



May 29, 2015

Mr. Steve O'Donnell, President
Coalition of Eastside Neighborhoods for Sensible Energy (CENSE)
12819 SE 38th St. #294, Bellevue, WA 98006

Mr. Larry G. Johnson, President
Citizens for Sane Eastside Energy (CSEE)
8505 129th Ave. SE, Newcastle, WA 98056

Dear Mr. O'Donnell and Mr. Johnson:

Following is ColumbiaGrid's response, to your May 15 letter pertaining to PSE's Energize Eastside project, clarifying some of the misperceptions contained in your letter.

ColumbiaGrid is one of four transmission-planning regions in the Western United States. ColumbiaGrid does not own, operate, or construct electric transmission facilities. ColumbiaGrid's primary mission is to improve reliability of the transmission grid, provide cost-effective transmission planning and expansion, and to develop and facilitate the implementation of solutions relating to improved use and expansion of the interconnected Northwest transmission system through a coordinated, open, and transparent planning process and in consideration of regional public views, advice, and concerns regarding carrying out its purposes.

ColumbiaGrid carries out its primary mission pursuant to the second amended Planning and Expansion Functional Agreement ("PEFA") and the First Amended and Restated Order 1000 Functional Agreement ("Order 1000 Agreement"). BPA, PSE, and Seattle City Light are all parties to PEFA, whereas, of the three, only PSE is a party to the Order 1000 Agreement. Both agreements are incorporated into a single planning process, yet BPA and Seattle City Light are not subject to the requirements of the Order 1000 Agreement nor of Order 1000. ColumbiaGrid's planning pursuant to the Order 1000 Agreement began in January 2015. As such, analysis of PSE's Energize Eastside project did not fit within the Order 1000 Agreement.

It is up to the individual planning parties to develop load-serving projects, such as the Energize Eastside project proposed by PSE, and to determine their individual transmission needs. ColumbiaGrid's role, pertaining to a proposed load-serving project, is to analyze the proposed project's impact on the grid to ensure that it will not adversely affect the regional grid. ColumbiaGrid also analyzes whether the proposed project may defer, mitigate, or replace the need for other projects on the grid.

Regarding PSE's Energize Eastside project, ColumbiaGrid completed the necessary studies, consistent with established planning criteria and standards and utilizing industry-standard models and methods. ColumbiaGrid utilized historical generation levels to approximate generation patterns and studied various contingency scenarios. Accordingly, ColumbiaGrid has met its obligations to thoroughly study the project's impacts on the interconnected regional grid. PSE's Energize Eastside project is included in ColumbiaGrid's 2015 Biennial Transmission Expansion Plan.

For additional information on ColumbiaGrid or to view our published system assessments and biennial transmission expansion plans, please visit our website at <http://www.columbiagrid.org/>

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick J. Damiano", written over a horizontal line.

Patrick J. Damiano
President / CEO
ColumbiaGrid

cc via email: BPA, PSE, Seattle City Light