

DEVELOPMENT SERVICES DEPARTMENT ENVIRONMENTAL COORDINATOR 450 110th Ave NE BELLEVUE, WA 98009-9012

NOTICE OF AVAILABILITY OF PHASE 1 DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS)

NOTICE OF PUBLIC HEARINGS/OPEN HOUSES

PROJECT NAME: Energize Eastside

PROPONENT: Jens Nedrud, Puget Sound Energy (PSE)

LOCATION OF PROPOSAL: Portions of Bellevue, Kirkland, Newcastle, Redmond, Renton, and unincorporated King County between the Sammamish Substation at 9221 Willow Road NE, Redmond, WA 98052, and the Talbot Hill Substation at 2400 South Puget Drive, Renton, WA 98055.

DESCRIPTION OF PROPOSAL: Construct and operate a new transformer served by approximately 18 miles of new 230 kilovolt (kV) electrical transmission line to supply future electrical capacity and improve electrical grid reliability for Eastside communities. Complete project description is available in the project file and on the project website at <u>www.EnergizeEastsideElS.org</u>.

FILE NUMBER: 14-139122-LE PROJECT PLANNER: Heidi M. Bedwell

The Environmental Coordinator of the City of Bellevue, serving as lead agency, has determined that this proposal could have a significant adverse impact upon the environment. An Environmental Impact Statement (EIS) is required under RCW 43.21C. This decision was made after the Bellevue Environmental Coordinator reviewed preliminary information about the project provided by the applicant. The applicant has agreed with this finding and has voluntarily entered into agreement with the City of Bellevue for the processing of an EIS.

PUBLIC COMMENT: Agencies, affected tribes, and members of the public are invited to comment on the Phase 1 Draft EIS. You may comment on alternatives, mitigation measures, probable significant adverse impacts, and licenses or other approvals that may be required.

PUBLIC HEARING/OPEN HOUSE DATES, TIMES, AND LOCATIONS:

Tuesday February 23, 20166:00 - 8:00 PM:Kirkland Justice Center/11750 NE 118th St., Kirkland WAThursday February 25, 20166:00 - 8:00 PM:Renton City Hall/1055 South Grady Way, Renton, WASaturday February 27, 20162:00 - 4:00 PM:Newcastle Elementary School, 8440 136th Ave. SE, Newcastle, WAMonday February 29, 20166:00 - 8:00 PM:Redmond City Hall/15670 NE 85th St., Redmond, WATuesday March 1, 20166:00 - 9:00 PM:Bellevue City Hall/450 110th Ave. NE, Bellevue, WA

Comments may be submitted orally at the public hearings or in writing. Written comments may be submitted:

| Online at: | www.EnergizeEastsideEIS.org |
|-------------|--|
| By email to | Info@EnergizeEastsideEIS.org |
| By mail to: | City of Bellevue Development Services Department Attn: Heidi M. Bedwell 450 110th Avenue NE Bellevue, WA 98004 |

For questions about public hearings or commenting, email info@EnergizeEastsideEIS.org or contact:

Heidi M. Bedwell, Senior Land Use Planner/Energize Eastside EIS Program Manager City of Bellevue Development Services Department 425-452-4862

PUBLIC COMMENT PERIOD: The deadline for submitting comments is Monday March 14, 2016. All comments related to the DEIS must be received by this date. Mailed items that are postmarked by March 14, 2016 will be accepted. Comments may be submitted orally at the public hearings or in writing. Comments will be accepted by email; however, a valid physical mailing address is required to establish status as an official party of record.

PROJECT BACKGROUND: PSE has determined that projected electrical load growth in the Eastside area of PSE's operating system is outstripping the capacity to deliver reliable sources of electricity to the region. The Eastside area is roughly defined as the area east of Lake Washington and west of Lake Sammamish, between the cities of Redmond and Renton. A detailed description of the electrical system problem is provided in PSE's Supplemental Eastside Needs Assessment Report (2015). PSE's transmission system backbone in the Eastside area comprises four transformers that convert 230 kV power to 115 kV. These transformers, under certain operational conditions (for example, cold winter days or warm summer days), operate near capacity. System studies and models have shown that they are expected to exceed their designed capacity as early as the winter of 2017/2018 or the summer of 2018. In addition to these transformers, several 115 kV lines are also subject to overloading.

PSE has determined that these overloads would create operational conditions that do not comply with minimum reliability requirements mandated by the North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC). Building a new 230 kV transmission line and substation connecting to the Talbot Hill and Sammamish substations is one means of addressing the system deficiency PSE has identified. PSE selected this option as its preferred solution.

Project background documentation is available on the project website at: <u>www.EnergizeEastsideEIS.org</u>.

LOCATION OF PROPOSAL: Portions of Bellevue, Kirkland, Newcastle, Redmond, Renton, and unincorporated King County between the Sammamish substation at 9221 Willow Road NE, Redmond, WA 98052, and the Talbot Hill substation at 2400 South Puget Drive, Renton, WA 98055. Note: Alternatives considered in the Phase 1 DEIS could extend further east and west.

LEAD AGENCY: The City of Bellevue is the lead agency under section 197-11-932 of the Washington Administrative Code ("WAC"), and issued a letter of lead agency status to the Cities of Kirkland, Newcastle, Redmond and Renton on September 15, 2014. Bellevue is the nominal lead and each of the other cities (referred to as the Principal Jurisdictions) is a co-lead agency for the Proposal as permitted pursuant to WAC 197-11-944.

EIS REQUIRED: The lead agency has determined that this proposal is likely to have a significant adverse impact on the environment. An environmental impact statement (EIS) is required under the Revised Code of Washington (RCW) 43.21C and will be prepared. Background materials indicating likely environmental impacts can be reviewed at the City of Bellevue Development Services Department or on the project website at: www.EnergizeEastsideEIS.org.

The Energize Eastside EIS is not a permit - it is one of many sets of information permitting agencies will consider as they decide whether to approve the project and issue necessary permits.

PHASED REVIEW: A Phased Environmental Impact Statement (EIS) is being prepared under WAC 197-11-060(5). This first phase programmatically evaluates the environmental impacts of various alternatives for addressing the electrical transmission capacity deficiency identified by PSE as the purpose for the project. The second phase of environmental analysis will select among the alternatives evaluated in the Phase 1 EIS and examine project level alternatives, including possible alternate locations for project components. A second opportunity for scoping will be provided, and a second Draft EIS will be issued for Phase 2.

Following publication of the Phase 2 Draft EIS, a Final EIS for Phases 1 and 2 will be issued.

ALTERNATIVES: Four alternatives are analyzed in the Phase 1 Draft EIS. Descriptions of the four alternatives follow:

No Action

This alternative is required under SEPA, as a baseline against which the action alternatives can be compared. Under this alternative, maintenance and certain other activities that do not require state or local government approvals could continue. No new 230 kV line, substation, major battery storage or generation facility would be built. The No Action Alternative is defined as those actions PSE would undertake when needed to serve the project objectives without requiring issuance of state or local permits (something PSE could build or undertake if the proposed project is not approved). The No Action Alternative represents the most likely outcome if the proposed project is not implemented, and it is considered the baseline condition.

Alternative 1- New Transformer and Transmission Line

This alternative - adding a new 230kV to an existing 115kV substation and connecting it with the Talbot Hill and Sammamish substations via a new 230 kV transmission line - is PSE's preferred solution. This solution would provide a new 230 kV transmission source and improve reliability for the Eastside area. To provide the greatest system benefit, the new transformer would need to be located somewhere between State Route 520 and Interstate 90. For the Phase 1 Draft EIS, three basic types of 230 kV transmission line installations are considered capable of meeting the project objectives: overhead (new as well as existing transmission lines), underground, and underwater (submerged). The new 230 kV line could also be a combination of these types.

Alternative 2 – Integrated Resource Approach

This alternative is defined as a combination of a number of methods to conserve or deliver power within the Eastside that would be deployed in some fashion to meet PSE's objectives, including: energy storage units (large-scale batteries); demand response devices (specialized devices to control customer electrical usage and help reduce peak uses); distributed generation (such as gas turbines and fuel cells, not owned by PSE but tied to the PSE system and controllable by PSE); energy efficiency measures (increased usage of LED lightbulbs, energy-efficient appliances, and updated windows and insulation); and simple-cycle generation facilities (located at PSE substations, and operated as needed during peak demand periods).

Alternative 3 – New 115 kV Lines and Transformers

Under Alternative 3, new 230 kV to 115 kV transformers would be installed at the Lake Tradition, Talbot Hill, and Sammamish substations and approximately 60 miles of new 115 kV transmission lines would be installed on the Eastside, including areas east of Lake Sammamish. In addition, there would be modifications required at seven other substations throughout the Eastside. Five substation sites would need to be expanded and additional security measures would be required. At Sammamish and Talbot Hill, this would result in three 230 kV to 115 kV transformers being located in the same substation.