

In the matter of PCN-2 the following represents the position of Kurt Mizee/Tilla-Bay Farms, Inc. on the issue list proposed by TPUD. TPUD proposed the issues with a corresponding number system. Our positions are numbered with the same numbers and in like order for clarity.

1/0 - Applicant fails to show how capacity will be returned to add system capacity in detail, specifically regarding line 51

1/1 - We agree that the villages of Netarts and Oceanside need reliable power. My residence is between the two. However, we disagree that this is the best method of providing reliable capacity to the system which is a key reason for this project. Also, there are multiple options for making power more reliable to these villages as interruption is largely due to trees, cars and an aging distribution line. The community of Oceanside voiced support for the transmission line during the county land use hearing however, this is the only solution that PUD presented to them to make their power more reliable. They were not informed of the other viable solutions, such as undergrounding line 51, or implementing Option 3, which would both satisfy this need.

2/1.1 - Necessity of this project is overstated in the application. Two miles of aging distribution line is not a sufficient reason to burden rate payers and land owners with this transmission line project. Additionally, it removes a substantial amount of transformer capacity from the central valley of Tillamook where most growth, including industrial use is located. A rebuilt line 51 is a necessity. Increasing capacity in central Tillamook *may* be a necessity. Additionally, if a distribution line can be built to return 22Mw of power back to Tillamook from Oceanside it can also be built to carry 22 Mw of power out to Oceanside. The Applicant claims the transmission line is the only way to get it out there, eluding that a distribution line can't do the job. However, both Option 3 and the proposed plan to run a 10 Mw generator during replacement of line 51 are both reasonable and more cost effective ways of doing this. Option 3 not only allows for this aging distribution line to be upgraded but also additional distribution line upgrades along Geinger and Matejeck Roads.

6/1.2 - TPUD submitted information from Bonneville Power to the Tillamook County Planning Commission regarding the safety of transmission lines. In that publication it speaks of need to ground irrigation systems, fences and structures to minimize injury to people working under them. These are safety issues, even when built to code. They will require OR-OSHA training for employees and monitoring protocols. In contrast the distribution lines of Option 3 does not carry these same safety issues and the travel would be in locations that by-in-large already have existing distribution lines. Additionally, this creates a safety issue with regard to aerial spraying on the farmlands that are crossed.

7/1.3 - TPUD utilized a consultant to guide a public process (CAG) to an outcome that fit their narrative. This public body was not allowed to discuss the need of a transmission line, just a route. Furthermore, the CAG's primary criteria was to avoid homes. After completion of the CAG process the line was moved (by the PUD solely) from the route that the CAG "could support, if the landowners were worked with" to a route that brought

an additional 12 houses into the affected area. This public process falls apart as a "community approved" route selection at the precise moment that the TPUD went against the CAG primary directive. Additionally, an important note: a non-transmission option (such as option 3) was never vetted by the public, or brought in front of the CAG.

Collaboration with the community and its leaders has resulted in opposition by the Tillamook County Creamery Association, Oregon and Tillamook County Farm Bureau, Oregon Dairy Farmers Association and Oregon Department of Agriculture. These are the largest rate payers and economic drivers of the community. These organizations support Option 3 as a reasonable way to deliver reliable power to Netarts and Oceanside.

Option 3 is far more practicable, requiring very few new easements. This line route travels largely along existing county roads which avoids conflict with farm land and farming practices during construction and on-going maintenance for life. The landowners affected by Option 3 are amenable to granting easements. Option 3 also requires smaller right of ways through forest land and reduces loss of harvestable timber by 75%. The fact that this option has a lower construction cost, lower cost to maintain, provides capacity where needed and has far less community conflict associated with it accounts for its greater practicability.

8/1.4 - The proposed transmission line is not justified when there is a viable option with less impact and less cost available. Additionally, the proposed project removes capacity from the area of largest use and attempts to return it on what TPUD calls its "worst performing line" – Feeder 51. At the March TPUD board meeting the manager called for building a "power backbone" between the methane digesters and emergency services. This system would enable the community to have critical needs met in the event that power couldn't be brought in from Bonneville power (ie. natural disaster). However, these digesters are all located between the Wilson and Trask substations. Adding capacity in Netarts and Oceanside would serve no purpose in this scenario.

9/2 – A Line 51 upgrade is a key component to the added capacity portion of the justification of this project. The details of this part of the project should be spelled out clearly. Additionally, Option 3 as a reasonable alternative should be mapped out equally as detailed because of how in-line it is with the other OAR criteria.

10/3 - We don't believe that cost have been fully reported. As stated above, the cost of Line 51 being built to a level that is sufficient to handle 22 Mw of power back to Tillamook is a critical piece to all of this. While replacement of this line is due, the cost to build it to carry that amount of power back to Tillamook is likely greater. Furthermore, cost benefit analysis of the transmission line vs Option 3 should be performed and should also include ongoing maintenance cost, which includes maintaining easements. Option 3 cost/benefit should also include the benefit of upgrading existing distribution lines along the route which are aged, as well. Also, we believe that budgetary numbers for obtaining easements are significantly under what the actual costs will be. There are still more than 50 easements to be secured.

11/4 - Rate impacts go beyond the construction cost of this transmission line. The easements are wide and go through a large swath of forest and estuary zone. Ongoing costs beyond initial construction should be accounted for as these are difficult areas to maintain and require specialized equipment. Furthermore, Option 3 meets the goals of the project at roughly HALF the cost.

12/5 - We would request an updated count of landowners who have given approval and how those approvals have affected the budgetary numbers for easement acquisition. We feel that TPUD is far more focused on the cheaper/easier process of condemnation than they are obtaining easements. TPUD has not floated any offers out to us for an easement in well over a year. We do not agree with their initial offer of \$9000, as a one-time payment intended to compensate us for the 100 years of farming we have already done to make the land dry and ideal for farming, the number of years they will be crossing the land to install and maintain the lines into the future, or potential profit decreases due to unforeseen issues caused by the lines.

13/6 - TPUD conducted their analysis of alternative routes without correct data, without talking to landowners along the route to see if it was more amenable, and without vetting them through the CAG process. TPUD abandoned anything other than a transmission line after upgrading the bay at Wilson River substation before securing an approved route. They are now trying to monetize the investment made by installing a transmission line rather than a more appropriate distribution line, such as Option 3. When asked to take Option 3 back to the public process TPUD Board Chairman Doug Olsen stated that the County Land Use Process would be the public process.

14/7 - The customers have the following needs: Reliable power to Oceanside and Netarts, Added system capacity (specifically in the central valley) and low power rates. Option 3 provides all three of these with reliable and redundant power, added system capacity at the Trask station in the middle of the industrial Port of Tillamook Bay, and a significantly lower cost of construction and maintenance.

15/8 - Attorney for Tilla-Bay Farms, Inc. made the argument at the local land use level that TPUD is not in compliance with EN zone. Also, Oregon Department of Agriculture has submitted a letter stating that the route is not in alignment with statewide planning goals.

(3)(b) TPUD has yet to obtain approval from Stillwell Drainage District regarding construction plans surrounding US Army Corps of Engineers Certified Levees. Stillwell Drainage is a recognized Special District tasked with keeping OR Highway 131 a viable route of commerce in addition to protecting the other land owners within the levee.

16/8.1 - Land use arguments have largely been made at the local level and should be considered when The Commission make their determination. We have pointed out that Option 3 has far less to no conflict in terms of Goals 3, 4, 11 and 17.

/s/ Kurt Mizee

