

Department of Energy

Bonneville Power Administration
P.O. Box 491
Vancouver, Washington 98666-0491

TRANSMISSION BUSINESS LINE

October 5, 2006

In reply refer to: Shepherd's Flat Wind Interconnection - TNP-CSB-2

To: People interested in BPA's interconnection of the Shepherd's Flat wind project

Bonneville Power Administration has been asked by Lifeline Energy to interconnect up to 750 megawatts (MW) of electricity generated from their proposed Shepherd's Flat Wind Farm in Gilliam and Morrow Counties, Ore. to the Federal Columbia River Transmission System (FCRTS). As a federal agency, BPA must consider the environmental impacts of its decision to interconnect under the National Environmental Policy Act. The purpose of this letter is to describe the proposed interconnection process, invite you to a public meeting and explain how you may comment on the project or contact BPA with questions.

Background

Lifeline Energy has proposed the 750 MW Shepherds Flat Wind Farm in Gilliam and Morrow Counties, Ore. Lifeline would permit, build, own, and operate this wind project and its associated facilities, including a proposed transmission line that would be built between the wind project and the proposed interconnection to the FCRTS. Siting of the wind project is under the jurisdiction of the Oregon Energy Facility Siting Council (EFSC), which is currently reviewing the project. Oregon EFSC held a public meeting on July 28, 2006 to seek public input concerning the wind project. BPA staff attended that meeting to discuss BPA's proposed role in interconnecting the project to the FCRTS.

Proposal

To interconnect the proposed Shepherd's Flat Wind Farm, BPA proposes to expand its existing Slatt substation yard in Gilliam County in 2008, adding a 230-kilovolt (kV) yard. Lifeline Energy would build two to three collector substations and its wind farm with associated 230-kV lines that would connect these collector substations to BPA's expanded Slatt substation. BPA does not propose to purchase any of the power produced by this wind project.

Public Meeting

BPA invites all interested parties to attend a public meeting to review BPA's proposed interconnection of Lifeline's proposed wind project. The meeting is on:

Wednesday, Oct. 25, 2006

6 p.m. - 8 p.m.

Arlington Grade School

1400 Main Street

Arlington, Ore. 97812

Schedule

This project is in the preliminary environmental review stages. BPA will take public comment on its proposed interconnection through Nov. 10, 2006. BPA will also monitor the Oregon EFSC Site Certificate process for the proposed wind project and comments raised in that process. If BPA determines that the decision to interconnect this project is consistent with BPA's Business Plan Environmental Impact Statement published in June 1995, BPA will prepare a Record of Decision (ROD) tiered to the BPA EIS and its ROD. A tiered ROD could be released sometime in 2007, depending on the EFSC schedule for consideration of the wind project. Construction of the proposed Shepherd's Flat Wind Farm could begin as early as 2008.

How to Comment

Comments will be accepted through Nov. 10, 2006. Comments can be submitted online at <http://www.bpa.gov/comment>; via e-mail to comment@bpa.gov; via mail to Bonneville Power Administration, Public Affairs Office - DKC-7, P.O. Box 14428, Portland OR 97293-4428; or by fax to (503) 230-3285. You also can call us toll free with your comments at (800) 622-4519. In your comments, please reference Shepherd's Flat Wind Interconnection. Please note that all comment letters will be posted on BPA's Web site at <http://www.bpa.gov/comment/>.

For More Information

If you have questions or would like more information about BPA's proposed interconnection of the wind project, please call us toll-free at (800) 622-4519. Additional information is posted on our Web site at <http://www.transmission.bpa.gov/PlanProj/Wind/>. Information about EFSC's consideration of the wind project is available at: <http://www.oregon.gov/ENERGY/SITING/review.shtml>. Thank you for your interest in this project.

Sincerely,

/s/ Page Andrews, Oct. 5, 2006

Page Andrews
Project Manager

Enclosed:
Project Map