPA's other energy efficiency efforts to save a total of about 180 average megawatts in partnership with its utility customers over the next two years. This work will help BPA achieve the public power share of the aggressive energy efficiency targets contained in Northwest Power and Conservation Council's 6th Power Plan.

Three Recovery Act-funded fish hatchery projects totaling approximately \$50 million would increase the abundance and diversity of chinook salmon and steelhead in the Columbia Basin. These projects will undergo National Environmental Policy Act and Endangered Species Act review prior to proceeding. This effort will help restore and enhance fish populations and support communities with family wage jobs.

BPA is a not-for-profit federal electric utility that operates a high-voltage transmission grid comprising more than 15,000 miles of lines and associated substations in Washington, Oregon, Idaho and Montana. It also markets more than a third of the electricity consumed in the Pacific Northwest. The power is produced at 31 federal dams operated by the U.S. Army Corps of Engineers and Bureau of Reclamation and one nuclear plant in the Northwest and is sold to more than 140 Northwest utilities. BPA purchases power from seven wind projects and has more than 2,800 megawatts of wind interconnected to its transmission system.