

## FAQ – Energize Eastside – June 2015

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6/29/2015

### **1. Does PSE really need to construct this project now?**

Yes. Four studies have been completed – two by PSE and two by independent consultants for the City of Bellevue – that all point to the need for the Energize Eastside project. The Eastside region is growing at a rapid rate, but even if the Eastside only grows by 1 percent, PSE still needs to build this project to keep the lights on. The backbone of our electric system, which was built over 50 years ago, is strained today and needs to be upgraded by winter 2017/2018 in order to continue providing reliable power to its customers.

### **2. Is Energize Eastside designed simply to sell power to Canada?**

No. Energize Eastside is a project to serve a local need on the Eastside, not to sell power to Canada. Like any utility, PSE's transmission system is part of a larger, interconnected system that carries power regionally. Because Energize Eastside will be a part of the interconnected grid, a very small percentage of the power flowing through the Energize Eastside line will flow to Canada. It's just a matter of physics, not any decision or motivation on PSE's part. This would be true for any transmission project built by any utility in the Northwest.

PSE does not make any money by sending power to Canada across its transmission system. Any payment PSE receives goes back to customers in the form of lower rates.

### **3. Is PSE building Energize Eastside merely to earn a rate of return on the project?**

No. PSE makes its decisions to invest in capital infrastructure improvements based on the system need – keeping the system reliable under all required planning standards. PSE is not building this project in order to increase earnings. While it is true that PSE can earn a rate of return on capital investments, PSE is planning the Energize Eastside project because the current, 50-year-old infrastructure in the project area is not adequate to keep the lights on and address Eastside customers' growing demand for power. If it were true that PSE's motivation is simply to earn a rate of return, we could build many other less controversial projects to accomplish that goal.

Furthermore, after investing in any capital project, PSE must go to the Washington Utilities and Transportation Commission (WUTC) and defend its investment as prudent in order to recover its costs and meet its legal responsibility of delivering safe and dependable power.

### **4. Will Energize Eastside have 130-foot poles everywhere?**

Simply put, no. PSE is working hard to minimize the height of the poles in response to community input while still meeting the federal safety requirements for transmission lines. More information on the height of the poles will be available during Phase 2 of the EIS process, when specific routes and designs are considered, and when PSE's design team has collected the necessary field information that affects design.

**5. Is it safe to build transmission lines within feet of aging petroleum pipelines?**

With careful study and adequate precautions, yes. Across the country, high voltage electric transmission lines safely coexist with petroleum product pipelines.

Safety is always the top priority at PSE, and PSE has a long history of working closely with Olympic Pipeline. PSE’s existing 115 kV transmission lines have safely co-existed with Olympic Pipeline’s infrastructure in this corridor for decades, even with pole changes occurring periodically, and both companies have a mutual interest in the protection and safe operation of facilities in the corridor.

In addition to being an electric provider, PSE is also a natural gas pipeline operator. PSE and our contractors are very familiar with pipeline safety concerns and employ safe construction practices when performing work in the vicinity of pipelines.

**6. Is it true that 8,000 trees will be destroyed by this project?**

No, this number simply represents a very early estimate shared with the public during the Community Advisory Group process that reflects all trees that could potentially be impacted by the project. While some trees may need to be removed, many trees will simply need trimming to meet federal safety clearance requirements for transmission lines.

Because PSE has not completed its design work for the project, this initial estimate likely overstates the number of trees that would be affected. PSE will have a better estimate to share when it has completed its design work.

**7. Will property values of homes near the transmission line decline significantly?**

Probably not – and certainly not in the long-term. Property values are comprised of many factors, including economic outlook at location, as well as proximity to jobs, schools, transportation, parks and other amenities. Studies consistently show that there is little to no long-term impact on property values from siting electric transmission lines, and that any effect is very property-specific. PSE does not compensate nearby property owners for perceived loss of property value due to installation of energy infrastructure. In this respect, our company is no different than any other developer.

**8. What is the status of Energize Eastside?**

The Energize Eastside project is in the environmental review stage. Currently, the project is going through phase 1 of the environmental impact statement (EIS) process, which is studying technically viable alternatives that address the electrical transmission capacity deficiency. If other viable alternatives are identified through the EIS process that meet the established criteria, PSE is open to considering them. However, because growth studies project that demand for reliable power will exceed system capacity as early as winter 2017/2018, PSE feels strongly that a project must move forward now – not five or ten years from now – in order to ensure the reliability of its system and avoid outages for customers. While environmental review is underway, PSE is busy conducting fieldwork to inform the current environmental review process, as well as project design and future permit applications.