

Department of Energy

Bonneville Power Administration P.O. Box 491 Vancouver, Washington 98666-0491

TRANSMISSION SERVICES

March 7, 2013

In reply refer to: TEP-CSB-2

To: Parties Interested in the Northern Mid-Columbia Joint Project

In October 2012, Bonneville Power Administration (BPA) wrote to inform you that BPA is working with the Public Utility District No. 1 of Douglas County (Douglas PUD) to jointly propose a new transmission project and request your comments on the project. Thank you for taking the time to tell us your ideas. This letter briefly summarizes our proposal and the comments we received, includes a revised project map, outlines our next steps, and provides contact information if you have questions.

The Joint Project would require Douglas PUD to design, build, own, and operate a 230 kilovolt (kV) transmission line. The line would extend from Douglas PUD's Rapids Substation in the city of Rock Island to BPA's Columbia Substation, approximately eight miles to the southeast. Both endpoints of the proposed line are in Douglas County, Washington. To interconnect the proposed line to the Federal Columbia River Power System (FCRPS), BPA would add a bay to the Columbia Substation. The project would be jointly funded by BPA and the PUDs of Grant, Chelan, and Douglas Counties in Washington State. The Joint Project would address deficiencies in the Northern Mid-Columbia transmission system that could cause power outages and affect the reliability of transmission systems of these utilities.

Two transmission line route alternatives are being considered for the proposed transmission line (See Revised Project Map). BPA is also considering a No Action alternative, as required by the National Environmental Policy Act. A preferred alternative has not been selected at this time.

The East Route alternative is on the east side of the Columbia River, entirely within Douglas County. It would follow Highway 28 for approximately three miles, then diverge from the highway and climb a steep slope, traverse land on top of the plateau that is mostly cultivated, descend the plateau near Palisades Road, and terminate at the Columbia Substation. All lands along the East Route are privately owned except for several parcels owned by the US Department of Interior Bureau of Land Management (BLM). The East Route was modified by deleting Segment A through the city of Rock Island and the southern crossing of Highway 28 was moved further south to avoid a lake and a home.

The West Route alternative would begin and end in Douglas County, with the majority of the route in Chelan County. It would require two crossings of the Columbia River, but would traverse more level terrain than the East Route. Most of the route would be within existing utility corridors. All lands along the West Route are privately owned except for one parcel owned by the WA Department of Natural Resources (DNR). The only modification to the West Route is minor: the northern crossing of the Columbia River was moved downstream about 170 feet, parallel to an existing Douglas PUD line.

Public Comment Summary

BPA and Douglas PUD received 15 written comments about the proposal. Comments were received from private citizens, some of whom own property along or near proposed routes. The Cultural Resources Program of the Confederated Tribes and Bands of the Yakama Nation submitted comments. Local governments submitted comments, including the City of Rock Island, Douglas County Transportation and

Land Services, and Chelan PUD. State agencies submitted comments including the State of Washington Department of Ecology (DOE), Department of Natural Resources (DNR), and Department of Transportation Aviation Division. Federal agencies submitted comments, including the BLM and the US Environmental Protection Agency. Comments were also submitted by public meeting participants.

A brief summary of scoping comments is enclosed and the full text of comments is available at http://www.bpa.gov/applications/publiccomments/CommentList.aspx?ID=173. If you would like us to send you a copy of the comments, please call us toll free at (800) 622-4519. Let us know your request is for the Northern Mid-Columbia Joint Project and please provide your complete mailing address.

Next Steps - BPA and Douglas PUD are now analyzing the possible environmental impacts of the project. Your comments are helping us plan our studies. In the coming year, you may see workers in the area collecting environmental data and conducting engineering surveys for the project.

We expect to publish the information we gather in a preliminary Environmental Assessment (EA) in early 2014. The EA will describe anticipated impacts to natural and human resources and include mitigation measures to avoid or minimize impacts. During this process, BPA and Douglas PUD will work with federal, state, and local agencies, Tribes, landowners, and other interest groups. The BLM may decide to be a cooperating agency in the preparation of the EA. BPA will notify you about the public comment period for the preliminary EA and plans to hold meeting(s) to accept your comments and answer questions.

For More Information - Information is available on the project website at:

http://efw.bpa.gov/environmental_services/Document_Library/NMC_Joint_Project. If you have questions regarding the environmental process, please contact the environmental lead, Kimberly St.Hilaire, toll-free at 1-800-282-3713, directly at (503) 230-5361 or e-mail krsthilaire@bpa.gov. For questions on the transmission line route or design, please contact Douglas County PUD's Assistant Manager-Distribution Engineering, Jerry Kyle at (509) 881-2234 or Property Supervisor, John Brown at (509) 881-2297. For other questions, please call me, Alaric Hsu, at the toll-free number listed above, directly at (360) 619-6331 or e-mail me at ahhsu@bpa.gov. Thank you for your interest in this project.

Sincerely,

/s/ Alaric Hsu

Alaric Hsu BPA Project Manager

Enclosures: Revised Project Map (dated February 1, 2013) Public Comment Summary