



Department of Energy

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

TRANSMISSION SERVICES

July 25, 2008

In reply refer to: TEP-CSB-2

To: Parties interested in the proposed Kittitas Valley Wind Project

Sagebrush Power Partners, LLC (Sagebrush), a wholly owned subsidiary of Horizon Wind Energy LLC, has submitted a request to Bonneville Power Administration (BPA) to interconnect up to 108 megawatts of electricity generated from Sagebrush's proposed Kittitas Valley Wind Project in Kittitas County, Washington to the Federal Columbia River Transmission System. The purpose of this letter is to describe Sagebrush's proposed interconnection and to explain how to comment on BPA's environmental review of its actions related to the proposed interconnection.

Background

Sagebrush proposes to independently build, own, and operate the Kittitas Valley Wind Project and its associated facilities. To site its proposed wind project, Sagebrush applied for site certification through the State of Washington Energy Facility Site Evaluation Council (EFSEC). After completing a public process and an environmental impact statement dated February 2007, EFSEC recommended approval, and Governor Gregoire approved the siting of the project on September 18, 2007. Petitions for Judicial Review of the Governor's approval and EFSEC's recommendation were filed in Thurston County Superior Court in October 2007, and the case is pending in the Washington State Supreme Court.

To move the power generated by its proposed wind project to customers, Sagebrush requested interconnection of its project to BPA's transmission system as described above. BPA offers transmission services, including interconnection of generation, to all eligible customers on a non-discriminatory and first-come, first-served basis subject to an environmental review under the National Environmental Policy Act (NEPA). As a part of the BPA NEPA review for the proposed interconnection BPA will seek public comment. BPA's initiation of the NEPA public process does not commit BPA to any particular decision.

Proposal

In order for BPA to interconnect the wind project, BPA would need to construct a new substation adjacent to its Columbia-Covington 230-kilovolt line. The area affected by the proposed facility is expected to be about three acres of land. The attached map shows the location of the BPA facility that would be necessary if this interconnection was approved. BPA is not proposing to purchase any of the power produced by this wind project.

How to comment

BPA is accepting comments on Sagebrush's proposed interconnection through **August 25, 2008**. Comments can be submitted online at: www.bpa.gov/comment, via mail to: Bonneville Power Administration, Public Affairs Office - DKC-7, P.O. Box 14428, Portland, OR, 97293-4428, or faxed to (503) 230-3285. You also may call us with your comment toll free at (800) 622-4519. Please reference "Kittitas Valley Wind Interconnection Project" with your comments. Please note that BPA will post all comment letters in their entirety on BPA's Web site at www.bpa.gov/comment.

Schedule

BPA currently is planning on completing its environmental review under NEPA of its proposed actions related to Sagebrush's proposal by fall 2008. If BPA determines that the decision to interconnect Sagebrush's proposed wind project is consistent with BPA's Business Plan Environmental Impact Statement (BP EIS), BPA will prepare a record of decision (ROD) tiered to the BP EIS and its associated ROD. BPA also could choose to prepare other appropriate NEPA documentation based on circumstances that arise as this public process and further environmental analysis is conducted.

Upon completion of the NEPA process and if there is a decision to proceed, BPA would offer a Large Generator Interconnection Agreement for interconnection of Sagebrush's proposed wind project to BPA's transmission system.

For more information

If you have questions or would like more information about BPA's proposed interconnection, please call us toll free at (800) 622-4519 or visit our Web site at www.transmission.bpa.gov/PlanProj/Wind/.

Thank you for your interest in this project.

Sincerely,

/s/ Emmanuel B. Jaramillo, 7/25/2008

Emmanuel B. Jaramillo
Project Manager

Enclosures:
Map proposed project
Comment form