

May 26, 2010

Dear Interested Citizen,

Portland General Electric (PGE) is proposing to construct, maintain and operate a new electric transmission system consisting of approximately 22 miles of single circuit and 187 miles of double circuit 500 kilovolt (kV) transmission line from Boardman to Salem. This project, the Cascade Crossing Transmission Project, is subject to two distinct environmental review processes (see page 2 for further detail), one led by the U.S. Forest Service (USFS) and one led by the Oregon Department of Energy (ODOE). These two agencies are currently seeking public involvement and comment and will be hosting public scoping and information meetings in a community near you at the end of June 2010. Please see page 3 for public involvement, meeting and comment details.

Project Overview

The enclosed map (Attachment 1) shows the proposed transmission corridor as well as other corridors that may be considered. The corridors as shown on the map are preliminary and may change as a result of comments received during the public involvement process. As proposed, the line would cross:

- **64 percent** privately-owned land
- **20 percent** lands managed by federal agencies, including the U.S. Forest Service, Bureau of Land Management, U.S. Army Corps of Engineers, Department of Defense and Bureau of Reclamation
- **14 percent** lands on the Warm Springs Reservation of Oregon
- **2 percent** state or municipal land

In addition to the approximately 210-mile transmission line, PGE proposes to:

- Construct permanent roads which would be used to access the line, towers and right of way.
- Construct three new substations.
- Expand two existing substations (Coyote Springs and Bethel).
- Construct communications system fiber optic signal regeneration stations about every 40 to 50 miles along the line, some of which could be located within substations.
- Possibly upgrade the existing transmission system in the Willamette Valley and near Salem.

As proposed, about 90 percent of the line would be parallel to existing transmission lines. The new transmission line right of way would be 150 feet to 250 feet wide. This project is independent of any new generation project. PGE is proposing to acquire the necessary approvals and permits in order to have the line transmitting electricity by 2015.

Purpose and Need

PGE has stated that the reasons for proposing this transmission line are to:

- Relieve congestion on the present electric grid to maintain a reliable electrical system.
- Provide additional capacity for transmission, including power generated from future renewable energy projects.
- Respond to specific interconnection requests from energy generation facilities, including approximately 1,200 megawatts (MW) of proposed wind energy projects.
- Help meet increased demand for electricity.

PGE also believes this project would help respond to Oregon's Renewable Portfolio Standard, which requires the state's largest utilities to provide 15 percent of their power with renewable energy by 2015, 20 percent by 2020 and 25 percent by 2025.

Federal and State Review Processes

Two separate analysis processes, described below, are required to evaluate the proposed Cascade Crossing Transmission Project. Each of the processes contains a rigorous public involvement component. The federal agencies and the state have been and will continue to work cooperatively with each other throughout both of these processes.

- **National Environmental Policy Act (NEPA) Process**

The NEPA review process is required for any proposal on federally-managed lands. The U.S. Forest Service (USFS) is the federal agency leading the NEPA analysis of the proposal. On or around May 28, 2010, the USFS will publish a Notice of Intent (USFS-NOI) to prepare an environmental impact statement (EIS) in the *Federal Register* on behalf of all participating federal agencies. The purpose of the USFS-NOI is to (1) initiate the public comment period on the proposal and (2) notify the public and affected agencies of the preliminary issues associated with this project. See Attachment 2 for more information on the NEPA process.

- **Energy Facility Siting Council (EFSC) Process**

Oregon’s EFSC process is required for any large energy project proposed in Oregon. On May 17, 2010, PGE submitted a Notice of Intent (EFSC-NOI) to EFSC to submit an Application for Site Certificate by fall 2010. The purpose of the EFSC-NOI is to (1) initiate the public comment period on the proposal and (2) allow Oregon state agencies and affected local governments to identify applicable requirements and special issues of concern. PGE will address these comments and concerns in their Application for Site Certificate. See Attachment 3 for more information on the EFSC process.

Note – Oregon Land Use – The Cascade Crossing Transmission Project must comply with Oregon Land Use law. PGE can seek land use approval either from the affected counties or directly from the Energy Facility Siting Council. County land use planning departments are an important part of the state review process. If you are concerned about land use issues, you are encouraged to contact your county’s land use planning director.

Document Availability

Both the USFS-NOI and EFSC-NOI are available to review at a variety of locations, including:

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| Project Website | www.cascadecrossingproject.com/documents | |
| USFS Offices | Mt. Hood Forest Headquarters – Sandy 16400 Champion Way, Sandy Detroit Ranger Station – Detroit 44125 N. Santiam Hwy., Detroit | Willamette Forest Headquarters – Springfield 3106 Pierce Parkway, Ste. D, Springfield |
| ODOE Offices | ODOE – Salem 625 Marion St. NE., Salem | ODOE – Hermiston 245 E. Main St., Ste. C, Hermiston |
| County Planning Offices | At county planning offices in Clackamas, Gilliam, Marion, Morrow, Sherman and Wasco counties | |

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| Public Libraries | Arlington Public Library 500 W. First St., Arlington | Mill City Library 250 Second Ave. SW, Mill City |
| | Boardman Library 200 S. Main St., Boardman | Oregon City Public Library 362 Warner Milne Rd., Oregon City |
| | Clackamas County Library 16201 SE McLoughlin Blvd., Oak Grove | Salem Public Library 585 Liberty St. SE, Salem |
| | The Dalles-Wasco County Library 722 Court St., The Dalles | Sherman County Public/School Library 65912 High School Loop, Moro |
| | Gilliam County Library 310 S. Main St., Condon | Southern Wasco County Library 410 Deschutes Ave., Maupin |
| <p><i>If you are not able to obtain a copy of these documents through the website or locations listed above, please contact the project at info@cascadecrossingproject.com, (800) 590-7265 (toll-free) or 1515 SW Fifth Ave., Ste. 1022, Portland, OR 97201-5449.</i></p> | | |

Public Participation and Public Scoping

Public participation is a key component of both the NEPA and EFSC processes. The federal agencies and the state are currently seeking information and comments regarding PGE’s proposal. Public input will be used to identify issues, potential alternative routes, potential effects and mitigation measures.

The USFS and ODOE will jointly host public scoping and information meetings on the dates and locations listed in the table below. All meeting locations will be open from **4:00 – 7:00 p.m.** and staff will be available to answer questions. You may also find information, view detailed maps, make a comment or ask a question at www.cascadecrossingproject.com.

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|---|--------------------|---|
| Public Scoping and Information Meeting Dates and Locations | Monday, June 21 | Maupin South Wasco County High School 699 Fourth St., Maupin |
| | Wednesday, June 23 | Oregon City Oregon City High School 19761 S. Beaver Creek Rd., Oregon City |
| | Thursday, June 24 | Salem McKay High School 2440 Lancaster Dr. NE, Salem |
| | Tuesday, June 29 | Mill City Mill City Middle School 450 SW Evergreen St., Mill City |
| | Thursday, July 1 | Boardman Port of Morrow Riverfront Center 2 Marine Dr., Boardman |

Providing Comments

Public comment can be submitted in writing at a public meeting or via the other methods listed below. **Scoping comments must be submitted by July 27, 2010.**

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|---|------------------------|--|
| Public Scoping Comment Opportunities | Public Meetings | See calendar on page 3 |
| | Postal Mail | Cascade Crossing Transmission Project 1515 SW Fifth Ave., Ste. 1022 Portland, OR 97201-5449 |
| | E-mail | comments@casadecrossingproject.com |
| | Website | www.casadecrossingproject.com/comments |
| | Fax | (888) 291-6460 (toll-free) |

Please note the federal agencies and the state will share all of the comments sent to the central mailing address, e-mail address, website and fax number. There is no need to send your comments to more than one of the options above.

If you do not comment at this time or attend any of the public meetings, there will be other comment opportunities throughout the review process. However, the earlier you raise any concerns, the better the opportunity the agencies and proponent have of addressing them.

For further information or questions, please contact:

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| Project Contact Information | Phone | (800) 590-7265 (toll-free) |
| | E-mail | info@casadecrossingproject.com |
| | USFS Lead | Kristy Boscheinen |
| | ODOE Lead | Sue Oliver |

Thank you for your interest in activities affecting public and private lands in Oregon. We hope to visit with you at one of the upcoming public scoping and information meetings.

Sincerely,



Gary L. Larsen
Forest Supervisor
U.S. Forest Service



Thomas M. Stoops
Energy Siting Division Administrator
Oregon Department of Energy

Attachments:

1. Map of proposed transmission line corridors and substations
2. NEPA process flowchart
3. EFSC process flowchart