

memorandum

DATE: July 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: Short-term Additional Amendments 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 execute one or more additional amendments to its existing 2009 Power Sales Agreement (Agreement) with Alcoa, Inc. (Alcoa) to further extend the Agreement's Initial Period provisions. The current date for expiration of these provisions under the most recent amendment (Amendment Number 2) is July 31, 2012. The current proposal involves executing one or more additional amendments that extend these provisions up to an additional 61 days. More specifically, these amendments would allow the Agreement's Initial Period provisions to continue through the earlier of: October 1, 2012; or the date deliveries begin pursuant to a new power sales contract between Alcoa and BPA.

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 the Intalco smelter in Ferndale, WA. These amendments would further extend this service for up to an additional 61 days beyond the approximately 2.5 years BPA has been providing this same service to Alcoa under the Agreement. Under these amendments, BPA would continue to provide power from existing generation sources that would continue to operate within their normal operating limits. Accordingly, these amendments would be administrative in nature and not 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/ Katherine S. Pierce

Katherine S. Pierce

NEPA Compliance Officer

Date: July 23, 2012

Attachment:

Environmental Checklist for Categorical Exclusions

Environmental Checklist for Categorical Exclusions

Name of Proposed Project: Short-term Additional Amendments 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"/>

Signed: /s/ Jeff Maslow

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