

April 7, 2006

City of Kennewick
Attention: Dan Kaufman, City Engineer
Post Office Box 6108
Kennewick, WA 99336

Re: Steptoe Street Project from Gage to Clearwater

Dear Dan:

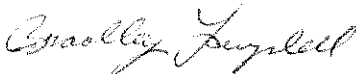
As you are aware, representatives from Benton PUD (aka the District), attended a project planning meeting at the City of Kennewick on February 7, 2006. During this meeting and in correspondence since, the District has been asked to respond to several potential changes to its transmission line to accommodate constructing a road on its right-of-way.

Below are the questions from the City and the responses from the District to those questions:

1. *Can the road be constructed on the PUD easement?* Yes, The District is willing to make reasonable adjustments to its facilities to accommodate the road provided the District is made whole on costs and rights of way. Some Bonneville Power Administration right of way and facilities are included in the project area and will need to be included in decision making. The District does not purport to be spokesmen for BPA.
2. *Can the line be placed underground?* The technical answer is yes, the practical answer is no. Some utilities, generally much larger utilities, do underground some 115kV lines. Benton and its neighbors have not installed 115kV underground lines. We do not have training, supplies or equipment for such an installation and we do not have neighboring utilities that could assist us with one. The incremental cost for the first installation is significant. The District having no experience in undergrounding 115kV transmission is reluctant to agree to such an installation and has difficulty estimating the cost of such an installation. However, if the District agreed to endeavor this, a rough estimate based on some phone conversations, puts this project in the \$2 million to \$4 million range.
3. *Can the line be relocated east nearer the Kennewick Park area homes?* Yes it can be; however, the District is reluctant to move this direction and public information and relations on such a move would be the responsibility of the city street construction staff.
4. *Can the line be relocated west nearer the section line?* Yes, if relocation is required this is probably the best solution. The District can prepare estimates for the cost of relocating the transmission line and the distribution under build. The District will need grade and plot plans for the road to make these estimates. The relocation will also require new right of way in Section 36. A project moving the line nearer the edge of the existing right of way will necessitate new right of way for overhang and wind blow-out.

Please remember, as stated in number 1 above, whatever expense the District incurs in relocating the electric facilities, must be reimbursed. This includes right of way procurement, design, construction labor and materials, permitting, etc. If you have additional questions or concerns, please contact me.

Sincerely,


Bradley Langdell
Engineering Specialist