Categorical Exclusion Determination

Bonneville Power Administration Department of Energy



Proposed Action: FY 2018–2019 Proposed Power and Transmission Rate Adjustments (BP-18)

<u>Project Managers</u>: Daniel Fisher, BPA Power Rates Manager – PSR-6 Rebecca Fredrickson, BPA Transmission Rates Manager – TSPQ-TPP-2

Locations: Portland, Oregon

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021): B4.3 – Electric power marketing rate changes

Description of the Proposed Action: BPA proposes to adjust its power and transmission rates for fiscal year 2018 and 2019. In November 2016, BPA initiated a proceeding pursuant to the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act) for adjustments to its power and transmission rates through publication of a notice for the proposed rate adjustments in the Federal Register. 81 Fed. Reg. 78,999 (2016). Through this proceeding, BPA has proposed to establish power and transmission rates that would replace the existing rate schedules expiring on September 30, 2017. The adjusted power and transmission rates would apply for a two-year rate period during the 2018 and 2019 fiscal years.

The proposed changes to existing rates are based on changing revenue requirements to recover costs for power and transmission products and services. The rate adjustment proposal largely continues the same rate construct, albeit at adjusted rate levels, that BPA has implemented in previous years. Further information on the proposed rate adjustments can be found in the BP-18 Rate Proceeding Administrator's Draft Record of Decision, June 2017, located on BP-18 Rate Proceeding website at https://www.bpa.gov/Finance/RateCases/BP-18/Pages/default.aspx.

Actions to be taken by BPA related to the proposed rate adjustments are primarily administrative and financial in nature. Furthermore, during the rate period, all generation projects will operate within normal operating limits and consistently with applicable environmental laws and regulations, including compliance with National Marine Fisheries Service Federal Columbia River Power System Biological Opinions and related court orders.

Findings: In accordance with Section 1021.410(b) of the Department of Energy's (DOE) 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), BPA has determined that the proposed action:

- (1) fits within a class of actions listed in Appendix B of 10 CFR 1021, Subpart D (see attached Environmental Checklist);
- (2) does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal; and
- (3) has not been segmented to meet the definition of a categorical exclusion.

Based on these determinations, BPA finds that the proposed action is categorically excluded from further NEPA review.

<u>/s/ Jeffrey L. Maslow</u> Jeffrey J. Maslow Environmental Protection Specialist

Concur:

<u>/s/ Stacy L. Mason</u> Stacy L. Mason NEPA Compliance Officer Date: July 24, 2017

Attachment(s): Environmental Checklist

Categorical Exclusion Environmental Checklist

This checklist documents environmental considerations for the proposed project and explains why the project would not have the potential to cause significant impacts on environmentally sensitive resources and would meet other integral elements of the applied categorical exclusion.

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Project Site Description

BPA markets wholesale electrical power from 31 hydroelectric projects in the Northwest, one non-federal nuclear plant, and several small non-federal power plants. BPA also operates and maintains about three-fourths of the high-voltage transmission in its service territory that spans Oregon, Washington, Idaho, Western Montana, and small parts of Eastern Montana, California, Nevada, Utah, and Wyoming.

Evaluation of Potential Impacts to Environmental Resources

Environmental Resource	No Potential for	No Potential for Significance, with
Impacts	Significance	Conditions
1. Historic and Cultural Resources		

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or changes to any existing structures or landscapes. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect historic and cultural resources.

2. Geology and Soils

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential for erosion, landslides, or other related impacts. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect geology and soils.

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3. Plants (including federal/state special-status species)

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or vegetation removal or alteration. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect plants.

4. **Wildlife** (including federal/state specialstatus species and habitats)

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to special-status species and habitats. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect wildlife.

5. Water Bodies, Floodplains, and Fish (including federal/state special-status

species and ESUs)

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to water bodies, floodplains, and fish, including federal/state special-status species and ESUs. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect water bodies, floodplains, and fish, including federal/state special-status species and ESUs.

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6. Wetlands

Explanation: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to wetlands. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect wetlands.

7. Groundwater and Aquifers

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to groundwater and aquifers. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect groundwater and aquifers.

8. Land Use and Specially Designated Areas

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to land use and specially designated areas. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect land use and specially designated areas.

9. Visual Quality

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts visual quality. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect visual quality.

10. Air Quality

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to air quality. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect air quality.

11. Noise

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to noise. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect noise.

12. Human Health and Safety

<u>Explanation</u>: The proposed action involves administrative and financial activities intended to recover BPA's costs for power and transmission products and services, and would not result in any ground-disturbing activities or potential to cause impacts to human health and safety. In addition, all generation projects would continue to operate within normal operating limits during the rate period. For these reasons, the rate adjustments would not affect human health and safety.

Evaluation of Other Integral Elements

The proposed project would also meet conditions that are integral elements of the categorical exclusion. The project would not:

Threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders.

Explanation, if necessary:

Require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators) that are not otherwise categorically excluded.

Explanation, if necessary:

Disturb hazardous substances, pollutants, contaminants, or CERCLA excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases.

Explanation, if necessary:

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, such as those of the Department of Agriculture, the Environmental Protection Agency, and the National Institutes of Health.

Explanation, if necessary:

Landowner Notification, Involvement, or Coordination

Because the proposed action does not involve activities directly or indirectly affecting any particular real property, notification and involvement of any specific landowner is not required. However, BPA conducted the BP-18 rate proceeding consistent with procedures under the Northwest Power Act, which included notifying the public through the Federal Register of the rate adjustment proposal, allowing public comment on the proposal, and involving potentially affected parties during the development of the final rates proposal.

Based on the foregoing, this proposed project does not have the potential to cause significant impacts on any environmentally sensitive resources.

Signed: <u>/s/ Jeffrey J. Maslow</u> Jeffrey J. Maslow – ECP-4 Date: July 24, 2017