From: corridoreiswebmaster@anl.gov

To: <u>Corridoreisarchives</u>;

CC:

Subject: Energy Corridor Programmatic EIS Comment 80107

Date: Tuesday, November 29, 2005 2:23:54 AM

Attachments: PNWER_Comments_on_West-

wide_Energy_Corridor_Draft_PEIS_11-28-05_80107.pdf

Thank you for your comment, Neil Parekh.

The comment tracking number that has been assigned to your comment is 80107. Please refer to the tracking number in all correspondence relating to this comment.

Comment Date: November 29, 2005 02:23:45AM CDT

Energy Corridor Programmatic EIS Scoping Comment: 80107

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Attachment: C:\Documents and Settings\Neil Parekh\Desktop\PNWER\West-wide PEIS \Comments\PNWER Comments on West-wide Energy Corridor Draft PEIS 11-28-05.pdf

Questions about submitting comments over the Web? Contact us at: corridoreiswebmaster@anl.gov or call the Energy Corridor Programmatic EIS Webmaster at (630)252-6182.



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Comments on Development of the West-wide Energy Corridor Draft PEIS November 28, 2005

Julia Souder Department of Energy Office of Electricity Delivery and Energy Reliability 1000 Independence Ave., SW Washington, DC 20585

Re: Notice of Intent to Prepare a Programmatic Environmental Impact Statement, Amend Relevant Agency Land Use Plans, Conduct Public Scoping Meetings and Notice of Floodplain and Wetlands Involvement

Dear Ms. Souder:

On behalf of the Pacific NorthWest Economic Region (PNWER), a statutory entity created in 1991 by the member states of Alaska, Washington, Idaho, Montana, Oregon, and the Canadian provinces of British Columbia, Alberta, and the Yukon Territory, we would like to present our comments on the development of a West-wide Energy Corridor Programmatic Environmental Impact Statement (PEIS) pursuant to Federal Register Doc. 05-19375 ("Notice of Intent") and Section 368 of the Energy Policy Act of 2005, Public Law 109-58 (H.R. 6) enacted August 8, 2005.

We support the "Optimization Criteria Alternative" and encourage the agencies to 1) Work with state legislators, public utility commissioners, public service commissioners and relevant state agencies; 2) Actively reach out to relevant ministries, government agencies and the private sector in the Western Canadian Provinces of Alberta and British Columbia (and Saskatchewan); 3) Conduct public hearings to receive comments on the Draft PEIS when it is issued in early spring 2006; 4) Adopt a 50-year time horizon; and 5) Conduct government-government consultations with the region's Native American tribes.

We enthusiastically support efforts to designate energy corridors on federal lands for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities. We fully support any effort, as the **Notice of Intent** states, to "upgrade facilities, improve reliability, relieve congestion and enhance the capability of the national grid".

As the agencies are aware, the Pacific Northwest faces a daunting challenge as we look to sustain the region's economic growth. Access to comparatively low-cost energy has historically been a competitive advantage for the region. Sustaining this advantage, however, and meeting the challenges of the future get more complicated given severe congestion in the regional grid; capacity deficits in the next few years (based on current positions, expected load growth, and expiring contracts); the lack of fully comprehensive bi-national transmission planning; obstacles to infrastructure and corridor siting (particularly when proposed projects cross multiple jurisdictions); and high costs (if transmission corridors are not sited and built soon, consumers may remain vulnerable to spiking fuel costs).

Furthermore, siting and permitting requires working with a range of local, state, provincial and federal authorities and agencies, each with their own unique process for identifying and utilizing appropriate transmission corridors. In the Pacific Northwest, these challenges are made more difficult by the fact that many of the resources (e.g. coal in Montana, or wind in Idaho, Eastern Washington and Eastern Oregon) are far from areas of load growth such as Seattle, Washington; Portland, Oregon; and southern California.

Although much of the land in the west is administered by the US Department of Interior Bureau of Land Management, and the US Department of Agriculture Forest Service (a co-lead agency and cooperating agency respectively in this effort), there are also significant amounts of state-administered land and private land.

Given the historic difficulties in improving the region's energy infrastructure (e.g. electric transmission lines, oil and gas pipelines, etc.) we are hopeful that the identification of energy corridors on federal lands will help facilitate the siting process and will encourage owners, operators and developers to move forward with infrastructure development plans.

Our commitment is to the region's ratepayers who deserve the safest, most secure, most reliable and most economically competitive energy, and the greatest number of choices for renewable and alternative sources of energy (e.g. wind, geo-thermal and bio-mass). Securing access to these resources depends upon the transportation and transmission capabilities of the region – which are severely constrained at the present time.

Two cutting-edge projects deserve specific mention in any effort to identify energy corridors on federal lands. The <u>Idaho National Laboratory</u> (INL)¹ is currently working on Generation IV nuclear power systems. Additional corridors will be necessary to connect their potential generating capacity to major load centers to the west and south.

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¹ http://nuclear.inl.gov

In addition to INL's work, California and British Columbia are independently working on establishing "hydrogen highways" in their respective jurisdictions. California² is facilitating the development of infrastructure that would facilitate the use of hydrogen-powered vehicles along the I-5 corridor and British Columbia³ is establishing a series of hydrogen and fuel cell demonstration projects in and around Victoria, Vancouver and Whistler. PNWER is working with interested parties in Oregon and Washington with a goal of connecting these two hydrogen projects to promote a "hydrogen highway" from San Diego, California to Whistler, British Columbia so that hydrogen fuel cell cars could be driven all the way to the 2010 Winter Olympic Games in Vancouver, British Columbia. This will entail siting hydrogen storage facilities and may involve siting pipeline corridors along the proposed route.

Of the four alternatives presented in the **Notice of Intent**, we support the "**Optimization Criteria Alternative**". Although it is clear that many new corridors will be identified, we agree that the agencies should "incorporate environmental concerns, projected supply and demand, network efficiencies, landscape features, [and] the availability of new technologies and costs." As part of this effort, we encourage the agencies to work with existing state and regional planning authorities when it comes to making supply and demand projections.

As the agencies begin the process of drafting the Programmatic Environmental Impact Statement, and evaluating potential corridors, we request consideration of the following specific comments:

• Work with state legislators, public utility commissioners, public service commissioners, siting authorities and relevant state agencies

State-level policymakers have significant local knowledge and are familiar with the various constraints within their jurisdictions. Once the energy corridors on federal lands are identified, if these corridors are separated by state lands, these policymakers will be in a position to either identify a "connecting corridor" on state land (and fulfill the intent of the legislation) or, for what may be very legitimate reasons, decline to identify a "connecting corridor" (and prove inadequate the work done in the process of developing the draft PEIS).

• Actively reach out to relevant ministries, government agencies and the private sector in the Western Canadian Provinces of Alberta and British Columbia (and Saskatchewan)

The Pacific Northwest is heavily dependent on Western Canada for natural gas and our electrical grid is interdependent. According to the <u>Canadian Association of Petroleum</u> <u>Producers</u>, the Athabasca Oil Sands has 175 billion barrels in oil reserves – second only to Saudi Arabia.⁴

² http://hydrogenhighway.ca.gov

³ http://www.nrc-cnrc.gc.ca/highlights/2004/0405hvdrogen_e.html

⁴ Canadian Association of Petroleum Producers (September 2005), "Oil Sands Economic Impacts Across Canada – CERI Report.": http://www.capp.ca/raw.asp?x=1&dt=NTV&dn=92079

Furthermore, the Oil Sands have the potential to produce, through cogeneration, an estimated four to six thousand megawatts of electricity, with essentially no fuel cost, as thermal energy is already being used to make steam to liberate the oil from the oil sands. These resources could provide long-term contracts to industrial customers in the Pacific Northwest, if the necessary transmission corridors can be sited.

Taking advantage of this potential, and planning for two separate cross-border projects (the Montana Alberta Tie, Ltd.⁵ and the project proposed by the Northern Lights Transmission Corporation⁶) will require coordinated corridor identification and development.

Although the Act and Notice of Intent do not specifically mention the role that might be played by various Western Canadian entities, we feel strongly that relevant parties with an interest in energy corridors in the Western United States should be consulted – at least informally – as part of this process. The <u>British Columbia Transmission Corporation</u>⁷ and the <u>Alberta Electric System Operator</u>, along with a range of ministerial offices and private companies have no doubt identified their own plans for corridors that approach the border with the United States.

This is also important in terms of natural gas and oil pipelines, several of which are planned in the next decade from Canada to the United States. The natural gas pipeline from Alaska will go through Canada to connect with new feeder lines in both the Pacific Northwest and the Midwest. Additional oil pipelines are being considered that would bring Alberta oil down to refineries in the state of Washington.

Reaching out to public and private Canadian partners will be essential to the successful development of the draft PEIS.

• Conduct public hearings to receive comments on the Draft PEIS when it is issued in early spring 2006

The Notice of Intent states that the "...availability of the Draft PEIS and dates for public hearings soliciting comments on it will be announced in the Federal Register and local media." We encourage the agencies to honor the intent of this language and ensure that open, public hearings are held to discuss the Draft PEIS. These meetings will ensure a fair and open process and are essential to facilitating open dialogue around the issues raised as part of this endeavor.

⁵ <u>http://www.matl.ca</u>

⁶ http://www.northernlightstransmission.com

⁷ http://www.bctc.com

⁸ http://www.aeso.ca

• Adopt a 50-year time horizon

Based on expected growth in the region, current congestion, and the expenses involved in corridor siting, we urge the agencies to adopt a long time horizon, looking as many as fifty years into the future. Identifying and developing corridors is an increasingly expensive process and often hinders their development.

Incorporating energy corridors in the various agency land-use plans over a long time horizon will facilitate the region's economic growth, and encourage tribes, states, local governments and developers to take into account future energy corridor needs.

One of the reasons to take a long-term approach is that, according to the Renewable Northwest Project, there are more than 133,000 average megawatts of wind energy potential in the Pacific Northwest. They predict that "Montana alone has enough winds resources to supply 15 percent of U.S. electricity demand; Oregon and Idaho could meet all of their power needs with wind, and Washington could use wind power for about 3 million homes." Wind power must be firmed with other forms of energy, but our hydroelectric system is well-suited to provide the firming needed for wind energy, and there will continue to be great public support for renewable sources of power. However, all these resources are located distant from load and require additional transmission capacity to be built. It will take many years, however, to develop and connect all of these resources to the grid.

In addition to expected population increases in the region (the <u>Census Bureau</u> estimates a 46 percent increase in population in the eleven Western States by 2030 to nearly 90 million¹⁰), and resulting pressure on land-use, there may also be unforeseen changes in consumer use of electricity. In the past few years, plasma televisions (which require several times the electricity used by traditional televisions) have become increasingly popular. What happens if fully-electric cars become economically viable? What if there is sudden consumer or industrial demand for a power-hungry technology? Corridor siting and development will only become more difficult, more expensive and more problematic as time goes on.

Furthermore, we encourage multiple uses of energy corridors, with a priority on compatible energy-related uses. The longer time horizon used in this process, the better.

• Conduct government-to-government consultations with the region's Native American tribes

It is possible that the identification of energy corridors on federal lands may impact reserved treaty rights. We encourage the federal agencies responsible for development of the Draft PEIS to engage in government-to-government consultations with any and all relevant Native American tribes to discuss these impacts.

⁹ Renewable Northwest Project, "Wind Power Fact Sheet": http://www.rnp.org/RenewTech/tech_wind.html
¹⁰ State Interim Population Projections by Age and Sex: 2004 – 2030; Table 6: Total population for regions, divisions, and states: 2000 to 2030; http://www.census.gov/population/www/projections/projectionsagesex.html

As part of our efforts to facilitate region-wide data sharing, transmission corridor planning and encourage more unified permitting; and provide reliable, accurate and comprehensive information to policymakers so that they can make informed decisions about the region's energy and infrastructure needs, enable cross-border strategic planning and facilitate economic development throughout the region, and in response to a request from our Energy Chairs/Ministers Task Force, PNWER¹¹ launched a bi-national regional energy planning initiative¹² designed to create a Pacific Northwest Energy Planning Council consisting of regional public/private stakeholders from both Canada and the United States.

As part of our work in the region, we would be happy to help facilitate working with relevant state-level policymakers and Canadian partners, will help to publicize the public hearings on the Draft PEIS and will support efforts to engage in government-to-government consultations with the region's Native American tribes.

We are committed to the successful completion of this effort and believe that it will help facilitate the siting of oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities in our region. The access to secure and reliable energy sources is absolutely vital to the economy of this region, and because of this, we support this effort, and urge the development of a one-stop shop for permitting specific projects on all federal lands. We are working to develop greater collaboration between the states and provinces for multi-state corridor siting, which we believe is essential to meeting the long-term needs of our growing population and future economic growth.

If you have any questions about these comments, or would like additional information, please do not hesitate to contact Neil Parekh, Program Manager for the Bi-National Regional Energy Planning Initiative, at (206) 443-7723 or neil@pnwer.org.

Thank you.

Matt Morrison

Executive Director, PNWER

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¹¹ http:///www.pnwer.org http://www.pnwer.org/energyinitiative/index.htm