PUGET SOUND ENERGY

energizeEASTSIDE

project overview

Key Facts

The Energize Eastside project will build a new substation and approximately 18 miles of transmission lines from Redmond to Renton. Combined with continued aggressive electric conservation, Energize Eastside will keep the lights on for homes and businesses in our Eastside communities for years to come.

The Eastside has grown and it's time for our infrastructure to catch up

The last major upgrade to the backbone of the Eastside's electric grid was more than 50 years ago in the 1960s. Since then, our population has grown eight-fold and our economy relies on reliable power in ways that it did not 50 years ago. This growth will only continue. Projections by the Puget Sound Regional Council show the Eastside population will likely grow by another third and employment will grow by more than three-quarters over the next 25 years.

Now is the time to upgrade

Studies project that growth on the Eastside could cause demand for electricity to exceed the capacity of the backbone of the Eastside's transmission system as early as winter 2017-18.

Federal regulations require PSE to have sufficient infrastructure to meet foreseeable load requirements or plan for intentional rolling blackouts to customers. If PSE plans to use rotating blackouts to meet our federally mandated requirements, we must discuss that plan publicly. Our studies show that if no action is taken to upgrade the backbone of the Eastside's transmission system, PSE will have to utilize additional Corrective Action Plans that resort to intentional rolling blackouts. This could impact more than 130,000 customers as early as the summer of 2018, at a cost of tens of millions of dollars to the local economy.

The Energize Eastside project will provide the necessary infrastructure to meet federally-mandated requirements without having to plan for rotating blackouts and without having a public discussion of the need to plan for blackouts. No responsible utility–or community, particularly those that value sophisticated technology industries–wants to use intentional rolling blackouts as a federal compliance strategy. That certainly is not PSE's desire.

Independent studies confirm a solution is needed

Study	Author, Year	Commissioned by
Electric Reliability Study	Exponent, 2012	City of Bellevue
Eastside Needs Assessment Report	Quanta Services, 2013	PSE
Supplemental Eastside Needs Assessment Report	Quanta Services, 2015	PSE
Independent Technical Analysis	Utility System Efficiencies, Inc., 2015	City of Bellevue
Review of Project Need Memo	Stantec Consulting Services Inc., 2015	EIS consultant

We've looked at many ways to solve the Eastside's electrical problem

Early on in the planning process, we tried to see if we could address the Eastside's electrical needs with other solutions rather than building new infrastructure.

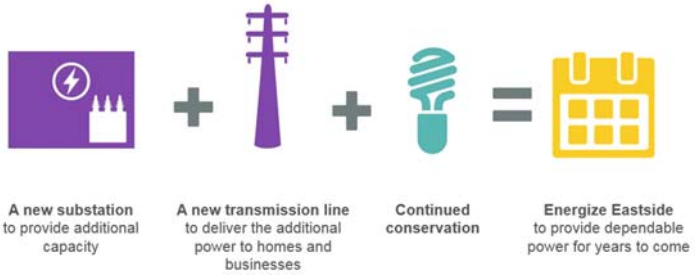
We considered using batteries to store energy, but this technology has not been used and won't work for the type and scale of problem facing the Eastside, and new transmission lines would still be required to distribute electricity from the battery site to customers.

Increased use of alternative power was also investigated as a possible solution. However, solar panels don't generate electricity during the peak hours of electricity use, which occurs on winter mornings and evenings.

Siting a new local power plant in a dense urban area would be extremely difficult to permit, and would still require new transmission lines to deliver the power to customers. More information is available in the Environmental Impact Statement (EIS), which is available at EnergizeEastsideEIS.org.

While conservation is an important component for addressing Eastside demand, conservation alone is not enough.

The most reliable and cost-effective solution is a combination of continued, aggressive conservation efforts and building a new substation and higher capacity transmission lines.



PSE's preferred route primarily uses the existing corridor

Based on what we've learned through community feedback and fieldwork, our engineers have been taking a hard look at route designs. Now, as part of the EIS process, we identified our preferred route and route options to undergo further analysis in Phase 2 of the EIS process.

Our preferred route is called Willow 2 and responds to community feedback by limiting pole heights and effects to Eastside neighborhoods and the environment. Willow 2 primarily uses the existing corridor and a new segment in the Factoria area.

We're also studying other options in the Factoria area, specifically Willow and Oak – Community Advisory Group recommendations – and another new option, called Oak 2. All four routes solve the Eastside's electrical problem and address community concerns. The community will have an opportunity to comment on each of the route options during Phase 2 of the EIS process.

More about the proposed route options, route maps and photo simulations are available on the project website at pse.com/energizeeastside.

We're listening to the community's input

Over the past two years, we've held 22 public meetings and more than 330 briefings with stakeholders, neighborhoods and cities; mailed multiple postcards and newsletters; and heard from nearly 2,000 people about the project.

We've taken what we've learned and developed our preferred route and route options, which:

- Use the existing corridor as much as possible, replacing four poles with one or two
- Avoid new corridors and sensitive areas
- Do not condemn anybody's home anywhere
- Will be safe and better than what we have now

It's nearly impossible to have no impact. But we appreciate those who may be affected by our routing decisions and will continue to work with them and welcome their input.

PSE will work to minimize effects to trees as much as possible

While some trees will be unaffected and a few trees may need to be removed or replaced, many trees will simply need trimming to meet federal safety clearance requirements for transmission lines. PSE is committed to minimizing and mitigating potential environmental effects.

Typical pole heights can be about 20 feet to 30 feet taller than the existing poles are today

PSE is looking at several pole design options, most of which range from 85 feet to 100 feet above ground. In some instances, poles could be as short as 65 feet, while some poles may need to be taller than 100 feet in certain locations, such as crossing a highway. We will do our best to work with the community and minimize pole heights where it is safe to do so.

Safety is our top priority

Customer safety is always the first priority at PSE, and we have a long history of working closely with Olympic Pipeline. PSE's existing transmission lines have safely coexisted with Olympic Pipeline's infrastructure in this corridor for decades, even with periodic construction to replace poles.

Both companies have a mutual interest in the protection and safe operation of facilities in the corridor. High voltage electric transmission lines safely coexist with pipelines across the country and in Washington.

Thank you for your interest in Energize Eastside.

pse.com/energizeeastside 1-800-548-2614 energizeeastside@pse.com