

NOTES & ACTION ITEMS

Meeting No. 6 – March 16, 2017

North Shore Chelan Substation Community Focus Group

Attendees: Kelly Allen, Fred Cleveland, Steve Firman, Tom Anglin, John Dryer, Wendy Isenhardt, Michael Gibb, John Stoll, Andy Wendell, Chad Rissman, Teka Parks, Gary Rice, Steve Vaughn, Kimberlee Craig

Purpose: Provide an update and gather input from focus group members.

Desired Outcomes: Gather feedback from members on information presented on March 6th
Understand current status of project and next steps

Meeting Summary:

- John Stoll explained PUD staff have been working on the Chelan and Leavenworth substation siting projects on similar paths. Much of the recent information from the consultant's analysis has come only recently and in a very short period of time. We are still in the discovery phase in Chelan after learning more detail from the analysis and hearing input from the community. The analysis shows the cost and visual impacts of additional distribution needed to put a substation in an area away from the load center. Placing a substation in an outlying area, requires building a large amount of distribution to get the electricity back to the load center and is not the PUD's standard. PUD staff is still learning a lot from this analysis including the costs of this additional infrastructure, as well as the property easement requirements and aesthetic impact, none of which are not desirable.
- John reiterated that Commissioners are committed to the focus group and engagement process and find both extremely valuable and important to the overall objectives of the project. PUD Commissioners also understand the importance of aesthetic impacts of both the substation and distribution lines.
- After the March 6th Commission meeting, PUD staff was directed to look for additional options closer to the load center without first confirming we have a willing seller this area, which is a change from the original direction of only looking in areas where PUD staff had confirmed a willing seller prior to performing any discovery work. Understanding we are working in a tight timeframe, Commissioners want to better understand the costs and visual impacts of being nearer to the load center compared to being in an outlying area.
- In addition to visual and cost implications, PUD staff has learned more about the impacts of easements that would be needed to place distribution under-build on the existing transmission lines.
- PUD staff does not plan to make a recommendation to PUD Commissioners on March 20th.
- The focus group and community members wish we could have known more about the transmission and distribution impacts of placing a substation in an outlying area. PUD staff didn't know the full impacts until after the analysis was completed.
- Andy Wendell reminded the group that we agreed on site selection criteria early on in the process, including proximity to existing transmission lines and proximity to service area.
- PUD staff and Commissioners would like to find a solution that represents *the best, for the most for the longest period of time.*
- Eminent domain is within the PUD's authority, but has not been used in the past and the PUD doesn't want to exercise it if a collaborative solution can be found.

Analysis and additional options:

- Gary provided "one-pagers" on the three sites with known willing sellers and which were analyzed by the consultant (WA Fed, Chelan Heights, Uhrich). New information included estimated number of visual impacts and easement requirements.
- Gary presented some high-level analysis on hypothetical areas, closer to the load center.
- A site closer to the load center would require less distribution and have a lower cost than those in outlying areas.

- High-level analysis of siting a substation in an area south of Hwy. 150 (between the hwy. and the lake) would require transmission through a residential area. Given these impacts, further analysis in this area will likely not be completed.

Technical information:

- The distribution double circuit under-build would be considered an “express feeder.” This line would not directly serve homes and transformers would not be hung on poles. However, regulator banks could be needed on those circuits in the future, which would have a visual impact.
- Steve Firman asked if it would be possible to build more, smaller substations, would that solve any of the issues we are facing? Chad said if a creative solution is obvious, there is potential for a change. The size of the station is mostly impacted by the voltage and since we are not considering voltage changes smaller stations would not help us reduce impacts.
- Having an easement for a distribution line does not automatically mean there will be an easement in the same spot for a transmission line. An easement document must describe that both transmission and distribution facilities are allowed. Many easements only describe one use.

Undergrounding distribution:

- PUD staff recommends, and the focus group agrees, that the overall discussion of undergrounding distribution in the Chelan community be separated from the discussion around distribution needed for the new substation.
- Kelly Allen: has heard that community members would be willing to pay for undergrounding distribution.
- Wendy Isenheart: Community wants to work with the PUD on an undergrounding solution for all of Chelan, a 30-year look. Would like to use this as a first step to beautification of Chelan.
- Michael Gibb: introduced the idea of a surcharge for undergrounding at the March 6th Board meeting.
- Steve Firman: some concern with a surcharge because the Chelan community is already being asked for other things, such as the hospital.
- If distribution is underground along Boyd Road, the group would like to look at opportunities to widen Boyd Road and install a sidewalk.
- Fred Cleveland: asked if underground transmission is possible. Andy answered it is out of the scope of this project, but could be part of the larger discussion in the future.
- Andy Wendell committed to having a conversation about the beautification/aesthetic improvements of the north shore and possibly other areas of Chelan later, after we find a solution for siting the substation.
- The conversation of undergrounding is bigger than just the PUD and would mean collaboration with County and municipality.
- John Stoll reminded the group that if we can minimize the wire in the air now, it will help in the effort to improve aesthetics in the future.

Input on additional options:

- John Stoll reiterated we are at a pivot point – asked by PUD Commissioners to look at options closer to the load center that will lessen impacts and costs of being in an outlying area, without first confirming we have a willing seller. John asked the group their thoughts on this new direction as well as the strategy for PUD staff to contact property owners.
- Steve Firman: feels there may be similar issues with the areas along Boyd Road as there was with Franzen. Not in favor of an area across Hwy. 150 because of transmission. An area behind Chelan Hills would be the best of the options closer to the load center.
- Fred Cleveland: Area 7 from the original list of eighteen areas was one favored by the group at the beginning of the process. Concern about an area across Hwy. 150 because of transmission.
- Michael Gibb: supports the change in direction with two caveats – 1) find a substation site that successfully eliminates the distribution under-build and minimizes visual impact with less distribution

requirements and 2) the need to be proactive with purchase of a second site for future use – suggested integrating a utility element in the City’s comprehensive plan.

- Kelly Allen: asked if it would be more beneficial for the group to reach out to property owners.
- John Dryer: concern with losing current willing sellers if we don’t make a decision soon. Asked if we could look at the original site that was removed from consideration in August 2015. PUD staff said no, that is not a direction PUD Commissioners or management wish to take. Suggested purchasing one or two additional sites now to reduce visual impacts for substations in the future.
- Tom Anglin: asked if PUD Commissioners said the three sites with willing sellers were not what they were looking for and that’s why the pivot was introduced. Andy Wendell answered by saying we didn’t hear that directly, but were told PUD Commissioners wanted more information on what it would look like to have a site closer to the load center and staff was directed to look at those options even before confirming we had a willing seller.
- Wendy Isenhardt: appreciate that the PUD is doing what they said they would do and pointed out we are finding the “devil is in the details.”

Next steps and action items

- Michael Gibb requested PUD staff look into a transmission easement to place a substation near area 4 from the original list of eighteen areas. Gibb also asked about easement for underground transmission lines to serve a substation located on site 18.
- Andy Wendell received consensus from the group that they support the PUD’s direction to move forward with further discovery of options near the load center.
- PUD staff did not hear any opposition from the group about moving in this direction.
- PUD staff will move forward with analysis on additional areas. Because we have learned a lot and now have more tools, the process should go more quickly, there is still urgency in siting the substation.
- PUD staff will contact property owners in areas closer to the load center.
- PUD could still look at purchasing one of the three outlying sites for the future.
- Andy Wendell asked for a commitment from the group to communicate the following points to their colleagues in the community:
 - The PUD has not yet zeroed in on a site
 - The PUD has performed some preliminary analysis/information gathering of additional areas, closer to the load center
 - The PUD wants to continue to be transparent in this process
- PUD staff will present an update at the March 20th Commissioner meeting at 10 a.m.