



Department of Energy

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

TRANSMISSION BUSINESS LINE

February 11, 2005

In reply refer to: Klondike III Wind Project Interconnection

To: People interested in BPA's Proposed Interconnection of the Klondike III Wind Project

Bonneville Power Administration has been asked by PPM Energy, Inc. (PPM) to interconnect 300 megawatts (MW) of electricity generated from the proposed Klondike III Wind Project to the Federal Columbia River Transmission System (FCRTS). The purpose of this letter is to provide a description of the interconnection and environmental process, invite you to a public meeting, inform you on how to comment on the proposal and how to contact BPA if you have questions or comments.

BPA is a federal agency that owns and operates the majority of the high-voltage electric transmission system in the Pacific Northwest. Consistent with the Federal Energy Regulatory Commission, BPA has an Open Access Transmission Tariff for the FCRTS. BPA offers transmission interconnection to the FCRTS to all eligible customers on a first-come, first-served basis subject to an environmental review.

Proposal

BPA proposes to execute an agreement with PPM to provide interconnection services for up to 300 MW of the proposed wind project, located in Sherman County, Ore. near the town of Wasco. BPA would construct and operate a 12-mile 230-kilovolt transmission line and two new substations, one at each end of the proposed transmission line. The electricity from the wind project would interconnect to the FCRTS at BPA's existing John Day Substation through a new 500/230-kV substation, which could accommodate PPM and other wind developers in the area.

Two alternative routes have been identified for the proposed BPA transmission line which are both depicted on the enclosed map. There are no alternatives proposed for the location of the substations. The transmission line and new substations would be located on privately owned land primarily used for dry land wheat farming. A no action alternative is also being considered, under which BPA would not offer interconnection.

Public Meeting

You are invited to attend a public scoping meeting. BPA representatives will be available to discuss and answer any questions you may have about the proposed interconnection. PPM representatives will be available to discuss the proposed wind project. Comments will be accepted throughout the meeting. The meeting will be on:

Tuesday, March 1, 2005

6 - 8:00 p.m.

St. Mary's Parish Hall

807 Barnett Street

Wasco, OR 97065

Environmental Process and Schedule

BPA considers potential environmental impacts of its proposed interconnection projects. In compliance with the National Environmental Policy Act, BPA is preparing an environmental impact statement (EIS) to assess the potential impacts of the construction, operation and maintenance PPM's proposed wind project facilities.

BPA will use information collected at the public meeting and its own assessments to help identify potential environmental impacts. After the March 1, public meeting, environmental and engineering activities will occur along proposed BPA transmission line routes to determine if they should be refined based on landowner concerns, resources present and potential impacts.

PPM will be conducting its own environmental studies on the wind project according to Oregon state regulations and will be applying for a site certificate from the Oregon Energy Facility Siting Council. Information gathered by PPM will be incorporated into BPA's environmental analysis and made available in a draft EIS. This document should be available for public review and comment in the summer of 2005.

Once BPA has completed the environmental review, a final EIS will be released addressing all public comments. A decision will be made whether to interconnect the wind project. If BPA decides to interconnect the wind project, construction on the proposed BPA transmission line and BPA substations could begin as early as March 2006. PPM expects to construct and energize the wind project by December 2006.

How to Comment

Comments on BPA's proposal to interconnect the proposed Klondike III Wind Project will be accepted through March 17, 2005. There are a number of ways to comment. You can mail the enclosed comment form to BPA Communications – DM-7, P.O. Box 14428, Portland, OR 97293-4428, fax them to 503-230-3285, send an email to comment@bpa.gov or submit through the BPA Web site at www.bpa.gov/comment/. Please include the name of this project with your comments. If you would like to receive a copy of the draft EIS, please return the enclosed postcard and specify if you prefer a CD or hardcopy of the document.

For More Information

BPA is committed to providing reliable, low-cost transmission products and services to the region while minimizing environmental impacts and demonstrating regional accountability. If you have questions or would like more information about the project, please call us toll-free at 1-888-276-7790. Additional information is posted on our web site at www.transmission.bpa.gov/PlanProj/Wind/.

Sincerely,

Gary O. Beck February 11, 2005

Gary Beck
Project Manager

Enclosures:
Project Area Map
Postcard
Comment Form