PUGET SOUND ENERGY

Puget Sound Energy, Inc
P.O. Box 90868
Bellevue, WA 98009-0868

September 8, 2008

Allen Fiksdal
EFSEC Manager
905 Plum Street SE
PO Box 43172
Olympia, WA 98504-3172

RE: Wild Horse Expansion

ALLEN
Dear ~~Mr. Fiksdal:~~

Puget Sound Energy (PSE) has reviewed the transcripts from the August 6, 2008 public hearing in Ellensburg as well the written comments received on the request for Site Certificate Agreement (SCA) amendment for the Wild Horse expansion. In this letter, we respond to the substantive comments received and have proposed additional mitigation measures where appropriate to support your consideration of the SEPA Checklist and other information submitted with the Request for Amendment. To further assist in your consideration of this Project, we are enclosing the following additional studies and other information, discussed below:

1) An Archaeological Survey of the Wild Horse Wind Facility Expansion Project, Puget Sound Energy, Kittitas County, Washington (Lithic Analysts 2008)
2) Rare Plant Survey for Expansion of Wild Horse Wind Facility (David Evans and Associates [DEA] 2008)
3) Sage-Grouse Surveys for Expansion of Wild Horse Wind Facility (DEA 2008)
4) Post-Construction 2008 Aerial Raptor Nest and Greater Sage-Grouse Lek Surveys for the Wild Horse Wind Facility (Western EcoSystems Technology, Inc. 2008)
5) 1st Year Post-Construction Avian and Bat Monitoring Surveys for Wild Horse (Western EcoSystems Technology, Inc. 2008)
6) Post-Construction Habitat Restoration Monitoring: Year 1, Puget Sound Energy Wild Horse Wind Power Project (WildLands, Inc. 2008)
7) Revised Wildlife and Habitat Baseline Study for the Whiskey Ridge Wind Power Project (Western EcoSystems Technology, Inc. 2007)
8) DNR Letter to David Bricklin regarding Conservation Easement, August 26, 2008
9) WDFW Comments on Draft Protocols for Wildlife and Habitat Surveys, March 2006

Based upon the responses below, we believe that issuance of a Mitigated Determination of Non-significance (MDNS) is appropriate for the amendment request. We believe that impacts from the proposed expansion are well understood based on the studies prepared

and experience gained during construction and operations of the Wild Horse project, and that with appropriate mitigation measures, both included as part of the Project design and as conditions of approval, potential environmental impacts would be insignificant. Moreover, as stated above, we have offered additional mitigation measures to apply lessons learned during that process. Below please find responses to the substantive comments received during the public comment period.

General Comments

Compliance with SCA. As described in more detail below, PSE believes that it has complied with all conditions in the SCA. Additionally, as testified to at the hearing by several commentors, PSE has sponsored several voluntary stewardship activities that have contributed to the condition and value of the project site and the surrounding area.

Specifically with respect to grazing, PSE has funded and voluntarily participated in a Coordinated Resource Management (CRM) Plan. Participating in this group is not a requirement of the SCA but a voluntary commitment made by PSE to help manage important habitat and wildlife resources on the Wild Horse Wind Facility in coordination with representatives from WDFW, DNR, BLM, and other numerous stakeholders using livestock grazing as a tool to achieve the management goals established by participants of the CRM. The only conditions described in the SCA related to livestock grazing requires PSE to develop and implement a Post-Construction Rangeland Management and Grazing Plan and to fence the Mitigation Parcel (Section 27) and the springs *only* if livestock grazing is allowed by PSE on adjacent properties during operation of the wind facility. All of the conditions of the SCA that pertain to grazing, including approval of the grazing plan and fencing of the mitigation parcel (Section 27) and the springs, were fulfilled prior to grazing on the site this year. Temporary hot-wire fencing was used in place of permanent fencing during this year's grazing season based on guidance from WDFW wildlife biologists and sage-grouse experts who were concerned that permanent fencing, as defined in the SCA, may be detrimental to greater sage-grouse recently observed within the wind facility boundaries.

We have also worked collaboratively over time with state and local agencies, and stakeholders through the project Technical Advisory Committee (TAC), the CRM and daily operations.

Conservation Easement. The conservation easement was a **voluntary** commitment, not proposed as "mitigation" but as a voluntary act of good citizenship and stewardship of the land, made by the project developer, Horizon Wind Energy, and PSE for project lands they owned. Further, PSE has offered to apply the easement to the expansion site upon approval of the SCA Amendment. This is a very significant measure which will result in additional mitigation on the project site well in excess of measures required in the SCA. The voluntary easement was offered to conserve and protect habitat in perpetuity, and greatly exceeds measures needed to mitigate project impacts. It is a precedent-setting measure and a model for the industry. PSE cautions that construing such voluntary measures as "mandatory" conditions, and using such voluntary measures to leverage

additional mitigation not supported by wildlife impact data, risks both this voluntary offer and similar efforts that may be made in the future by others. Further it is not within PSE's power to make such commitments on property within the project owned by the Department of Natural Resources (DNR) and the Washington State Department of Fish and Wildlife (WDFW). Reference DNR's letter.

PSE has been working with WDFW for a number of months completing a conservation easement for the 6,551 acres of property that PSE owns within the boundary of the Wild Horse project. The easement has been negotiated and is in the process of being executed and will be forwarded to the Council as soon as it is completed.

Verbal Comments

Steve Verhey. Substation Lighting. PSE is willing to connect yard lights at project step-up substation to motion sensors.

Kittitas County. As testified to at the hearing by Mr. Darryl Piercy, the proposed expansion site is within Kittitas County's designated overlay zone for wind energy and is therefore consistent with County land use plans and regulations. As stated in the request for amendment, PSE will be submitting an amended development agreement to the County for consideration as soon as a SEPA determination is made by EFSEC. This process has been discussed with the County and is expected to take approximately 30-days to complete. PSE is willing to add this approval to the SEPA environmental checklist, as requested by County staff.

Letter from CFE, Bruce Marvin

Conservation Easement. See response to General Comments above.

Baseline Study and Turbine String "S". The WDFW Wind Power Guidelines (2003) recommend and encourage use of existing information from projects in comparable habitat types in locations close to proposed projects. The survey protocols used for wildlife and habitat baseline studies prepared by WEST for the Expansion Area were reviewed and approved by WDFW in March of 2006, prior to implementation (see attached). During their review, WDFW biologists did not recommend avian use surveys for the Expansion Area because these surveys were previously conducted at the Wild Horse project which is immediately adjacent to the Expansion Area and no differences were expected for impact predictions. In addition to the avian use surveys completed on the adjacent Wild Horse project, a full year of post-construction (operational) avian monitoring data from the Wild Horse project was available to help refine impact predications for the Expansion Area.

The Wildlife and Habitat Baseline Study completed by WEST for the Expansion Area was appended to the SEPA Checklist by David Evans and Associates, Inc (DEA). Additional studies have been completed to further assess potential impacts to cultural resources, rare plants and hedgehog cactus for turbine string "S". Those additional

studies are enclosed. The avian portion of the study characterizes the entire site without respect to turbine string locations. Therefore, no additional preconstruction surveys addressing the expansion area are warranted.

Overhead Collector 2. The proposed section of overhead collector would be similar in design to the section south of the Wild Horse project step-up substation. This is very similar in configuration to distribution level power lines that criss-cross the County currently. We believe the alternative of burying a significantly longer section of collector line around the draw would result in significantly greater impacts overall. PSE would be willing to offer un-guyed structures (e.g., steel monopoles or laminated wood) to minimize potential impacts from this crossing to greater sage grouse.

Letter from Sandy Swope Moody, Washington Natural Heritage Program

Hedgehog Cactus. PSE voluntarily worked with a local botanist and a group of volunteers at great expense and effort to rescue and relocate nearly 1,000 hedgehog cacti from areas that would have been cleared during construction of the wind facility. Initial results of this voluntary rescue and relocation effort are very positive and PSE intends to closely monitor their progress over the next few years. In her letter, Ms. Moody expressed concerns about claiming success for our efforts in the Habitat Baseline Study completed by WEST. As a result, this study has been revised to remove any mention of the cacti rescue and relocation project.

Figure 4 in the WEST report shows the distribution of Hedgehog cactus in their study of the Expansion Area. In addition, supplemental rare plant surveys completed by DEA found the species along the "S" string. Because of the large number of individuals observed during these studies, their frequency in preferred habitats, and the high likelihood that many more individuals occur in the area adjacent to the survey corridors, the expansion area is not expected to significantly impact the species' viability in the project area. In addition, public access to the site will be controlled during both construction and operations, which should continue provide greater protection than is currently afforded to this species.

Hoover's tauschia. Surveys for Hoover's tauschia were completed for both the Wild Horse project and the proposed Expansion Area. WEST inadvertently left it off Table 1 of the Wildlife and Habitat Baseline Study that lists rare plant species for which surveys were conducted. Table 1 has been revised to reflect this correction. In addition, qualified third party biologists from DEA also looked for the species during supplemental rare plant surveys of Expansion areas not studied by WEST.

Letter from Kittitas Field and Stream, Kittitas County Audubon, Friends of Wildlife and Windpower

Fencing of the Mitigation Parcel and Springs. As stated in the EFSEC Site Certificate Agreement (SCA) the development of a Grazing Plan and permanent fencing of Section 27 and the springs is only required if PSE chooses to graze the property. PSE has worked

voluntarily and collaboratively over the past 2 years with state and federal agencies and other interested parties as part of a Coordinated Resource Management Group (CRM) to develop a comprehensive approach to sustainable land management that balances traditional cattle grazing with WDFW wildlife habitat objectives. Prior to implementation of the approved Grazing Plan and in accordance with the EFSEC Site Certificate Agreement, the springs and Section 27 were fenced to exclude livestock grazing during the 2008 grazing season using temporary fencing based on guidance from WDFW wildlife biologists and sage-grouse experts who were concerned that permanent fencing may be detrimental to greater sage-grouse.

If PSE chooses to continue grazing on the existing Wild Horse facility PSE is willing to provide alternative mitigation in lieu of permanently fencing Section 27 by working with WDFW to restore and protect the springs from livestock degradation with native seeding around the springs, installation of wildlife-friendly or temporary fencing as determined by WDFW, and noxious weed management.

Spring Preservation and Enhancement. During the design of the Expansion Area, all project facilities, including access roads, electric lines, and turbine strings, were intentionally laid out to avoid the limited water features in the project area (particularly springs). In accordance with Article IV.F.2.B of the EFSEC SCA, turbines will be located no less than 150 meters from the springs identified in the Expansion Area. Additionally, PSE's voluntary participation in the CRM to cooperatively manage grazing on the wind farm within a larger landscape allows for coordinated resource planning across ownership and management boundaries. This combined with less intensive grazing than originally anticipated on the wind farm, along with an aggressive noxious weed control program and controlled public access to the property, will provide better protection of wildlife habitat, including the springs, at Wild Horse than was afforded in the past.

If PSE chooses to continue to graze the Expansion Area, PSE will work with WDFW to restore and protect the springs from livestock degradation by providing native seeding around springs, installation of wildlife friendly or temporary fencing, and noxious weed management.

Mitigation Parcel. In accordance with the WDFW Guidelines for Wind Project Habitat Mitigation and Article IV.F.10 of the Site Certificate Agreement, Section 27 was selected in coordination with WDFW as the "Habitat Mitigation Parcel" to mitigate for all permanent and temporary impacts to habitat caused by the Wild Horse Wind Project. The 600-acre mitigation parcel exceeds the requirements for the ratios outlined in the WDFW Wind Power Guidelines (2003). PSE has fulfilled the requirement to protect this parcel for the life of the project by providing legal protection in the form of a Declaration of Covenant executed on September 21, 2005. In addition, PSE has agreed to voluntarily grant a conservation easement to WDFW in perpetuity which will include all lands owned by PSE within the Wild Horse Wind Project boundary, including Section 27. The easement has been negotiated and is in the process of being executed and will be forwarded to the Council as soon as it is completed.

PSE agrees to provide either additional replacement habitat for impacts from the expansion or annual alternative mitigation fee in accordance with WDFW Wind Power Guidelines (2003), as determined in consultation with WDFW. If replacement habitat is selected the guidelines would require approximately 70 acres (22.9 acres permanent disturbance @ 2:1 plus 47.7 acres temporary disturbance @ 0.5:1). PSE proposes to offer an approximately 80 acre parcel owned by PSE as mitigation (the South half of the South half of the North half of Section 15, Township 18 North, Range 21 East, W.M. Kittitas County, Washington). If habitat replacement is selected, this parcel would be conveyed by PSE to WDFW by quit claim deed. If alternative mitigation is selected, the annual fee would be approximately $3,850. These funds would be paid to WDFW, targeted at funding habitat conservation and restoration efforts.

Landscape Restoration. The Post-Construction Restoration Plan was reviewed and approved by qualified WDFW habitat biologists and is consistent with the WDFW Guidelines for Mitigation of Temporary Impacts to Habitat (WDFW 2003). The Post-Construction Restoration Plan does incorporate criteria for restoration success as recommended by WDFW and a "good faith" effort will be made to restore impacted areas within the Expansion Area, including implementation of a long-term weed control program for the life of the project, which will aid in restoration success of the site. According to recommendations from WDFW, long-term performance targets should not be imposed since temporal losses and the possibility of restoration failure is incorporated into the acquisition and improvement of replacement habitat that will be selected in coordination with WDFW.

As an additional mitigation measure, PSE will reseed certain areas within the existing site, to be selected by PSE in consultation with WDFW and a qualified restoration specialist, where native seeds have not germinated and are not expected to germinate over time. PSE will also extend restoration monitoring requirements on the existing site for an additional 2 years to maintain consistency and to compare restoration results with the expansion area.

Native seeds from the Pacific Northwest were used for restoration on the adjacent Wild Horse Project. Where practicable, locally adapted seeds will be used in restoration of the Expansion Area if available in sufficient quantities at the time of seeding. Based on recommendations from WDFW staff, PSE is in discussions with a local native seed provider to secure native seeds for the Expansion Area. Seed mixes will be selected in coordination with qualified WDFW habitat biologists and will be keyed to specific soils conditions found on site. According to WDFW, adjacent undisturbed areas will also serve as a seed source for the disturbed areas and should re-establish naturally with time from seed from the adjacent undisturbed areas (WDFW 2005). These efforts, in combination with a progressive weed control program, should provide suitable plant cover to protect the site from erosion and allow slow progressive recovery of the site to natural-like conditions.

Turbine Placement. During the design of the Expansion Area, all project facilities, including access roads, electric lines, and turbine strings, were intentionally laid out to avoid the limited water features in the project area (particularly springs) to minimize impacts to wildlife. In accordance with Article IV.F.2.B of the EFSEC SCA, turbines will be located no less than 150 meters from the springs identified in the Expansion Area. No streams, wetlands, springs, or riparian areas will be impacted by construction of the Expansion Area.

Results from the 1st Year Post-Construction Avian and Bat Monitoring Surveys for Wild Horse (WEST 2008), enclosed herein, demonstrate that the small number of bird and bat fatalities documented and the lack of strong patterns in the locations of mortalities (i.e. some near springs, some away from springs) suggest (contrary to the allegations made to the Council) no large differences in mortality by location within the wind project area (WEST 2007). Statistical tests will be conducted after the 2nd year monitoring is completed to compare fatalities among different locations in the project area.

As stated in the WDFW Wind Power Guidelines (2003) the duration and scope of avian and bat monitoring should depend on the size of the project and the availability of existing monitoring data at projects in comparable habitat types. Based on these recommendations, 2 years of post-construction avian and bat monitoring studies were required by EFSEC for the Wild Horse project and adjustments to operational monitoring will be made if significant and unanticipated impacts become apparent from monitoring data. To date there have been no significant or unanticipated impacts on avian or bat species as a result of the Wild Horse project. In addition, a Technical Advisory Committee (TAC) is responsible for reviewing results of operational monitoring data and making recommendations to EFSEC regarding the need, if any, to adjust monitoring requirements based on results from initial monitoring data.

Due to the close proximity of the Expansion Area to the existing Wild Horse site, and based upon the results of pre- and post-construction survey data collected thus far, PSE is willing to conduct a two-year post-construction monitoring study on the expansion site to evaluate impacts to avian and bat species. Monitoring on the expansion area may include areas within the Wild Horse site if recommended by the TAC and approved by EFSEC. If results from this study show significant and unanticipated impacts to birds and bats the TAC may recommend additional monitoring in accordance with the EFSEC SCA. In addition, PSE will report all avian and bat fatalities found by wind project personnel over the entire life of the project in accordance with the Wildlife Incident Reporting and Handling System reviewed by the TAC and approved by EFSEC as part of project operations and monitoring efforts to help detect any significant or unanticipated impacts.

New Science in Bat Mortality. As stated in the Wildlife and Habitat Baseline Study for the Expansion Area, researchers have hypothesized that bats may be attracted to turbines by ultrasound emissions, ephemeral increases in food sources, or bats may investigate turbines for roosting sites or to glean insects from turbine blades (WEST 2007). Currently these hypotheses are based on limited data and have not been fully tested (Erickson 2008). Although potential bat mortality is difficult to predict on the Expansion

Area, a good estimate can be calculated based on levels of mortality at other nearby wind projects and evaluating direct measured impacts identified during the 1st Year Avian and Bat Monitoring Program on the adjacent Wild Horse Project area, which found that overall bat mortality was similar and slightly lower as compared to pre-project predictions at other wind projects in the Pacific Northwest. Existing projects in Washington and Oregon have reported bat mortality near the low end of the national range (i.e., less than 3 bats/turbine/year) (WEST 2007). In addition, on a national scale, no project impacts on bat populations have been demonstrated to date (AWEA 2008).

The proposed Expansion Area is not located near any large, known bat colonies. A supplemental bat acoustic study using state-of-the-art technology was performed in the Expansion Area by qualified 3rd party wildlife biologists from mid-May through late-October 2007. As stated in the Technical Addendum to the Baseline Wildlife and Habitat Study (WEST 2007) for the Expansion Area, the objective of the bat use surveys was to estimate the seasonal and spatial use of the proposed Expansion Area by bats using Anabat® II bat detectors to record bat echolocation calls in the project area. Based on this study and the low number of bats found at the adjacent Wild Horse Project during the 1st Year Post-Construction Avian and Bat Monitoring Survey (which was reviewed and adopted unanimously by the TAC), potential impacts to bats from construction of the Expansion Area are not expected to be greater than other regional projects.

In summary, based upon the reports and surveys submitted to EFSEC, the data is contrary to any inference that any portion of the Expansion Area is more likely to result in high bat mortality.

Overhead Wires. See response to CFE letter, above.

Project Road Widths. Project roads were the minimum width necessary to provide for movement through the site of the main erection crane other vehicles necessary to deliver and erect the wind turbine components. These vehicles have minimum horizontal and vertical curve requirements. Nevertheless, as originally proposed, PSE would have been willing to provide a narrow road cross section (i.e., 16-feet) from the entrance to "S" string to the eastern boundary of the expansion project. This would have required partial disassembly of the main erection crane and traffic control for other vehicles. To avoid additional multiple dismantling and re-assembly of the main erection crane, the remainder of the project roads would be similar to the Wild Horse roads.

Conservation Easement. See general response above.

Regarding DNR participation in the Conservation Easement, it is not within PSE's power to make such commitments on property within the project owned by the DNR. In a letter from William O. Boyum, DNR Southeast Region Manager, to David Bricklin dated August 26, 2008, DNR clarified their position on this matter. DNR submitted a copy of this letter to EFSEC, and a copy is enclosed.

Letter from Brock Applegate, WDFW

PSE has enjoyed the open, transparent relationship we have had with WDFW through permitting and operation of the Wild Horse project. Such an open, transparent relationship is essential to successfully implement the many voluntary and mandatory measures PSE has taken for the protection and conservation of wildlife. The proposed expansion has been discussed with WDFW staff over the course of years and up until very recently (the last meeting with WDFW staff was August 5th, 2008), first by the original developer and then PSE. The survey protocols used for the baseline studies prepared were approved by WDFW in March of 2006 (see attached). The most significant concerns articulated in WDFW's letter submitted to EFSEC were not mentioned in these meetings, and the concerns related to the survey protocols are not consistent with the advice and approval provided by WDFW prior to completion of wildlife and habitat baseline surveys (including the "buffer" area for great sage-grouse surveys). We note that Mr. Applegate's letter itself is confusing in citing both 2- and 5-mile buffers.

Greater Sage-Grouse. PSE has demonstrated through many actions that we share WDFW's concerns about greater sage grouse in and around the project site. For example, after meeting with WDFW staff including Mike Schroeder and Mike Livingston last winter, PSE proactively and at significant expense received training and performed six weeks of additional lek searches using protocols developed by WDFW and the Yakima Training Center. No leks were observed during these voluntary surveys.

According to the Wildlife and Habitat Baseline Study completed by WEST for the Expansion Area, the proposed project is not expected to negatively impact nesting habitat for sage-grouse. Given the expansive intact shrub-steppe habitat to the east of the proposed project and existing Wild Horse project, the Expansion Area should not impact connectivity between Douglas County populations and the YTC populations (WEST 2007) This is consistent with what PSE heard from Mike Schroeder and Mike Livingston at a meeting in early 2008.

Some of the issues raised in WDFW's letter are not supported by actual experience at the Wild Horse project, and are the subject of substantial biological debate (e.g., "Greater sage-grouse cannot tolerate tall vertical structures."). We are not aware of any studies that have shown that sage-grouse avoid wind turbines. In fact, PSE has documented sage-grouse use of the Wild Horse site and nesting in close proximity (approximately 100 meters) to existing turbines and the Expansion Area has been designed to be permeable to wildlife movement. PSE is encouraged by this and believes that mitigation measures in the SCA along with voluntary conservation measures implemented by PSE have made the site more conducive to use by greater sage-grouse now than prior to construction and operation of the project. The conservation and mitigation efforts implemented by PSE directly correspond with Conservation Strategies and Tasks outlined in *WDFW's Greater Sage-Grouse Recovery Plan, May 2004*. If EFSEC would like a catalogue of those efforts, please advise and we will provide them.

We would hope to continue the collaborative efforts that have taken place up to now. We don't believe that impacts to greater sage-grouse from the expansion require any additional mitigation, and that applicable scientific information does not support such additional mitigation.

"V" and "W" Strings. See response to Overhead Collector in response to CFE, Bruce Marvin letter and Road Widths in response to Letter from Kittitas Field and Stream, Kittitas County Audubon, Friends of Wildlife and Windpower, above. PSE believes that impacts from these turbines, as originally proposed, could have been mitigated with the addition of mitigation measures discussed in this letter.

Calculation of Impacts/Compensatory Mitigation. PSE does not agree with the contention that mitigation should be calculated based on percentage of habitat degradation within 5-miles of the project boundary. There is no study, policy, or regulation we are aware of that supports this approach. The WDFW Windpower Guidelines includes calculations for impacts to shrub-steppe habitat of 2:1 for permanent impacts and 0.5:1 for temporary impacts. PSE agrees to provide additional replacement habitat for impacts from the expansion project in accordance with these guidelines. See response to letter from Kittitas Field and Stream, Kittitas County Audubon, Friends of Wildlife and Windpower, above.

Presence of Threatened and Endangered Species and Designated Habitat. The Draft and Final Environmental Impact Statements for the Wild Horse Wind Power Project, which is part of the record for the proposed Expansion Area, and the Wildlife and Habitat Baseline Study completed by WEST for the Expansion Area describe the status of the Greater sage-grouse and the location of the Expansion Area within the Colockum Sage-Grouse Management Unit. According to the WDFW Greater Sage-Grouse Recovery Plan (May, 2004) the Colockum Management Unit has the potential to link the current Douglas-Grant and YTC populations of sage-grouse but has "severe limiting factors" such as insufficient quality or quantity of winter and breeding habitat and is "handicapped" by relatively rugged terrain, much of which may be unsuitable for sage-grouse (WDFW 2004). The 29 acres of permanent impact anticipated from construction of the Expansion Area is approximately 0.02% of the total area of the Colockum Sage-Grouse Management Unit.

In summary, based upon the survey protocols and information provided in the Wild Horse EIS and additional data submitted with the amendment request, the data in the record supports a conclusion that the Expansion Area will not pose any significant risk to Greater Sage-Grouse.

Concerns with Bat Survey Results. See response to letter from Kittitas Field and Stream, Kittitas County Audubon, Friends of Wildlife and Windpower, above.

Plant Surveys for State Threatened Plant (*Tauschia Hooverii*). The studies for the project area included surveys for Hoover's tauschia. WEST inadvertently left it off Table 1 of the Wildlife and Habitat Baseline Study that lists rare plant species for which surveys

were conducted. Table 1 has been revised to reflect this correction. In addition, qualified 3rd party biologists from DEA also looked for this species during supplemental rare plant surveys of Expansion areas not studied by WEST.

Letter from Kittitas Audobon

See response to New Science in Bat Mortaility in response to Letter from Kittitas Field and Stream, Kittitas County Audubon, Friends of Wildlife and Windpower, and Greater Sage-Grouse and "V" and "W" Strings in response to letter from Brock Applegate, WDFW, above.

Additional Proposed Mitigation and Project Design Modifications in Response to Comments.

As stated above, we believe the expansion, as originally proposed, to be fully mitigated with incorporation of mitigation measures in the Wild Horse SCA and additional measures offered by PSE in the request for amendment. We believe that the project as proposed would not result in significant unavoidable adverse impacts on the environment that cannot be mitigated. Nevertheless, unexpected comments raised by Brock Applegate at WDFW with respect to the "V" and "W" strings have created unexpected controversy that PSE simply wishes to avoid. Therefore PSE withdraws (without prejudice) the "V" and "W" strings from the amendment request, as well as all of the property within Section 9. This change reduces the proposed expansion from 26 to 22 turbines and the site area from approximately 1280 acres to 960 acres. Temporary and permanent footprint impacts would be as follows:

Description	Permanent Disturbed Area (acres)	Temporary Disturbed Area (acres)	Total Disturbance (areas)
Roads Total (net - existing)	16.9	20.7	37.6
Wind Turbine Sites	6	2	8
Electrical Collection System	0	16	16
Concrete Batch Plant	0	2	2
Main Laydown Area	0	0	0
Quarry Site/Processing/Borrow Pit	0	7	7
Substation Expansion	0	0	0
TOTAL	22.9	47.7	70.6

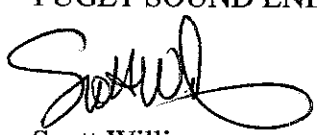
In summary, PSE proposes the following mitigation measures in addition to those proposed in the request for amendment to address the comments received by EFSEC on the proposed site certification agreement amendment:

- PSE will connect yard lights at the project step-up substation to motion sensors.

- PSE will add the amendment of the Kittitas County Development Agreement to the SEPA environmental checklist, as requested by County staff.
- If PSE chooses to continue grazing on the existing Wild Horse facility PSE is willing to provide alternative mitigation in lieu of permanently fencing Section 27 by working with WDFW to restore and protect the springs from livestock degradation with native seeding around the springs, installation of wildlife-friendly or temporary fencing as determined by WDFW, and noxious weed management.
- If PSE chooses to continue grazing on the expansion site PSE will work with WDFW to restore and protect the springs from livestock degradation by providing native seeding around springs, installation of wildlife-friendly or temporary fencing as determined by WDFW, and noxious weed management.
- PSE agrees to provide either additional replacement habitat for impacts from the expansion or annual alternative mitigation fee in accordance with WDFW Wind Power Guidelines (2003), as determined in consultation with WDFW. If replacement habitat is selected the guidelines would require approximately 70 acres (22.9 acres permanent disturbance @ 2:1 plus 47.7 acres temporary disturbance @ 0.5:1). PSE proposes to offer an approximately 80 acre parcel owned by PSE as mitigation (the South half of the South half of the North half of Section 15, Township 18 North, Range 21 East. W.M. Kittitas County, Washington). If habitat replacement is selected, this parcel would be conveyed by PSE to WDFW by quit claim deed. If alternative mitigation is selected, the annual fee would be approximately $3,850. These funds would be paid to WDFW, targeted at funding habitat conservation and restoration efforts.
- PSE will reseed certain areas within the existing site, to be selected by PSE in consultation with WDFW and a qualified restoration specialist, where native seeds have not germinated and are not expected to germinate over time. PSE will also extend restoration monitoring requirements on the existing site for the 2 year period proposed for monitoring the expansion area, to maintain consistency and to compare restoration results with the expansion area.
- PSE is will conduct a two-year post-construction monitoring study on the expansion site to evaluate impacts to avian and bat species. This monitoring may include the Wild Horse site as may be determined by PSE in consultation with the TAC and approved by EFSEC.

Thank you for the opportunity to submit the above responses to public comments. We ask EFSEC staff to expeditiously issue an MDNS for the requested amendment. Please let me know if you have any questions.

Sincerely,
PUGET SOUND ENERGY



Scott Williams
Senior Project Manager