



PR 05 12

JOINT NEWS RELEASE
Bonneville Power Administration
Puget Sound Energy
Seattle City Light
Snohomish PUD

FOR IMMEDIATE RELEASE

Tuesday, January 24, 2012

CONTACT: Mike Hansen, BPA, 503-230-4328

Gretchen Aliabadi, Puget Sound Energy, 1-888-831-7250

Suzanne Hartman, Seattle City Light, 206-615-0050

Neil Neroutsos, Snohomish County PUD, 425-783-8444

Joint transmission system projects to improve system reliability

***First major regional electric grid improvements in decades
prepare the area for the future***

Portland, Ore. - The Bonneville Power Administration, Puget Sound Energy, and Seattle City Light today signed a Memorandum of Agreement aimed at improving the reliability of the regional electric grid and reducing the probability of region-wide customer power outages in the future.

The MOA includes six proposed transmission improvement projects – the product of several years of study by BPA, PSE, City Light and the Snohomish Public Utility District – that working in unison will significantly improve electric reliability for electric utility customers in the Puget Sound area. In all, the projects are estimated to cost approximately \$140 million and involve either transmission line upgrades or equipment additions at existing facilities.

“The transmission system serving the Puget Sound region is at capacity and needs to be upgraded,” said Brian Silverstein, senior vice president, BPA Transmission Services. “Several decades have passed since we and the area utilities have jointly invested in large, regional bulk power transmission projects. Now is the time to consider these projects to avoid load curtailments and potential region-wide power outages in the future”

In developing the projects covered by the MOA, the BPA, PSE, SCL, and SnoPUD looked to the technical work of the ColumbiaGrid’s Puget Sound Area Study Team, which has studied and analyzed our regional bulk electric transmission system for several years to help develop the “one-utility” planning approach.

“This was a truly collaborative effort that allowed us to develop a solution to an issue that has been discussed and studied for more than 15 years,” said Hardev Juj, vice president of Planning and Asset Management, BPA Transmission Services. “Without the cooperation of our partner utilities, we could not have reached this agreement.”

When large amounts of energy are being delivered to the Puget Sound area through the Northern Intertie to Canada, transmission lines at times become congested. To relieve this congestion and avoid unplanned power interruptions to customers, BPA currently limits or curtails the amount of energy Puget Sound-area utilities and Canadian utilities can deliver across certain transmission lines. This curtailment process has been in place since fall 2007.

Energy demand projections for the Puget Sound area and the potential for additional energy delivery from the Northwest to Canada have transmission system planners projecting increased curtailments by the end of this decade.

When the curtailments are instituted, utilities have to make changes to the generating resources providing power to the area, explained Silverstein. This can be costly to Puget Sound area customers and the environment. The projects being announced today will significantly expand system capacity and minimize the need for curtailments and potential rolling blackouts.

Most of the power generating resources that serve the Puget Sound are located far away from the area. In addition to the energy coming into the area to serve local needs, BPA delivers energy through the Puget Sound area to Canada to fulfill the “Canadian Entitlement” agreed to in the 1964 Columbia River Treaty.

Under the treaty, BC Hydro stores water behind three large dams for flood control and to optimize the generation potential along the Columbia River - generating power when customers need it most. In exchange, BPA annually returns an agreed upon amount of power to BC Hydro. At times of peak energy use, system congestion in the Puget Sound area can make it difficult for the BPA to return energy to BC Hydro. BPA equally curtails energy delivery to BC Hydro, PSE, SCL and SnoPUD to relieve transmission congestion. These improvements would eliminate the need for curtailments.

###

About BPA

BPA is a non-profit federal agency that markets renewable hydropower from federal Columbia River dams, operates three-quarters of high-voltage transmission lines in the Northwest and funds one of the largest wildlife protection and restoration programs in the world. BPA and its partners have also saved enough electricity through energy efficiency projects to power four large American cities. For more information, contact us at 503-230-5131 or visit our website at www.bpa.gov.

About Puget Sound Energy

Washington state’s oldest local energy utility, Puget Sound Energy serves more than 1 million electric customers and 750,000 natural gas customers in 11 counties. A subsidiary of Puget Energy, PSE meets the energy needs of its customer base through incremental, cost-effective energy efficiency, procurement of sustainable energy resources, and far-sighted investment in the energy-delivery infrastructure.

PSE employees are dedicated to providing great customer service and delivering energy that is safe, reliable, reasonably priced, and environmentally responsible. For more information, visit www.PSE.com.

About Seattle City Light

City Light is the tenth largest public utility in the U.S. Its seven hydro projects provide half of the power needed for the 400,000 customers in its service territory. City Light is 90 percent hydro powered with another 4 percent alternative new renewable power such as wind, biomass and solar. City Light was the first electric utility in the country to be carbon neutral and since 2005 is the only utility to achieve this status.

About Snohomish County PUD

Snohomish County Public Utility District serves one of the fastest growing counties in the Pacific Northwest, delivering electricity to about 320,000 customers and water to nearly 20,000 customers. It's currently the second largest public utility in the Pacific Northwest and the 12th largest in the United States. It is committed to addressing regional growth by pursuing all cost-effective conservation and a diverse mix of renewable energy sources.

###

Bonneville Power Administration
905 N.E. 11th Avenue, Portland, Oregon 97232
Mailing Address: Media Relations - DKPM-7, P.O. Box 3621, Portland, OR 97208-3621
Phone: (503)230-5131 **FAX:** (503) 230-4019 **Web Site:** <http://www.bpa.gov>