

Department of Energy

Bonneville Power Administration P.O. Box 61409 Vancouver, WA 98666-1409

TRANSMISSION SERVICES

May 14, 2010

In reply refer to: TEP-TPP-3

To: Parties Interested in the Big Eddy-Knight Transmission Project

Background

In June 2009, the Bonneville Power Administration (BPA) notified the public about a proposal to build a 500-kilovolt line from BPA's existing Big Eddy Substation in The Dalles, Ore, to a proposed new Knight Substation about four miles northwest of Goldendale, Wash.

The proposed project is needed to increase the electrical capacity of our transmission system so we can respond to requests for transmission service in the area. As BPA is committed to keeping the public informed of our progress on the project, we are providing you with this project update.

In December 2009, a project update fact sheet was sent out which described refinements we made to the initial proposal. The refinements were based on additional studies and comments received during the public scoping process which occurred in the summer of 2009.

Environmental review schedule and process

We are preparing the draft environmental impact statement (EIS) that will analyze the potential environmental impacts of each proposed alternative. We expect to release the draft EIS in late August 2010 for public review and comment. We originally planned to release the draft EIS this spring; however, environmental analysis of the project refinements has required more time.

The draft EIS will describe the need for the project, the design of the proposed transmission line and substation and the alternatives considered. It will also address the potential environmental impacts to land use, visual quality, socioeconomics, fish and wildlife, wetlands, water resources, vegetation, soils, health and safety, cultural resources and other issues. We plan to identify our preferred alternative in the draft EIS.

We will hold public meetings in the fall of 2010 to gather public comments on the draft EIS. After we review all comments, BPA will prepare a final EIS that responds to the issues raised.

We will continue to work with the Washington and Oregon Energy Facility Siting Councils, as well as with other federal, state, and local agencies, tribes, landowners and interest groups. Based on the final EIS findings and public input throughout the process, BPA will make a decision whether or how to proceed with the project. That decision is now expected by June 2011.

For more information

If you have questions regarding the environmental process, please contact our environmental project lead, Stacy Mason, toll-free at (800) 282-3713, direct at (503) 230-5455, or e-mail at slmason@bpa.gov. If you have other questions or would like more project information, please call me, Steve Prickett, at the toll-free number above or directly at (360) 619-6379; or e-mail slprickett@bpa.gov.

For general project information, please visit our website: http://www.efw.bpa.gov/environmental_services/Document_Library/Big_Eddy-Knight

We will send you notification when the draft EIS is available online. If you want a CD or printed copy (200-300 pages) and have not already informed us, contact us toll-free at 800-622-4519. Please be sure to reference the "Big Eddy-Knight Transmission Project".

Thank you for your interest in this proposed project.

Sincerely,

/s/ Steven L. Prickett

Steven L. Prickett Project Manager