EXH. DRK-18
DOCKETS UE-22__/UG-22_
2022 PSE GENERAL RATE CASE
WITNESS: DAN'L R. KOCH

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	
Complainant,	
V.	Docket UE-22 Docket UG-22
PUGET SOUND ENERGY,	
Respondent.	

SEVENTEENTH EXHIBIT (NONCONFIDENTIAL) TO THE PREFILED DIRECT TESTIMONY OF

DAN'L R. KOCH

ON BEHALF OF PUGET SOUND ENERGY



energize**EASTSIDE**

community advisory group FINAL REPORT

January 2015







Community Advisory Group Final Report

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The Community Advisory Group reviewed and provided feedback on this report.

Executive summary

The Energize Eastside project will build a new electric substation and higher capacity (230 kV) transmission lines on the Eastside. In order to provide a forum that would generate robust input from diverse community stakeholders, Puget Sound Energy (PSE) convened a Community Advisory Group comprised of 24 representatives from various interests across the Eastside.

The Community Advisory Group's goals were to help identify and assess community values in the context of evaluating which route the new transmission lines should follow, and to develop a route recommendation for PSE's consideration.

Meeting schedule

The Community Advisory Group met eight times between Jan. 22 and Dec. 10, 2014. The advisory group discussed the following topics at each meeting:

- Jan. 22: Role of the advisory group and introduction to the project
- Feb. 12: Solution selection process and project routing
- June 4: Review key findings from the sub-area workshops and Sub-Area Committee meetings
- June 25: Review potential route options
- July 9: Narrow potential route options and finalize evaluation factors
- Oct. 1: Review key findings from the open houses and prepare for route evaluation
- Oct. 8: Develop a preliminary route recommendation
- Dec. 10: Finalize a route recommendation for PSE's consideration

Additional meeting details are included in section IV (Community Advisory Group activities).

Community outreach

The Community Advisory Group process was supplemented by broad and ongoing community outreach, including public events at key milestones. At outreach events, the community learned about outcomes of the advisory group process to date and submitted feedback that the advisory group considered in their discussions. Key outreach events included:

- Jan. 29 and 30: Open House #1
- March May: Six sub-area workshops and three Sub-Area Committee meetings
- April 21: Question and Answer Meeting #1
- July 7: Question and Answer Meeting #2
- Sept. 10 and 11: Open House #2
- Nov. 12 and 13: Open House #3

Along with feedback collected at these outreach events, members of the public could also submit input and ask questions via email, voicemail and an online comment form on the project website. To help inform their discussion, the advisory group received monthly public comment summaries of more than 2,300 comments and questions received from the public, as well as summaries of comments received at open houses. Additional activities are detailed in section V (Community involvement).

Recommendation

On Dec. 10, the Energize Eastside Community Advisory Group selected route options Oak and Willow as their final route recommendation for PSE's consideration. Of the 22 advisory group members and four residential association alternates participating in the recommendation discussion, 20 supported the final recommendation.¹

¹ The above count includes the advisory group members and residential association alternates present at the Dec. 10, 2014 meeting, as well as six members and residential association alternates who did not attend the meeting but later provided feedback on the recommendation.

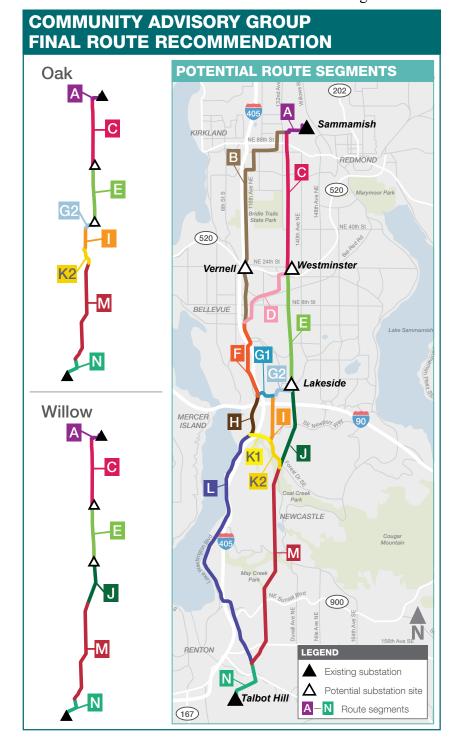
The final recommendation was based on the advisory group's work throughout 2014, including discussion of community feedback collected throughout the year. Six advisory group members and residential association alternates dissented from the recommendation and supported none of the routes.

Next steps

Following the completion of the Community Advisory Group's process, PSE's next steps in 2015 are to:

- Take the Community Advisory Group's recommendation under consideration and make an announcement about routing that balances the needs of customers, the local community, property owners and PSE
- Work directly with property owners and tenants to begin detailed fieldwork to inform environmental review, design and permitting
- Ask for community input on project design, which may include pole height, finish and other design considerations
- Work with the City of Bellevue and other affected jurisdictions and agencies on the project's Environmental Impact Statement (EIS) process

Once these steps are complete, PSE will apply for necessary permits from appropriate agencies and jurisdictions. The project design and permitting phase is expected to run through early 2017. Once fully designed and permitted, project construction is expected to begin in 2017, with project completion planned for 2018.



I. Introduction

Growth studies presented by Puget Sound Energy (PSE) and third-party experts project that demand for reliable power on the Eastside will exceed capacity as early as the winter of 2017/2018.¹ These studies indicate that without substantial electrical infrastructure upgrades and aggressive conservation efforts, the Eastside's power system will lose redundancy, increasing the risk of more disruptive and longer outages for as many as 60,000 customers.

The Energize Eastside project will build a new electric substation and higher capacity (230 kV) transmission lines on the Eastside. The new 230 kV transmission lines will extend from the existing Sammamish substation in Redmond to the existing Talbot Hill substation in Renton, connecting with a new substation site in between. These upgrades will provide dependable power for Eastside communities for many years to come.

In January 2014, PSE convened a Community Advisory Group comprised of 24 representatives² from various interests across the Eastside. The purpose of the advisory group was to provide a forum that would generate robust input from diverse community stakeholders in compliance with comprehensive plan goals and policies, which promote public participation and/or coordinated utility siting. The Community Advisory Group's goals were to help identify and assess community values in the context of evaluating which route the new transmission lines should follow and to develop a final route recommendation for PSE's consideration.



Project Manager Jens Nedrud leads Community Advisory Group members on a tour of the project area.

Purpose of report

The purpose of this report is to document the work and summarize the recommendations of the Community Advisory Group convened by PSE to explore community preferences, priorities and concerns and to assess segments that could be combined to form a final route for the Energize Eastside 230kV transmission lines.

¹ Quanta Technology and Puget Sound Energy, *Eastside Needs Assessment Report*, 2013.

² The Community Advisory Group consisted of 24 members at the beginning of the process; however, two member organizations (King County and Renton Technical College) withdrew without replacement.

II. Project background

PSE's existing Eastside electric system had its last major upgrade in the 1960s. The electric system serves communities between Redmond to the north, Renton to the south, Lake Washington to the west and Lake Sammamish to the east. Power is currently delivered throughout the Eastside region using 115 kV transmission lines that run between two 230 kV substations – one in Redmond and one in Renton (see Figure 1).

Since the system's last upgrade, the Eastside population has grown from approximately 50,000 to nearly 400,000 people, and this growth trend is expected to continue. Puget Sound Regional Council projections indicate that the Eastside population will grow by more than a third between 2010 and 2040.¹ Not only have Eastside communities grown and prospered, but the way Eastside residents use electricity has changed. Home square footage has increased, requiring more energy for lighting, heating and air conditioning. Additionally, most devices and appliances plugged in today did not exist years ago. Despite improvements in energy efficiency and aggressive conservation efforts, demand for electricity has grown dramatically.

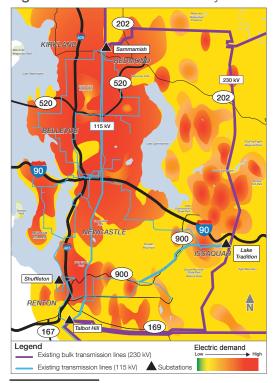
Federal standards require PSE to plan for future forecasted loads and upgrade the system accordingly. Forecasted loads for transmission purposes are based on historical load data as well as a variety of other inputs, including information about weather, regional and national economic growth, demographic changes, conservation, and other customer usage and behavior factors. In 2013, PSE published the *Eastside Needs Assessment*. Prepared with assistance from independent experts, the study demonstrated that the increased demand is already placing a strain on the electric system. As growth continues, the existing system will only become more stressed, increasing the possibility of widespread

outages, especially during peak winter loads when customer electricity use is greatest.

To determine a solution, PSE and independent experts conducted multiple independent analyses of the existing system and studied a variety of options to address the growing need on the Eastside, including further reducing demand through conservation, increasing the capacity of existing electric transmission lines, generating energy locally, and building new infrastructure.

After a comprehensive review, PSE determined that a combination of continued conservation and infrastructure upgrades – a new substation and higher capacity 230 kV transmission lines – will meet growing demand on the Eastside and ensure reliable electricity for years to come. ^{2,3}

Figure 1. The Eastside's electric system and demand



² Energy + Environmental Economics, *Non-wire Solutions Analysis*, 2014.

¹ Puget Sound Regional Council 2013 Land Use Baseline: Maintenance Release 1 (MR1), update April 2014.

³ Quanta Technology and Puget Sound Energy, *Eastside Transmission Solutions Report*, 2013.

III. About the Community Advisory Group

Purpose

The purpose of the Community Advisory Group was to evaluate the potential route options identified by PSE and independent experts, help PSE better understand community and property owner values and concerns, and determine a route recommendation for PSE's consideration. The Community Advisory Group process and final route recommendation will help PSE evaluate and consider routes that balance the needs of its customers, the local community, property owners and PSE.

Throughout the community outreach process, the Community Advisory Group:

- Developed an understanding of the Energize Eastside project and project need
- Reported back to the constituents they represented on project details, gathered feedback from the interests they represented, and provided ongoing communication between PSE and their constituents throughout the process
- As community representatives, provided advice on ways to address community concerns

- Participated in geographic Sub-Area Committee meetings to identify local concerns and values
- Worked collaboratively and constructively to help consider community and property owner values
- Engaged in a process to evaluate route options
- Determined a final route recommendation for PSE's consideration

The Community Advisory Group codified its purpose, process and guidelines in its Charter (Appendix A), agreed upon by consensus.

Membership

The Community Advisory Group was made up of representatives from various interests, including neighborhood organizations, cities, schools, social service organizations, major commercial users, economic development groups, an environmental organization and a property developer. See Table 1 for members, including which interests each member represented and their specific organization or affiliation.



Learning about the project need and advisory group process at Community Advisory Group Meeting #1 in Bellevue.

Table 1: Community Advisory Group members

Interest	Organization or affiliation	Name
	City of Bellevue	Nicholas Matz
	City of Kirkland	Rob Jammerman
	City of Newcastle	Tim McHarg
City		Pete Sullivan (primary)
	City of Redmond ¹	Lori Peckol (alternate)
		Cathy Beam (alternate)
	City of Renton	Gregg Zimmerman
Economic development	OneRedmond	Bart Phillips
organization	Renton Chamber of Commerce	Brent Camann
Environmental organization	Mountains to Sound Greenway	Floyd Rogers
I III I I I I I I I I I I I I I I I I		David St. John (primary) Mary Bourguignon (alternate)
NA-i	Overlake Hospital	Sam Baxter (primary)
Major commercial/ industrial user	Medical Center	Jeff Fleming (alternate)
ilidustilai usei	Renton Technical College ³	Steve Hanson
Property developer	Master Builders Association	David Hoffman
Puget Sound Energy	Puget Sound Energy	Andy Swayne
D . I . I . I . I .	Somerset Community Association	Steve O'Donnell
Residential organization (Bellevue)	Wilburton Community Association	Robert Shay
(Delievae)	Bridle Trails Community Club	Norm Hansen
Residential organization	South Rose Hill/Bridle Trails	Deirdre Johnson (primary)
(Kirkland)	Neighborhood Association	Jim McElwee (alternate)
Residential organization (Newcastle)	Olympus Neighborhood Association	David Edmonds (primary) Sean McNamara (alternate) Sue Stronk (alternate)
Residential organization (Redmond)	Redmond Neighborhoods	David Chicks
Residential organization (Renton)	Kennydale Neighborhood Association Darius Richards	
School district Bellevue School District		Jack McLeod (primary) Kyle McLeod (alternate)
	Lake Washington School District	Brian Buck
Social service organization	Coal Creek Family YMCA	Marcia Isenberger (primary) Paul Lwali (alternate)
	Hopelink	Nicola Barnes

¹ In October 2014, Pete Sullivan relocated and was unable to attend meetings thereafter, but remained involved in the process.

² King County was invited to have a staff representative serve on the advisory group. King County staff attended two introductory meetings but then withdrew from the process.

³ In October 2014, Steve Hanson of the Renton Technical College resigned due to lack of availability to participate fully in the process.

Residential association alternates

To provide an opportunity for additional input and representation from the residential community, four residential association alternates were appointed. These alternates were appointed from different neighborhood associations than the advisory group members representing residential interests. The four residential association alternates included:

- Scott Kaseburg, Lake Lanes Community Association (Bellevue)
- Bill Taylor, Liberty Ridge Homeowners Association (Renton)
- Lindy Bruce, Sunset Community Association (Bellevue)
- Barbara Sauerbrey, Woodridge Community Association (Bellevue)

Past members and residential association alternates

Over the course of the advisory group's work, the following membership changed due to varying circumstances:

- Mark Rigos, City of Newcastle (replaced by Tim McHarg)
- Jules Dickerson, Lake Lanes Community Association (replaced by Scott Kaseburg)
- Lynn Wallace, Renton Chamber of Commerce (replaced by Brent Camann)
- Debra Grant, Hopelink (replaced by Nicola Barnes)

Invited

The following entities were invited and chose not to participate in the Community Advisory Group process, but were informed of project milestones and meetings through postcards and newsletters:

- Muckleshoot Tribe
- Yakama Nation



Aerial view of downtown Renton



Construction in Redmond



Downtown Bellevue at night

IV. Community Advisory Group activities

Meeting schedule

The Community Advisory Group met eight times from January to December 2014. All Community Advisory Group meetings were open to the public and included a period for public comment. For links to advisory group meeting materials, presentations and summaries, see Appendix C.

During this process, PSE hosted three series of public open houses, during which the public

could learn about major advisory group milestones and consult with PSE and advisory group representatives. The advisory group used community input from these open houses as well as from subarea workshops and Sub-Area Committee meetings, community surveys, public comment periods, monthly public comment summaries, and personal communications with constituents to inform their discussions. See Table 2 for a list of advisory group and community meetings held in 2014.

Table 2: 2014 Community Advisory Group and public outreach meeting schedule

Date	Meeting type	Purpose
Jan. 22	Community Advisory Group meeting	Learned about project need and Community Advisory Group process
Jan. 29 & 30	Open House	Broader community learned about the project need, the Community Advisory Group process, and opportunities to get involved
Feb. 12	Community Advisory Group meeting	Learned about PSE's solution selection process and project routing
February – May	Project area tours and sub-area process	Learned about the potential route segments via project area tours provided by PSE; attended sub-area workshops to identify local community values and concerns; determined key findings from sub-areas (See Table 3 for more details)
June 4	Community Advisory Group meeting	Reviewed key findings about the segments gathered at sub- area workshops and Sub-Area Committee meetings; developed community values-based evaluation factors to be used to evaluate the route options
June 25	Community Advisory Group meeting	Reviewed qualitative and quantitative information about the 18 potential route options made by combining route segments
July 9	Community Advisory Group meeting	Narrowed potential route options and finalized evaluation factors
Sept. 10 & 11	Open House	Broader community provided feedback on narrowed route options and weighting of evaluation factors via survey
Oct. 1	Community Advisory Group meeting	Reviewed key findings from September open houses and prepared for a Multi-Objective Decision Analysis evaluation of the routes
Oct. 8	Community Advisory Group meeting	Determined preliminary route recommendation for public review at November open houses
Nov. 12 & 13	Open House	Broader community provided feedback on advisory group's preliminary route recommendation
Dec. 10	Community Advisory Group meeting	Reviewed key findings from the November open houses; finalized route recommendation for PSE's consideration

Key Community Advisory Group discussion topics

The Community Advisory Group discussed many topics over the course of the process. The following topics were most commonly addressed. Descriptions include the advisory group's expressed concerns and PSE's response shared over the course of the advisory group process.

Scope confined to an overhead solution

Some members of the advisory group asked whether PSE would consider other alternatives besides an overhead solution. Those members also asked if considering other alternatives could fall under the advisory group's purview. Before launching the Energize Eastside, PSE studied several different solutions in addition to building the new overhead transmission lines. Those alternatives included reducing demand through conservation, increasing the capacity of PSE's existing electric transmission lines, generating energy locally, and building new infrastructure. However, PSE concluded other solutions were inadequate to solve the problem, and the advisory group was formed to gather feedback on an overhead transmission line solution.

Underground transmission lines

Among the most discussed alternatives to an overhead solution was underground transmission lines. PSE explained that overhead transmission lines are PSE's first option for service due to reliability and affordability. The biggest challenge to underground transmission lines is cost. The construction costs for an overhead transmission line are about \$3 million to \$4 million per mile, versus \$20 million to \$28 million per mile to construct the line underground. Per state-approved tariff schedule 80, section 34, the local jurisdiction or customer group requesting underground transmission lines must pay the difference between overhead and underground costs. PSE explained they are willing to sit down with interested communities to discuss undergrounding as an option; however, those communities must decide how to pay for the difference in costs, which must be provided up front.

Submarine cables

Some advisory group members expressed interest in PSE pursuing transmission lines submerged under Lake Washington, and pointed to other submerged transmission projects, such as one in San Francisco. PSE presented research on that project, and noted that it costs an average of \$56.2 million per mile, compared to the \$3 million to \$4 million per mile of overhead transmission. As with undergrounding, according to tariff schedule 80, section 34, the local jurisdiction or customer group requesting submerged transmission lines must pay the difference between overhead and submarine costs.

Batteries

Some advisory group members were interested in learning more about battery technology and local energy storage as an alternative to the project. PSE explained that using batteries instead of building a new substation was considered during the solutions identification process, but the technology has not been used for the type and scale of problem facing the Eastside. Additionally, new transmission lines would still be required to distribute electricity from the battery site to PSE's customers.

Seattle City Light corridor

Some advisory group members also asked PSE about using the Seattle City Light (SCL) utility corridor as an alternative to site the new transmission lines. Early on in the solution identification process, PSE identified the SCL transmission corridor as a potential solution to meet the Eastside's energy needs. PSE asked SCL for permission to use their transmission corridor. However, SCL has told PSE that their corridor is a key component of Seattle City Light's transmission system and not available for PSE's use. A letter from SCL articulating this position is available on the Energize Eastside project website. See Appendix D.

Olympic Pipeline safety

Some advisory group members expressed concern over the safety of building the project near the Olympic Pipeline. PSE explained that building 230 kV lines along the Olympic Pipeline

(owned and operated by British Petroleum (BP)) would be safe. The Olympic Pipeline has coexisted with PSE transmission lines in the Eastside corridor for over fifty years. PSE also has a long history of working closely with BP and is a natural gas pipeline operator itself. PSE and its contractors are very familiar with concerns regarding pipeline safety and employ safe construction practices when performing work in the vicinity of pipelines. If a selected route is comprised of segments that include the Olympic Pipeline, PSE will continue to work with BP to ensure safety during and after construction.

Property values

Some advisory group members expressed concern about the effects on property values as a result of the Energize Eastside project and asked whether property values could be considered as a factor for evaluating route options. Property values are comprised of many factors, including economic outlook and location, as well as proximity to jobs, schools, transportation, parks and other amenities. PSE explained that it does not use property values as a factor when selecting routes out of fairness to and in consideration for customers of all income levels, noting that it is socially inequitable to site infrastructure based on income-related considerations. Similarly, a project's potential effects on surrounding property

values are excluded from consideration of impacts to the environment under Washington's State Environmental Policy Act (SEPA).

Electric and magnetic fields

Several advisory group members asked whether exposure to electric and magnetic fields (EMF) had any effect on health. A third-party, board-certified health physicist explained that over the past 45 years, there have been many scientific studies conducted to determine whether EMF from transmission lines (called "power frequency EMF") has any effect on human health. To date, this large body of research does not show that exposure to power frequency EMF causes adverse health effects.

January-February 2014: Learned about the electric system, project need and routing

The Community Advisory Group began their process by learning about the current electrical system, the need for the project and the solution selection process. During this learning period, the advisory group asked PSE questions on a variety of topics, including transmission line siting, other options considered for the project (e.g., battery technology and conservation), and how a solution was determined. PSE's real estate, engineering and system planning staff provided detailed responses to these questions.



Communications Manager Gretchen Aliabadi explains the undergrounding tariff at Community Advisory Group Meeting #3 in Redmond.

PSE explained in detail its process to identify a solution and route options, which included the following steps:

- Determine the potential approaches to meet the Eastside's electricity needs: PSE evaluated the potential of several approaches – conservation, local generation and new infrastructure – to meet the Eastside's electricity needs.
- 2. Review approaches to provide enough electricity to meet the Eastside's needs:
 Engineers reviewed alternatives to each approach, and found that only new generation on the Eastside or new infrastructure located near the center of high electricity demand could meet the Eastside's needs. Additionally, aggressive conservation goals would need to continue.
- 3. Review solutions that best deliver electricity to the Eastside: Engineers reviewed different generation and electric infrastructure alternatives based on system performance, flexibility and longevity. A new generation facility on the Eastside was eliminated from consideration due to difficulties related to siting and operational limitations. It was determined that the best solution to meet the Eastside's electricity needs was to 1) construct a new 230 kV substation and 2) construct new 230 kV transmission lines connecting the new substation with the two existing substations in Redmond and Renton.
- 4. Determine which solutions PSE can move forward with: PSE eliminated the Seattle City Light Corridor and one of the potential Bellevue substation sites as possible new infrastructure locations. Neither the corridor nor the proposed substation property is owned by PSE and other viable sites for new infrastructure were available.
- 5. Review where PSE could build a solution:
 Engineers used a computer-based modeling tool to analyze key criteria like geographic barriers, land uses and impacts to the environment.
 Based on this analysis, route segments were identified that could be combined into various complete route options that connect to potential substations (see Figure 2).1

6. Ask what the public thinks: PSE asked the public to provide input on the combination of route segments that best serves the Eastside's needs. The Community Advisory Group process was part of a larger public outreach process that also included neighborhood briefings, community meetings at key milestones, question and answer sessions, and an interactive project website.

Figure 2. Potential route segments



March-May 2014: Sub-area process and route segment input

In spring 2014, members of the Community Advisory Group participated in one or more of three Sub-Area Committees focused on the following geographic areas:

- North: Kirkland, Redmond and North Bellevue
- Central: Bellevue
- South: Newcastle and Renton

Sub-Area Committee membership included advisory group members and residential association alternates from the geographic

¹ TetraTech, Eastside 230 kV Project Opportunity and Constraints Study for Linear Site Selection, 2013.

sub-areas. Invitations to serve on the committees were also extended to a representative from each potentially affected neighborhood association (i.e., those who lived near a potential segment) that did not have a member or residential association alternate on the advisory group.

PSE hosted six sub-area workshops and three Sub-Area Committee meetings across the project area. The three Sub-Area Committees developed findings on specific sub-area values, concerns and considerations about route segments from the workshops conducted in each of the sub-areas. The committees' findings served as a source of information that the Community Advisory Group considered in developing evaluation factors and narrowing the route options. See Table 3 for details on schedule and objectives of the sub-area workshops and Sub-Area Committees.



Discussion about route segments at a Central sub-area workshop in Bellevue.



Discussion about route segments at a South sub-area workshop in Renton.

Table 3: Sub-area workshops schedule and objectives

Dates	Meeting type	Purpose
North: March 19, 2014 Central: March 26, 2014 South: March 27, 2014	Sub-Area Workshop #1	Community members: • Identified key issues and considerations for segments in the sub-area • Brainstormed community values • Requested data that would be helpful to compare segments
North: April 16, 2014 Central: April 23, 2014 South: April 24, 2014	Sub-Area Workshop #2	Community members: Reviewed data and photo simulations PSE prepared based on requests from Workshop #1 Used data to score all the route segments individually and as a group As a group, wrote key messages to the Sub-Area Committee
North: May 7, 2014 Central: May 14, 2014 South: May 15, 2014	Sub-Area Committee meeting	Sub-Area Committees determined key findings from sub-areas to share with the Community Advisory Group

June-July 2014: Narrowed the route options

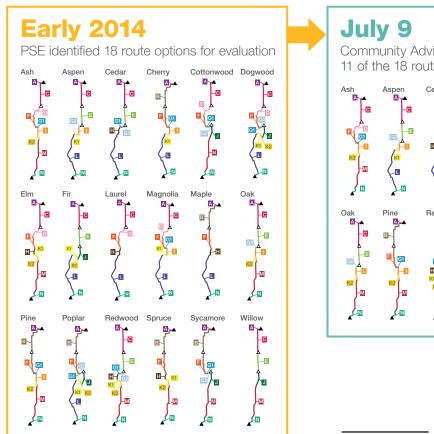
After segment-specific input was collected through the sub-area process, the Community Advisory Group considered 18 route options made from combining the route segments. (These route options were assigned tree names, such as "Ash," "Aspen," and "Cedar," for easier reference.) The advisory group also identified community values-based evaluation factors.

At their meeting on July 9, the advisory group reviewed the 18 route options and recommended 11 route options for further evaluation.² (See Figure 3.) Information that aided their discussion included:

 Feedback from sub-area workshops and Sub-Area Committee meetings, as well as other community input

- Quantifiable data on route options, photo simulations, and information from PSE on route cost, constructability and maintainability
- Results from a blind evaluation of the 18 route options completed by 23 advisory group members
- Initial recommendations submitted before the meeting by eight advisory group members on which route options to remove from further evaluation³
- Discussion of route segments and the 18 route options at advisory group meetings

Figure 3: Narrowed route options in July 2014



² Four advisory group members initially recommended that all or a majority of the 18 routes should move forward for further evaluation.



³ While eight advisory group members provided their initial input before the meeting, all members present at the meeting on July 9 discussed what route options to remove from further evaluation.

October 2014: Evaluated the narrowed route options

The Community Advisory Group used nine evaluation factors (see Table 4), as well as specific route option data, to evaluate the narrowed route options through a process called Multi-Objective Decision Analysis (MODA). MODA is a process for making decisions when there are complex issues involving multiple criteria and multiple parties who may have an interest in the outcome.

Using MODA allows individuals to consider and weight factors and trade-offs while evaluating each alternative (in this case, each route option). Evaluation factors were weighted to reflect the relative importance ascribed to each factor. After scoring each route option for each evaluation factor, the advisory group then discussed the combined group results to help decide on a recommendation. See Figure 4 for a description of the MODA steps and how the advisory group used MODA.

Between Oct. 2 and Oct. 6, 2014, 19 of 24 advisory group members completed individual evaluations of the 11 route options recommended for further evaluation as part of the MODA process. Using online software called Transparent Choice, advisory group members individually scored each route option using each of the nine evaluation factors on a five-point scale. The software then applied two sets of weightings – one determined by the advisory group and another determined by community members who participated in a summer 2014 feedback survey – to the group's averaged scores. See Table 4 for descriptions of the evaluation factors and the two weighting schemes.

Figure 4: Multi-Objective Decision Analysis (MODA)

MODA steps

- 1 Factors Discuss and agree on evaluation factors
- Weighting Determine relative importance of each factor and assign corresponding weights
- 3 Route options Determine route options to evaluate
- 4 Scoring Score each route option for each weighted factor
- **5 Decision** Discuss results and determine decision

How the Community Advisory Group used MODA

- 1 Selected nine evaluation factors based on community values
- 2 Used two sets of weightings one determined by the advisory group and a second determined by a community survey
- **3** Selected 11 route options out of 18 to include in the evaluation
- 4 Scored the 11 route options for how well they each met the nine evaluation factors using an online software called Transparent Choice
- **5** Considered MODA results along with community feedback and other sources of information to select four routes as their preliminary route recommendation

Table 4: Evaluation factors and their weightings determined by the advisory group and a community survey

Evaluation factor	Advisory group weighting	Community survey weighting
Avoids impacts to aesthetics (Pole design and views)	5%	14%
Avoids residential areas (Number of residences)	24%	31%
Avoids sensitive community land uses (Parks and other recreational areas, schools, religious institutions, etc.)	13%	10%
Avoids sensitive environmental areas (Wetlands, wildlife habitat, steep slopes, fault lines, etc.)	7%	12.5%
Least cost to the rate payer (Estimated monthly increase to average residential customer; calculation based on total cost)	14%	7%
Maximizes longevity (When in the future additional 230 kV infrastructure is anticipated based on current technology and growth projections)	9%	4%
Maximizes opportunity areas (Runs along existing utility corridors, railroad right of way, public right of way, etc.)	15%	6%
Protects health and safety (Electric and magnetic fields, Olympic Pipeline, etc.)	9%	9%
Protects mature vegetation (Number of trees greater than four inches impacted)	4%	6.5%
Total	100%	100%

On the following page, Figures 5 and 6 present the MODA results for each route option, first using the advisory group weighting and second the community survey weighting. Within the results bar for each route option, colors represent the evaluation factors and show the advisory group's averaged and weighted score for each factor. A higher number equals a better score. Weighting percentages are shown in the weighting keys.

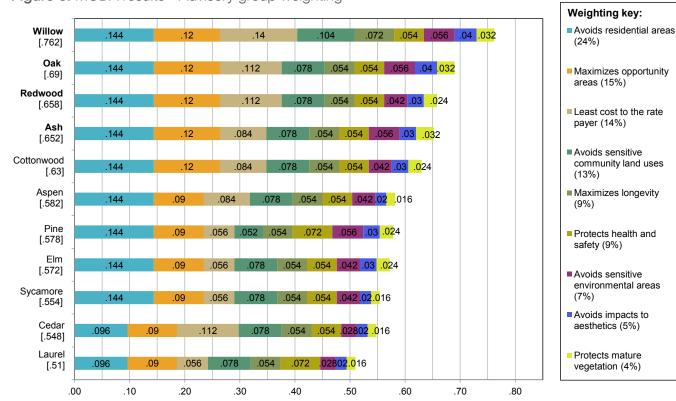
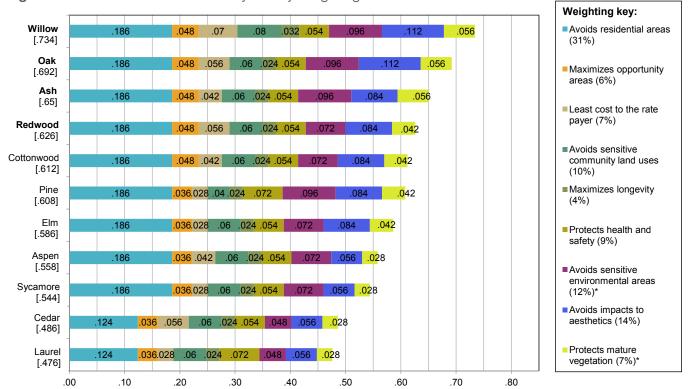


Figure 5: MODA results - Advisory group weighting





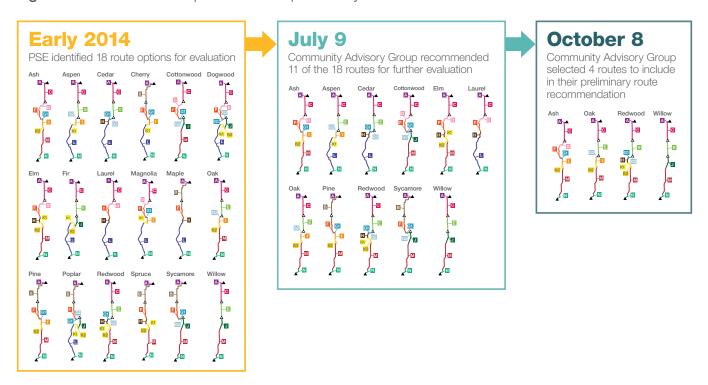
^{*} Note: Transparent Choice, the online MODA software used to compile and calculate results, can only use weighting values that are whole numbers. As a result, the evaluation factors "Avoids sensitive environmental areas" and "Protects mature vegetation" were rounded to the nearest whole number.

October 2014: Preliminary route recommendation

At their Oct. 8 meeting, the advisory group selected four route options – Ash, Oak, Redwood and Willow – as their preliminary route recommendation (see Figure 7).⁴ Information sources that helped the group determine their recommendation included:

- Results of the Multi-Objective Decision Analysis (MODA) using evaluation factor weightings from both the advisory group and community survey results
- Feedback from the summer community survey and other community input
- Discussion of the 11 route options at advisory group meetings

Figure 7. Narrowed route options and the preliminary route recommendation in October 2014



⁴ Of the 18 members present, 15 supported the recommendation, two members abstained and one had a dissenting opinion to include only three routes.



Reviewing results from the blind evaluation at Community Advisory Group Meeting #4b in Renton.

V. Community involvement

In addition to convening the Community Advisory Group, PSE involved the community in the public routing discussion from announcement of the project (December 2013) through the completion of the advisory group process (December 2014) by hosting community meetings, briefing organizations and gathering and responding to comments about the project.

PSE community involvement included:

- More than 240 briefings with individuals, neighborhoods, cities and other stakeholder groups
- 6 public open houses at key project milestones
- 2 online open houses
- 2 question and answer community meetings
- 1 webinar on undergrounding and electric and magnetic fields

Additional project outreach included:

- More than 2,300 comments and questions received from the public, summarized in monthly public comment and open house summaries made available to the advisory group
- 6 project newsletters and postcards sent to more than 50,000 residents and business owners
- Attendance at more than 60 community events
- A traveling kiosk displaying project updates throughout the Eastside
- Project update emails to distribution list, community organizations and elected officials
- Targeted outreach to traditionally underrepresented populations



Reviewing route option maps at Open House #1 in Renton.



Community Projects Manager Jackson Taylor providing project background at the Bellevue Strawberry Festival.



Public comment at Question and Answer Meeting #1 in Renton.

VI. Recommendation of the Community Advisory Group

On Dec. 10, 2014, the Community Advisory Group selected routes Oak and Willow as their final route recommendation for PSE's consideration (see Figure 8).

With this recommendation, the Community Advisory Group fulfilled their purpose as outlined in their charter:

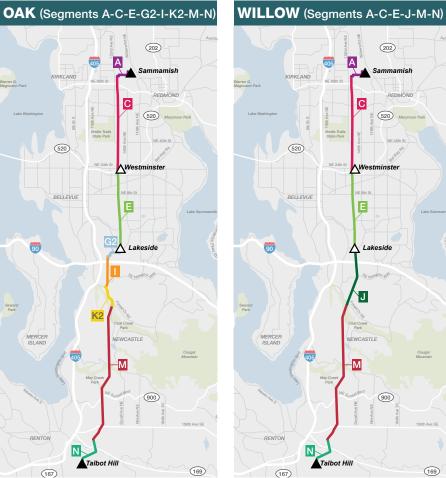
"Work collaboratively, creatively and constructively to help determine community/property owner values and engage in a process to evaluate route segments and select a recommended route option."

Twenty-two advisory group members and four residential association alternates participated in the recommendation discussion. Twenty supported the final recommendation as follows:1

- Ten expressed preference for the Oak route
- Five expressed preference for the Willow route
- Five did not express a preference

Four advisory group members and two residential association alternates² representing Bridle Trails Community Club, City of Newcastle, Liberty Ridge Homeowners Association, Olympus Neighborhood Association, Somerset Community Association, and Sunset Community Association – dissented from the recommendation and supported none of the routes.

Figure 8. The Community Advisory Group final route recommendation



⁽⁵²⁰⁾ E

(202)

Refer to Appendix B for the dissenting opinion.

¹ The above count includes the advisory group members and residential association alternates present at the Dec. 10, 2014 meeting, as well as six members and residential association alternates who did not attend the meeting but later provided feedback on the recommendation.

² Darius Richards (Kennydale Neighborhood Association) and Scott Kaseburg (Lake Lanes Community Association), who supported the final recommendation in the meeting, signed the dissenting report after the meeting.

At the Dec. 10 meeting, advisory group members and residential association alternates who expressed a preference for Oak or Willow discussed several benefits and tradeoffs of each. See Table 4.

Table 4. Route benefits and tradeoffs noted by Community Advisory Group members and residential association alternates with a route preference expressed at the Dec. 10 meeting³

Routes	Benefits	Tradeoffs
Oak (Segments: A-C-E-G2- I-K2-M-N)	 Has fewer adjacent residential parcels (524) of the two routes Has one quarter of adjacent residential parcels (31 in segments G2, I, K2) compared to same portion in Willow (123 in Segment J) and less than half the residences within 600 feet (289 vs. 721) Avoids residential areas by using Segment I, which is a largely commercial corridor 	 Estimated cost is \$22 million more than Willow (\$176 million total cost; \$1.03 estimated monthly increase to an average residential customer) Requires building infrastructure in new areas (83% of the route is within the existing corridor) Has a larger number of adjacent residential tax accounts (1,425)
Willow (Segments: A-C-E-J- M-N)	 Has fewer adjacent residential tax accounts (1,422) of the two routes (One advisory group member noted that the difference in residences between Oak and Willow was minor.) Is the most direct route Has the highest percentage of route within the existing corridor (100%) Is the least expensive (\$154 million total cost; \$0.90 estimated monthly increase to an average residential customer) Has the greatest longevity (2038) 	 Has a larger number of adjacent residential parcels (616) of the two routes Uses Segment J, which is a view neighborhood

³ For more data on Oak, Willow, and all route options considered by the Community Advisory Group, refer to the complete <u>route options data table</u> on the Energize Eastside project website.



Discussing the final route recommendation at Community Advisory Group Meeting #6 in Bellevue.

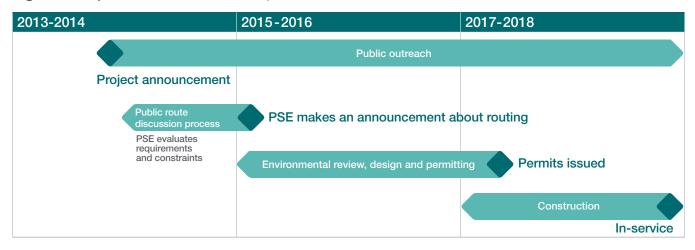
VII. Puget Sound Energy's next steps

Following the completion of the Community Advisory Group's process, PSE's next steps in 2015 are to:

- Take the Community Advisory Group's recommendation under consideration and make an announcement about routing that balances the needs of customers, the local community, property owners and PSE
- Work directly with property owners and tenants to begin detailed fieldwork to inform environmental review, design and permitting
- Ask for community input on project design, which may include pole height, finish and other design considerations
- Work with the City of Bellevue and other affected jurisdictions and agencies on the project's Environmental Impact Statement (EIS) process

Once these steps are complete, PSE will apply for necessary permits from appropriate agencies and jurisdictions. The project design and permitting phase is expected to run through early 2017. Once fully designed and permitted, project construction is expected to begin in 2017, with project completion planned for 2018. See Figure 9.

Figure 9: Project schedule and next steps



Appendices

Appendix A: Community Advisory Group Charter

Appendix B: Minority Report

Appendix C: Community Advisory Group meeting materials,

presentations and summaries

Appendix D: Bibliography

Appendix A: Community Advisory Group Charter

Community Advisory Group Charter

Revised:3/24/14

Purpose

The main purposes of the Community Advisory Group are to:

- Learn about PSE's proposed route segments, PSE's route analysis work to date, and the
 complexity of identifying the route segments, and to work with PSE to combine segments to
 develop a Community Advisory Group-recommend route to inform PSE as PSE selects a final
 route.
- Collaborate with PSE to decide on a community values-based evaluation process that will be
 used by the Community Advisory Group to consider PSE's various route segments, combine into
 possible route options, and narrow route options down to a Community Advisory Grouprecommended route.
- Provide a forum for the community to give meaningful input on route segments and route options.
- Help PSE better understand community/property owner values as PSE selects the preferred route that balances the needs of their customers, the local community, property owners and PSE.

The Community Advisory Group will:

- Develop an understanding of the Energize Eastside project and project need.
- Report back to the people/groups they represent on project details, gather feedback from the
 interests they represent and provide ongoing communications between PSE and the group they
 represent throughout the process.
- Provide advice, as community representatives, on ways to address community concerns.
- Participate in geographic Community Advisory Group Sub-Area Committee meetings to determine recommended route segments.
- Work collaboratively, creatively and constructively to help determine community/property owner values and engage in a process to evaluate route segments and select a recommended route option.
- Partner with PSE to combine route segments into one Community Advisory Group recommended route.

Community Advisory Group Sub-Area Committees

- Sub-Area Committees will consist of Community Advisory Group members and their residential
 association alternates from each of the geographic sub-areas (North Kirkland, Redmond and
 North Bellevue; Central Bellevue; and South Newcastle and Renton), as well as a
 representative from each potentially affected neighborhood association that does not have a
 member or residential association alternate on the advisory group. Additional community
 representatives will be invited as needed to ensure comprehensive discussion of issues.
- Community Advisory Group members are expected to attend the Sub-Area Committee meetings
 for their geographic sub-area. In order to participate in the Sub-Area Committees, members
 should attend the first two advisory group meetings to ensure they have an understanding of the
 project.
- Residential association alternates are required to attend the Sub-Area Committees to ensure balanced representation from neighborhoods. Alternates representing other interests are recommended to attend, but it is not required.
- The purpose of the Sub-Area Committees is to have an interest-based conversation on route segments and preferred sub-area options. The outcome of the Sub-Area Committee meetings will

be to develop sub-area segment combination recommendations for the full Community Advisory Group discussion.

PSE staff will:

- Provide information on the area's growth, the need for the project and the factors involved in developing route segments.
- Provide draft materials to Community Advisory Group members one week before meetings.
- Provide technical experts to provide a greater understanding of the topics at hand and inform Community Advisory Group dialogue.
- Consult with the Community Advisory Group, listen carefully and consider advisory group input prior to making final decisions on key technical issues, and explain all decisions made.
- Listen and take into consideration recommendations from the advisory group with regards to providing data and requests for analysis and research to support advisory group deliberations.

Norms for individual work as members of the Community Advisory Group

- We acknowledge our group's diversity and value different points of view. We will respect each other's opinions and will operate in consistently constructive ways.
- We will make every effort to attend meetings, to participate actively, to read and be prepared to discuss information and issues, and to be available for work between formal meetings.
- We will keep an open mind and come to meetings with interests, not entrenched positions. We
 will share our interests and objectives with all Community Advisory Group members. We will
 openly explain and discuss the reasons behind our statements, questions and actions.
- We will be responsible for representing the interests and concerns of the community we represent at the table. We will consult with our constituencies on a regular basis concerning the discussions and preferences of the Community Advisory Group.
- We will listen carefully to the views expressed by others, avoid interruptions, and seek ways to reconcile others' views with our own. We will represent information accurately and appropriately.
- We will adhere to the ground rules and respect the procedural guidance and procedural recommendations of the facilitator.

Norms for our work together

Use of time

- We will respect each other's time by being on time. Meetings will begin and end on time, unless otherwise agreed to by the Community Advisory Group members.
- When making our comments, we will consider the time needed for others to share their perspectives.

Recommending a route

- Community Advisory Group members will strive to collectively make reasonable requests and suggestions through a cooperative and collaborative discussion process with PSE. PSE will inform the Community Advisory Group of any areas of flexibility in the route recommendation development process.
- In discussions, suggestions may not represent unanimity. The facilitator is responsible for seeking and probing for group preferences. It is the responsibility of each stakeholder group member to voice dissent if s/he cannot live with any particular suggestion.
- Any recommendations from the Community Advisory Group and sub-area committees will be considered by PSE. PSE will evaluate requirements and constraints, and select a preferred route.
 PSE is the final decision maker regarding selecting a preferred route.
- If PSE chooses not to move forward with the recommended route as PSE's preferred route for permitting, PSE will explain the reason for its decision.

Facilitator

- We give the facilitator permission to keep the group on track and "table" discussions to keep the group moving.
- We expect the facilitator to help the Community Advisory Group accomplish our purpose in a completely neutral, balanced and fair manner.
- We want the facilitator to:
 - o Develop draft meeting agendas.
 - Manage Community Advisory Group meetings and discussions.
 - Consult with Community Advisory Group members between meetings about how to manage the process and address issues of concern.
 - o Prepare meeting summaries.

Role of alternates

- Each Community Advisory Group member may have one alternate who will be available to stand
 in for Community Advisory Group members who are unable to attend meetings. Alternates are
 encouraged to attend all meetings but will not be asked to participate unless called upon.
- Alternates can participate in the Sub-Area Committee meetings if they have attended both of the initial Community Advisory Group meetings.
- Community Advisory Group members are expected to update alternates between meetings so they can replace members on a moment's notice.

Role of residential association alternates

- Each Community Advisory Group member representing a residential organization may have an
 appointed residential association alternate that represents a different neighborhood within their
 city. Residential association alternates are intended to help balance representation from
 neighborhoods along the route segments.
- Residential association alternates can ask Community Advisory Group members to yield their seat to ask a question or make a comment during Community Advisory Group meetings.
- Residential association alternates serve as members of their geographic Sub-Area Committee and are expected to attend Sub-Area Committee meetings.

Proposed meeting ground rules

- Start / end on time
- Silence cell phones
- Come prepared
- Listen respectfully
- Speak from interests, not positions
- Participate in the process

Norms for our work with others outside the Community Advisory Group External communications

- All Community Advisory Group meetings shall be open to the public.
- The public will be given the opportunity to comment during each Community Advisory Group meeting. Those wishing to provide public comment to the advisory group will be strongly encouraged to direct their comments towards the issues and topics of focus on the advisory group's agenda.

- We will avoid characterizing the views or opinions of other Community Advisory Group members outside of any advisory group meeting or activity.
- We will accurately describe Community Advisory Group preferences that are conveyed to PSE.
- Community Advisory Group meetings will be announced on the Energize Eastside website, and meeting announcements with date, time and location, will be provided to local blogs and other media outlets for distribution to the broader community.
- Community Advisory Group meeting products, such as agendas, summaries, and PowerPoint
 presentations will be posted at <u>pse.com/energizeeastside</u> and will be available to advisory group
 members for distribution to their constituents. Note: Community Advisory Group member names
 and affiliations will be included in these materials and will be listed on the project website.

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Appendix B: Minority Report

Some Community Advisory Group members did not concur with the consensus recommendation. The report of the minority is provided here in the interest of inclusiveness. The Community Advisory Group majority has not reviewed this report; consequently, it has not been verified by the Community Advisory Group majority for consistency with the Community Advisory Group charter or for technical accuracy, either independently or in conjunction with engineering support from Puget Sound Energy. This report reflects only the opinion of its signatories.

Appendix B: Minority Report

Dissenting Report

We, the undersigned members of the "Community Advisory Group" (CAG) for PSE's Energize Eastside project, declare our dissent from the recommendations included in the Final Report of the CAG.

The CAG did not truly represent the wishes of the community for the following reasons:

- 1. CAG members were selected by PSE, not the community.
- 2. PSE misrepresented the full purpose of Energize Eastside.
- 3. PSE did not provide real data establishing the need for the project.
- 4. PSE did not provide a complete list of alternative solutions, and CAG members weren't allowed to discuss alternatives.
- 5. The CAG was not given real choices, because some of the route segments were never viable.
- 6. Few CAG members participated in critical evaluations.
- 7. The CAG facilitator was not impartial and frequently pressured members to support the group's conclusions.
- 8. CAG members were not asked to officially endorse the outcome of the CAG process.

The remainder of this report will provide additional detail regarding these eight objections.

1. CAG selection

Composition of the CAG was determined by PSE, not the community. PSE diluted the votes of residential neighborhoods that had the most at stake. Only one quarter of the voting members represented neighborhoods, and many affected neighborhoods had no representative. Some members represented organizations which receive generous donations from the PSE Foundation.

2. The full purpose of Energize Eastside

Documents available from ColumbiaGrid, Seattle City Light, and the Bonneville Power Administration make it clear that Energize Eastside solves three simultaneous problems: 1) load for PSE, 2) load for Seattle City Light, and 3) regional grid reliability for Bonneville Power Administration (a federal agency). According to a 2012 Memorandum of Agreement signed by PSE, SCL, and BPA, transmission lines in the Puget Sound region can become congested when high local needs coincide with high flows of electricity to British Columbia, especially when there are faults on BPA's trunk lines. This is a concern because the United States is obligated to provide electricity to Canada through the Columbia River Treaty. The large scale of the Energize Eastside project addresses both local and international electricity needs. However, Energize Eastside is not the only solution that can do this. It might not even be the most economical solution, when the project's impact on the community is considered. Reduced property values along the entire 18-mile length of the line cause declines in economic activity and tax receipts, which must be compensated by increasing tax rates on other residents, or decreasing support to people who need tax-funded services.

PSE never disclosed the whole purpose of the project to CAG members. The company sought to minimize regional questions by claiming only 3-8% of power flow serves Canada. While this might be true on a normal day, Energize Eastside is designed to handle extraordinary power flows that occur in rare emergency conditions. Without a full disclosure of the scope and purpose of the project, CAG members were not able to accurately represent the views of their constituents regarding the project.

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3. Eastside need

PSE illustrates the need for Energize Eastside using a graph titled "Eastside Customer Demand Forecast." This graph has been simplified so it can be easily grasped by the public. It shows demand growing at an average rate of 1.9% per year, crossing the "System Capacity" line in 2017. According to PSE, electricity outages will become more likely after that.

CAG members are well-informed individuals who had months to understand the issues. Therefore, we expected PSE would provide CAG members with more detailed information regarding the need for the project. There are many questions that members had. How has the Eastside's electricity demand grown over time? Why is demand supposedly growing at a much faster rate than population or economic growth? Why is PSE's projection of Eastside's demand growth more than double that of Seattle's or Portland's? Would programs such as Demand Response help mitigate our demand growth?

PSE did not answer these questions, saying that they were outside the scope of the CAG's stated mission. The CAG was formed only to provide recommendations on which route the overhead lines should take through the five Eastside cities. PSE said that community input was not needed regarding any other aspect of the project.

4. Alternative solutions

CAG members also raised questions about alternative solutions. They wondered why alternatives were eliminated from consideration and further discussion of alternatives was not allowed.

We believe it is important to list reasonable and viable alternatives to Energize Eastside here, since these ideas do not appear in the limited Final Report. The alternatives described below address only the Eastside's local need. BPA would have to build its own project to solve Canadian reliability issues, at a lower cost to PSE's customers.

The issue of cost is of critical importance to many CAG members, especially organizations representing low-income residents like Hopelink and the YMCA. It is also of interest to businesses that are sensitive to the cost of electricity. Adding 1-2% to electricity costs for the next 40 years may affect their profitability. Many CAG members would have supported lower-cost alternatives if PSE had allowed them to be explored by the CAG.

a. **Demand-side Resources.** Demand-side Resource (DSR) programs are used by utilities in almost every state to reduce the stresses of peak load service and avoid construction of new generation and transmission infrastructure. In the Northwest, Portland General Electric devotes 14 pages of its latest Integrated Resource Plan to descriptions of various programs, including a curtailment tariff, residential direct load control, critical peak pricing, and conservation voltage reduction. Similar programs were studied in a detailed report created by the Cadmus Group for PSE's most recent IRP². Which of these programs is PSE planning to implement? The IRP says, "Demand response program costs are higher than supply-side alternatives at this time, and PSE does not currently have a program in place." Translation: it's cheaper to burn coal in a plant located in Colstrip, Montana (one of the dirtiest coal plants in the nation) that provides nearly 1/3 of the Eastside's electricity. The economics of cheap coal

¹ http://energizeeastside.com/Media/Default/AbouttheProject/2013 1030 Single Line Load Chart v3.png

² https://pse.com/aboutpse/EnergySupply/Documents/IRP 2013 AppN.pdf

and guaranteed returns for capital improvements like Energize Eastside provide little financial incentive for PSE to pursue DSR programs.

- b. Lake Tradition transformer. For several years before Energize Eastside was conceived, PSE proposed to meet Eastside demand by adding a new 230/115 kV transformer located at Lake Tradition (near Issaquah). Additional power would be delivered on existing 115 kV lines to the Lakeside substation. PSE now claims that this solution causes other transformers to overload in power flow simulations conducted by the company. However, these simulations include the surge of electricity caused by faults in BPA's trunk lines. If BPA were to solve those problems with their own project, Lake Tradition might become a viable solution with much lower costs and community impacts than Energize Eastside.
- c. Upgrade 115 kV lines. It's possible to use thicker wire and higher capacity transformers on existing lines to increase capacity by approximately 29%. That is enough to delay further action for at least a decade. During that time, it's likely that technologies such as grid batteries, distributed generation, and increasing efficiency will make other solutions possible. This will be cheaper than Energize Eastside, and better for the environment. Upgrading the lines at their current voltage will spare nearly 8000 mature trees that must be cut or removed along the Oak or Willow routes to accommodate a 230 kV line (according to PSE's counts). There is no record that PSE studied this option. It was never mentioned during CAG meetings.
- d. **Gas powered plant.** PSE studied the possibility of meeting Eastside needs using a gas-powered generation plant. They dismissed this option in 3 sentences in their Solutions Study. Two of the potential sites for the plant were judged to be too difficult to permit, although this determination was made solely by the company without input from city officials. A third site was dismissed because it would require construction of transmission lines. Neither the CAG nor the cities were given further details about the costs of such a plant, where the transmission lines would be located, how reliability of local generation compares to remote generation, how it impacts the community, or how it might help reduce use of coal that creates much higher emissions of atmospheric carbon, mercury, and sulfur.
- e. **Micro-grids and small turbines.** A national expert says that the Puget Sound area is an ideal place to use small gas turbines to inexpensively and incrementally serve peak loads. There is no record that PSE studied this option.
- f. **Grid batteries.** PSE says grid batteries are likely to play an important role in the future. The company already has a pilot battery project in Bainbridge. But according to PSE, batteries are too expensive and too risky to use at this time. The company says it can forecast future demand, but it can't forecast the viability of technology solutions that might address that demand.

We believe that one or more of the above solutions would address Eastside's demand and reliability needs for many years at a lower cost than Energize Eastside, allowing us time to develop clean, sustainable solutions rather than rushing a project that is out of scale for our needs as well as our beautiful scenery.

For completeness, we will mention two other alternatives that CAG members were interested in. Both of these would solve Canadian reliability issues as well as Eastside need, but for a considerably higher price tag:

- g. **Underground lines.** We list this alternative because it is the most frequently asked question by the public: "In this day and age, why can't we bury our transmission lines?" PSE has made this option politically impossible, due to a tariff the company proposed to the Washington Utilities and Transportation Commission (and which the UTC subsequently adopted). The tariff requires each community who requests an underground line to bear the high cost of underground infrastructure on their own. With the exorbitant costs estimated by PSE, this is not a realistic option for any community. While this tariff seems reasonable for local distribution lines, we hope its application to regional transmission lines will be revisited by the UTC.
- h. **Underwater lines.** There are many examples in the U.S. of high-voltage transmission lines being placed in lakes, rivers, and bays. This technology is maturing rapidly. PSE said they would write a white paper on this alternative. The white paper was not released in time for consideration by the CAG.

5. No real choices

It should be no surprise that the final routes selected by the CAG mostly follow the existing transmission corridor. This is the result PSE expected from the beginning, and was confirmed by a senior PSE engineer who said the process of route selection was needed to help the public feel like they were involved in the project.

In particular, the choice between the L and M segments was a false choice. The L segment was never a legally viable option due to well-known conflicts and impacts. PSE should have known this. It is also highly questionable that the B segment was viable, due to the large amount of new right-of-way that would need to be acquired to construct that segment.

We believe the CAG process was more about PR for PSE than real choices for the community.

6. CAG participation

In several cases, only a few CAG members participated in important evaluations. For example, at the July 9th meeting, it was revealed that only 8 CAG members (less than a third of the CAG membership) participated in an evaluation process to eliminate potential routes. These low participation rates didn't occur because CAG members were lazy or on vacation. Many of the residential representatives refused to participate because they objected to the process.

7. CAG process

The facilitator for the CAG was a contractor hired by PSE, harming the appearance of impartiality. The facilitator appeared to have two goals: 1) produce a route recommendation that isn't too onerous to PSE, and 2) achieve this result using "consensus building" techniques.

Unfortunately, these goals were achieved by pressuring or cajoling CAG members to abandon their preferences and join the consensus view. For example, the facilitator would often say to a reluctant member, "Could you live with the emerging consensus of the group?" Or, "Do you want your name to be listed as the dissenting vote?" There were many times when a dissenting member would reluctantly

give up significant objections to avoid appearing obstinate or going against the other members. An anonymous ballot would have produced a different result than the facilitated outcome.

Do decisions made in this manner truly represent community values? One need only observe the audience at the final CAG meeting to answer that question. At least 90% of the 400-member audience enthusiastically supported dissenting remarks made by members of the CAG. We conclude the recommendations of the CAG do not represent the desires of the community.

This is also evident in the routes that were finally selected. Both the CAG and hundreds of residents voting online agreed that the top factor to be used to judge routes was "Avoids residential areas." For both the CAG and the community, this factor rated significantly higher than any other. However, in the rush to consensus, the CAG ignored the criterion they previously agreed was the most important and focused instead on cost. All of the routes inequitably burden residential neighborhoods with poles as high as 135 feet that are out of scale with residential land use codes.

No endorsements

As of December 15, CAG members were not asked to endorse the Final Report with their signatures. We note a stark contrast with the outcome of a different advisory group for a previous PSE project:

"We, the members of the Sammamish-Juanita 115 kV Project Stakeholder Advisory Group, affirm and support this recommendations report to Puget Sound Energy. We believe PSE's communityinvolved siting process for this project has been transparent and reflects community input."

Why aren't members of our CAG signing a similar statement in support of their recommendations for Energize Eastside? Could members of this CAG sign a positive statement like this in good faith?

Conclusion

Energize Eastside is one possible step towards our energy future. This is a decision that should be made by citizens and their elected representatives, taking into account values such as community impact, environmental impact, cost, reliability, and safety. This decision should not be made by a utility company or an advisory group with little community support.

The undersigned members of the CAG declare our dissent with the CAG's Final Report.

(By signing this document, we are not rescinding the opinions we expressed or votes we cast during CAG meetings, but simply stating our dissent with the overall project and process.)

Norman Hansen CAG, BELLEVILE BRIDLE TRAKS COMMUNITY

AKaseburg

Tim McHARG, City OF Newcastle

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Darins J. Richards
Stem D. D'Donnell
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Appendix C: Community Advisory Group Meeting Materials, Presentations, and Summaries

The following links provide all Community Advisory Group meeting materials, presentations and meeting summaries:

Jan. 22, 2014 - Community Advisory Group Meeting #1

Convened the advisory group

Feb. 12, 2014 - Community Advisory Group Meeting #2

Learned about the solution selection process and project routing

June 4, 2014 - Community Advisory Group Meeting #3

Reviewed key findings from the Sub-Area Workshops and Committee Meetings

June 25, 2014 - Community Advisory Group Meeting #4a

Reviewed potential route options

July 9, 2014 - Community Advisory Group Meeting #4b

Narrowied potential route options and finalizing evaluation factors

Oct. 1, 2014 - Community Advisory Group Meeting #5a

Reviewed key findings from the open houses and preparing for route evaluation

Oct. 8, 2014 - Community Advisory Group Meeting #5b

Developed preliminary route recommendation

Dec. 10, 2014 - Community Advisory Group Meeting #6

Finalized route recommendation for PSE to consider

Appendix D: Bibliography

The list below includes key reports developed by PSE and/or third-party experts, the findings of which were shared with the Community Advisory Group. All linked documents are available on the Energize Eastside project website at pse.com/energizeeastside.

Quanta Technology and Puget Sound Energy, Eastside Needs Assessment Report, 2013.

- Executive Summary
- Full Report

Quanta Technology and Puget Sound Energy, Eastside Transmission Solutions Report, 2013.

- Executive Summary
- Full Report

TetraTech, Eastside 230 kV Project Opportunity and Constraints Study for Linear Site Selection, 2013.

- Executive Summary
- Full Report

Energy + Environmental Economics, Non-wire Solutions Analysis, 2014.

Full report

Power Engineers, Underground Feasibility Study, 2014.

- Full report
- Appendix A Aerial Route Drawings (part 1)
- Appendix A Aerial Route Drawings (part 2)
- Appendix B Typical Detail Drawings

Additional documents referenced throughout the Final Report:

Puget Sound Regional Council 2013 Land Use Baseline: Maintenance Release 1 (MR1), update April 2014.

Letter from Seattle City Light, June 2, 2014.

Tariff schedule 80, section 34, 2006