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June 22, 2006

ORIGINAL

Via Hand Delivery

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Project No. 12691 – Agate Passage Tidal Energy Project
Application of the Snohomish County PUD for Preliminary Permit**

FILED
OFFICE OF THE
SECRETARY
2006 JUN 22 P 12:34

Dear Secretary Salas:

Following a conversation with Commission staff, Snohomish PUD wishes to update the filing of a preliminary permit application for the proposed Agate Passage Tidal Energy Project, submitted to the Commission on June 15, 2006 (P-12691), to provide additional detail about Snohomish PUD's estimates of the turbine installation prospects at the Agate Passage site. Snohomish PUD wishes to replace the final paragraph of Section 4 of Exhibit 1 with the following:

While the in-stream tidal resource is relatively concentrated in Agate Passage, the cross-sectional area is quite small and the channel very shallow. As a result, the extractable in-stream resource is quite low (< 1 MW) and siting of turbines using existing technology could be problematic. For the purposes of a preliminary assessment, the following turbine parameters have been assumed:

- Horizontal axis turbine with 3m diameter rotor
- One radius (1.5m) lateral spacing between units to prevent flow blockage
- Seabed clearance of 1m to keep turbine rotors outside the less energetic boundary layer
- Overhead clearance of 3m at LAT (lowest astronomical tide) to allow clearance for pleasure craft and fishing vessels

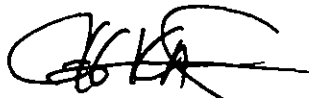
Note that these specifications are preliminary and are subject to change due to device selection and detailed engineering design. For example, if deeper draft vessels make use of Agate Passage, overhead clearances would have to be appropriately increased.

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With these specifications, over one hundred and thirty (130) small turbines could be sited in Guemes Channel, generating 340kW of electric power on average (400kW extracted on average) with a 30% capacity factor. These would be very small turbines with a rated power of approximately 9kW each. Furthermore, the above numbers assume turbines with pitch control on the blades, which may greatly effect the economics of the site.

Should you have any questions or concerns, please contact me at (425) 783-8250.

Very truly yours,

A handwritten signature in black ink, appearing to read 'JK', with a large, sweeping flourish extending to the right.

Jeffrey R. Kallstrom
Senior Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing filing in accordance with Rule 2010 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission.

Dated at Everett, Washington, this 22nd day of June, 2006.

/s/ Ray Finnen

Ray Finnen

Senior Paralegal

Office of the General Counsel

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