

memorandum

DATE: May 23, 2012

REPLY TO
ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: Mark Miller
Account Executive, Long-term Sales and Purchases – PT-5

Proposed Action: Amendment Number 1 to the Alcoa Power Sales Agreement

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021): A2 – Clarifying or administrative contract actions

Location: Portland, OR and Ferndale, WA

Proposed by: Bonneville Power Administration (BPA)

Description of the Proposed Action: BPA proposes to amend its existing 2009 Power Sales Agreement (Agreement) with Alcoa, Inc. (Alcoa) to extend the Agreement's Initial Period provisions for up to approximately 35 days beyond what is specified in the existing Agreement. More specifically, this amendment would allow the existing Agreement's Initial Period provisions to continue through the earlier of: 1) June 30, 2012; or 2) the date deliveries begin pursuant to a new power sales contract between Alcoa and BPA. In addition, provisions allowing for an Extended Initial Period, a Second Period, and a Transition Period would be deleted from the existing Agreement.

Findings: Amending the Agreement with Alcoa as described above would involve continuing to provide the same level of service under an existing power sales contract to a facility (the Intalco smelter) that is already in existence and currently operating. The amendment would extend this service for up to an additional 35 days beyond the approximately 2.5 years that BPA has been providing this same service under the existing Agreement, and remove the potential for service being provided during other periods identified in the existing Agreement. Under the amendment, BPA would continue to provide power from existing generation sources that would continue to operate within their normal operating limits. Accordingly, the amendment is administrative in nature and would not be expected to result in reasonably foreseeable environmental effects.

BPA has determined that the proposed action complies with Section 1021.410 and Appendix A of Subpart D of the Department of Energy's (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, Apr. 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, Dec. 6, 1996, 76 FR 63764, Nov. 14, 2011). The proposed action does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal. The proposal is not connected [40 C.F.R. 1508.25(a)(1)] to other actions with potentially significant impacts, has not been segmented to meet the definition of a categorical

exclusion, is not related to other proposed actions with cumulatively significant impacts [40 C.F.R. 1508.25(a)(2)], and is not precluded by 40 C.F.R. 1506.1 or 10 C.F.R. 1021.211.

This proposed action meets the requirements for the Categorical Exclusion referenced above. We therefore determine that the proposed action may be categorically excluded from further NEPA review and documentation.

/s/ Jeffrey J. Maslow

Jeffrey J. Maslow
Environmental Project Manager

Concur:

/s/ Stacy Mason

Stacy Mason
NEPA Compliance Officer

Date: May 23, 2012

Attachment:

Environmental Checklist for Categorical Exclusions

Environmental Checklist for Categorical Exclusions

Name of Proposed Project: Amendment Number 1 to the Alcoa Power Sales Agreement

Work Order #: 00003863

This project does not have the potential to cause significant impacts on the following environmentally sensitive resources. See 10 CFR 1021, Subpart D, Appendix B for complete descriptions of the resources. This checklist is to be used as a summary – further discussion may be included in the Categorical Exclusion Memorandum.

<u>Environmental Resources</u>	<u>No Potential for Significance</u>	<u>No Potential, with Conditions (describe)</u>
1. Historic Properties and Cultural Resources	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. T & E Species, or their habitat(s)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Floodplains or wetlands	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Areas of special designation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Health & safety	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Prime or unique farmlands	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Special sources of water	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Other (describe)	<input type="checkbox"/>	<input type="checkbox"/>

List supporting documentation attached (if needed):

Signed: /s/ Jeffrey J. Maslow

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