

Department of Energy

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

TRANSMISSION SERVICES

In reply refer to: TP-DITT-2

AUG - 3 2015

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Development Services

David Pyle, Senior Land Use/Environmental Planner Land Use Division Development Services Department City of Bellevue 450 110th Avenue NE Bellevue, WA 98009-9012

Dear Mr. Pyle:

Thank you for your February 4, 2015 letter to Mr. Hardev Juj inquiring into the relationship of the Bonneville Power Administration (BPA) to Puget Sound Energy's (PSE) Energize Eastside Project (Project) and whether BPA has any National Environmental Policy Act (NEPA) obligations respecting the Project. Since Mr. Juj retired from BPA earlier this year, I am providing this letter in response to your inquiries.

As you know, the Energize Eastside Project has been proposed by PSE to address growth in the Eastside area near Seattle that is straining PSE's electrical system. The Project will be entirely built, owned, and operated by PSE. BPA has no jurisdictional, permitting, or other authority over the Project. A 2012 Memorandum of Agreement (MOA) between BPA, PSE, and Seattle City Light (SCL) did not provide for any BPA involvement or role in PSE's Project. Under the MOA, BPA was to provide PSE with an amount equivalent to one third the estimated cost of the Maple Valley-SnoKing Reconductor Project, since this project would likely no longer be needed if a suite of transmission system improvements identified in the MOA were completed. To clarify any possible confusion concerning PSE's use of these funds, BPA, PSE, and SCL have recently entered into a Letter Agreement (14TX-16060) specifying that the amount to be paid to Puget by BPA under the MOA will go specifically toward PSE's Whatcom County Transformer project. The Letter Agreement also acknowledges that BPA is not involved in any manner or capacity in PSE's Energize Eastside Project.

Consequently, BPA has no involvement or role in PSE's Project, and is making no decisions concerning PSE's Project. As a result, we do not believe there is any action being taken by BPA that triggers NEPA compliance requirements for the Project.

I hope that this letter adequately responds to your inquiries. If you have any further questions on this matter, please feel free to contact Hub Adams at (503) 230-4312.

Sincerely,

Jeffrey W. Cook, P.E.

Acting Vice President

Planning and Asset Management

Post Office Box 90012 - Bellevue, Washington - 98009 9012

February 4, 2015

Mr. Hardev S. Juj, P.E. Vice President, Planning and Asset Management TP-DITT-2 Bonneville Power Administration P.O. Box 491 Vancouver, WA 98666-0491

RE: Puget Sound Energy Energize Eastside Project Environmental Impact Statement

Mr. Juj,

I am writing in reference to the Puget Sound Energy Energize Eastside 240 kV Bulk Transmission Project. Your contact information was forwarded to me by Hub Adams, Attorney-Advisor with BPA.

As you are likely aware, PSE is proposing construction of a new bulk transmission system to serve the communities of Bellevue, Renton, Redmond, Kirkland, Newcastle, and a portion of King County. We are in the initial phase of developing an EIS under Washington's SEPA rules for this proposed project. One question that has come up is if NEPA processing is required - if the Energize Eastside project requires any federal license or permit or if the project includes federal funding. We have asked PSE to provide us with documentation verifying for us that there is no federal nexus that would add the additional layers and complexities of obtaining a NEPA CE, development of a NEPA EA, or completion of the NEPA EIS process. In turn PSE has discussed this request with BPA and we were put in touch with Hub Adams. Mr. Adams has been very helpful and we are now submitting this formal request at his recommendation.

We are interested in obtaining written correspondence for our EIS process record from BPA verifying that there is no federal BPA nexus for the Energize Eastside project. We do understand that your offices can only represent the relationship of BPA to the project, and that there may be a separate agency or program not associated with BPA that could trigger NEPA action. As NEPA requirements could affect the scope and content of the documentation to be developed by the third party consultant (hired by a coalition of cities with the City of Bellevue as lead), it is important for us to establish BPA's relationship to the project now as we are finalizing the consultant contract for the SEPA EIS process. If NEPA processing is triggered, the contract should likely include

additional work not currently included in the contract and the process should include additional steps not currently contemplated.

Thank you for your assistance.

Sincerely,

David Pyle

Senior Land Use/Environmental Planner

Development Services Department

Cc: Hub Adams, BPA