



Department of Energy

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

TRANSMISSION BUSINESS LINE

May 10, 2006

In reply refer to: TNP-TPP-3

To: Parties Interested in the Port Angeles-Juan de Fuca Transmission Project

The U.S. Department of Energy (DOE) is currently in the process of preparing an Environmental Impact Statement (EIS) for its role in potentially approving an application for construction and operation of a proposed international transmission line by Sea Breeze Pacific Juan de Fuca Cable, LP (Sea Breeze). The purpose of this letter is to provide an update on the schedule for the draft EIS and upcoming opportunities for public review and comment.

This proposed 550-megawatt (MW) transmission line would extend from the Bonneville Power Administration (BPA) Port Angeles Substation in Port Angeles, Wash. in the United States to the greater Victoria area, British Columbia, in Canada.

In order to construct its proposed project, Sea Breeze has applied to the Office of Electricity Delivery and Energy Reliability (OE), an organizational unit within DOE, for a Presidential permit for the proposed project. Sea Breeze has also submitted a request to BPA, another organizational unit within DOE, for interconnection of its proposed project to the Federal Columbia River Transmission System (FCRTS), which is owned and operated by BPA, at BPA's Port Angeles Substation. As part of the consideration of these applications, OE and BPA, acting on behalf of DOE, are preparing an EIS to comply with the National Environmental Policy Act (NEPA).

Anticipated EIS Schedule

DOE completed the scoping process for the EIS in summer 2005. Since then, specific information concerning Sea Breeze's proposed project was fully fleshed out, and resource surveys were conducted. A draft EIS is now nearing completion and is expected to be available for public review during the summer of 2006. A minimum 45-day draft EIS public review and comment period will be provided and at least one public meeting concerning the draft EIS will be held.

After the draft EIS public review and comment period ends, DOE will prepare a final EIS that responds to all public comments and makes any necessary revisions to the EIS. DOE currently expects that the final EIS will be completed and made available to the public in early 2007.

DOE then will issue a record of decision (ROD) that identifies the respective decisions by OE and BPA whether to grant or deny the authorizations requested by Sea Breeze. DOE currently expects that it will issue this ROD in spring or summer 2007. This schedule may change as DOE continues through the EIS process.

For More Information

If you have questions or would like more information on the project, please call toll-free (800) 622-4519. Additional information is posted on the BPA Web site at http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/. You may also contact me directly at (360) 619-6326.

For inquiries regarding the Presidential permit process, contact Dr. Jerry Pell by mail at: Office of Electricity and Energy Reliability, U.S. Department of Energy, Washington, DC 20585, by phone: (202) 586-3362, by fax: (202) 318-7761 or by e-mailing jerry.pell@hq.doe.gov.

Sincerely,

/s/ Mark Korsness, May 10, 2006

Mark Korsness

Project Manager

Bonneville Power Administration