August 3, 2011

In reply refer to: TEP-CSB-2

To: Parties interested in the Proposed BPA Interconnection of the Lund Hill Wind Project

Bonneville Power Administration (BPA) received a request from Iberdrola Renewables, Inc. (Iberdrola) for interconnection of the proposed Lund Hill Wind Project to the Federal Columbia River Transmission System (FCRTS), which is owned and operated by BPA. This letter explains BPA's role in the proposed interconnection and provides information about how to participate in BPA's public process for consideration of the interconnection.

Background
BPA received a request from Iberdrola to interconnect up to 60 megawatts (MW) of electric power that would be generated by their proposed Lund Hill Wind Project, located in Klickitat County, Washington, to the FCRTS. The Lund Hill Wind Project consists of three proposed wind projects (each 20MW) that were purchased by Iberdrola in 2010 and combined into one proposal. BPA had previously received a request for interconnection of the three 20MW wind projects.

Iberdrola would build, own, and operate the Lund Hill Wind Project and its associated facilities, including a 34.5 kilovolt (kV) transmission line from these wind project sites to Iberdrola’s proposed Juniper Canyon II collector substation and from there on a 230-kV line to the proposed BPA interconnection point. Iberdrola is responsible for obtaining all necessary permits and approvals for the Lund Hill Wind Project and associated facilities. Klickitat County has siting and approval jurisdiction over the Lund Hill Wind Project. Iberdrola submitted a draft environmental impact statement (EIS) on the Lund Hill Wind Project to Klickitat County. Environmental review is ongoing and expected to be completed in 2011. BPA does not plan to purchase any power from the Lund Hill Wind Project.

BPA Proposal - Under its Open Access Transmission Tariff, 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).

BPA is proposing to allow the interconnection of the Lund Hill Wind Project to the FCRTS. BPA would interconnect the wind project at a proposed BPA substation, the Wood Creek Substation. The proposed Wood Creek substation connects to BPA’s existing Horse Heaven – Harvalum transmission line in Klickitat County, near the town of Roosevelt (see enclosed map).

The proposed Wood Creek substation would occupy up to 4 acres, built on a graveled pad of fill. To provide security, lighting and a 7-foot high chain link fence would be installed around the perimeter of the substation yard. A new graveled access road from State Route 14 would provide access. The substation would include a control house, breakers, a capacitor group, disconnect switches, and miscellaneous equipment and steel structures. There would be no transformer in the substation because power would be delivered at 230-kV to interconnect to the 230-kV transmission line. In addition to the substation, interconnection facilities would include fiber vaults and some transmission line wood-pole structures that
would comprise the tap to BPA’s existing transmission line. BPA would purchase a parcel approximately 32 acres in size for the substation and associated facilities. Most of the parcel would remain undeveloped.

**Environmental Review** - BPA expects to consider interconnection of the proposed Lund Hill Wind Project and proposed Juniper Canyon II Wind Project under NEPA in the same environmental document. Both wind projects are proposed by Iberdrola, they are in the same geographic area, under the siting authority of Klickitat County, and both would interconnect to the proposed BPA Wood Creek Substation through the same Iberdrola-owned collector substation and transmission line. BPA began environmental review of the Wood Creek Substation site in July 2010 as part of the NEPA process for the interconnection of the Juniper Canyon II Wind Project. Information on BPA’s proposed interconnection of the Lund Hill Wind Project is available on the project Web site at [www.bpa.gov/go/lundhillwind](http://www.bpa.gov/go/lundhillwind) and information on the Juniper Canyon II Wind Project is available at the project Web site at [www.bpa.gov/go/junipercanyonII](http://www.bpa.gov/go/junipercanyonII).

**How to Comment** - We are assessing the potential environmental impacts of the interconnection of the Lund Hill Wind Project and are accepting comments. Please submit comments by **September 2, 2011**. You may submit comments to BPA online at: [www.bpa.gov/comment](http://www.bpa.gov/comment), return the enclosed comment form or other written correspondence in the postage-paid envelope provided, or fax your comments to (503) 230-4019. You also may call us with your comments toll free at (800) 622-4519. Please reference “Lund Hill Wind Project Interconnection” with your comments. We will post all comments we receive on our Web site at [www.bpa.gov/comment](http://www.bpa.gov/comment).

**Schedule** - We currently anticipate completion of environmental review for this proposal in fall of 2011. If BPA determines that the decision to interconnect the Lund Hill 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. The ROD will explain the decision on the interconnection and summarize the environmental review.

**For more information** - If you have questions or would like more information about BPA’s proposed interconnection of the Lund Hill Wind Project, please call me toll free at (800) 622-4519.

Thank you for your interest in this project.

Sincerely,

/s/ Amy Freel

Amy Freel
Project Manager

Enclosures:
Project Vicinity Map
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