

memorandum

DATE: June 24, 2014

REPLY TO
ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: Glenn Russell
Electrical Engineer – TPCV-TPP-4

Proposed Action: PAC-CAISO Energy Imbalance Market Agreement

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021): B4.8 – Electricity Transmission Agreements

Location: Portland, OR

Proposed by: Bonneville Power Administration (BPA)

Description of the Proposed Action: BPA proposes to enter into a reimbursable agreement with PacifiCorps (PAC) to define, design, test, and implement modifications to BPA's transmission system data and operational software. The software operational modifications would allow PAC to use BPA's transmission facilities adjacent to both PAC and California System Operator (CAISO) balancing authority areas so that PAC can participate in the PAC-CAISO energy imbalance market scheduled to begin operations on October 1, 2014.

The agreement would not involve new generation or physical changes to the transmission system. If physical changes to the transmission system are necessary to support operational modifications, BPA will conduct the appropriate National Environmental Policy Act (NEPA) review prior to construction.

Findings: BPA has determined that the proposed action complies with Section 1021.410 and Appendix B 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. Moreover, the proposed action would not (i) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, (ii) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities, (iii) disturb hazardous substances, pollutants, contaminants, or Comprehensive Environmental Response, Compensation and Liability Act-excluded petroleum and natural gas products that pre-exist in the environment such that there would be uncontrolled

or unpermitted releases, (iv) have the potential to cause significant impacts on environmentally sensitive resources, or (v) involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements.

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/ David K. Kennedy, for
Jeffrey J. Maslow
Environmental Protection Specialist

Concur:

/s/ Stacy Mason
Stacy Mason
NEPA Compliance Officer

Date: *June 24, 2014*

Attachment(s):
Environmental Checklist for Categorical Exclusions

Environmental Checklist for Categorical Exclusions

Name of Proposed Project: PAC-CAISO Energy Imbalance Market 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.

| Environmental Resources | No Potential for Significance | No Potential, with Conditions (describe) |
|---|-------------------------------------|--|
| 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/ David K. Kennedy, for
Jeffrey J. Maslow – KEC-4

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