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June 17, 2008

VIA ELECTRONIC FILING

Kimberly D. Bose, Secretary
 Federal Energy Regulatory Commission
 888 First Street, NE
 Washington, D.C. 20426

**Re: Public Utility District No. 1 of Snohomish County
Project Nos. 12687, 12688, 12689, 12690, 12691, 12692, & 12698
 Request for Extension of Time to File Notification of Intent and
 Draft License Application**

Dear Ms. Bose:

On March 1, 2007, and March 9, 2007, Public Utility District No. 1 of Snohomish County, Washington ("Snohomish"), was issued preliminary permits within the State of Washington for Deception Pass, Project No. 12687, and Admiralty Inlet, Project No. 12690, respectively (collectively, the "March Permits"). Snohomish was previously issued preliminary permits for five other tidal energy projects proposed in and around Puget Sound in the State of Washington on February 22, 2007 (collectively, the "February Permits").

As required by Paragraphs C and D of the Commission's February and March Orders issuing the preliminary permits, on January 31, 2008, Snohomish filed a comprehensive, 600-page Pre-Application Document ("PAD") covering all seven projects. Snohomish also requested an extension of the deadline to file a Notification of Intent ("NOI") to sixty days prior to the expiration of the preliminary permits. On February 22, 2008, the Commission notified Snohomish that it was extending the due dates for the NOI and Draft License Application ("DLA") to January 31, 2009, for the February Permits and February 28, 2009, for the March Permits, twelve months before the preliminary permits expire.

By this letter, Snohomish respectfully requests an extension to allow the filing of the NOI and DLA sixty days prior to expiration of the preliminary permits, *i.e.*, up to and including November 30 and December 28, 2009, for the February and March Permits, respectively. This extension allows for the filing of a final license application prior to the expiration of Snohomish's existing preliminary permits and permits full utilization of the three-year preliminary permit period.

As shown in FERC-prepared timelines for the hydrokinetic pilot project licensing procedures, a sixty day period is reserved between the filing of the NOI and DLA and the filing of a final License Application (*see* PL08-1 and AD07-14).¹ FERC reiterated this timing on August 31, 2007, when FERC stated that "[a]n application for an original hydrokinetic pilot project license would be filed within 60 days following issuance of the notification of

¹ The AD07-14 timeline dated July 19, 2007, and the PL08-1 timeline dated April 14, 2008, are attached hereto as Attachments A and B, respectively.

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intent." See The Proposed Licensing Process for Hydrokinetic Pilot Projects: A Framework for Discussion, AD07-14, filed Aug. 31, 2007. The schedule proposed by Snohomish is consistent with this timing, as it requires the filing of a NOI and DLA at least sixty days prior to the expiration of the preliminary permits.

Snohomish will utilize this additional time to:

1. Select a tidal in-stream energy conversion technology. As a consumer-owned electric utility with no commercial or other stake in any specific energy-conversion technology, our primary concern is the most responsible development of the resource in a manner which also represents appropriate environmental stewardship for Puget Sound. We believe our approach of investigating the resource before choosing a specific technology provides the best opportunity to successfully develop a tidal energy project in Washington State, and the stakeholders with whom we have discussed this approach agree.

2. Engage with the state working group resulting from Washington State Senate Bill 6111. Senate Bill 6111, signed by Washington State Governor Christine Gregoire on April 1, 2008, and effective June 12, 2008, creates a state working group to evaluate and provide recommendations with respect to the development of tidal and wave projects within Washington State. Sufficient time is necessary to educate the members of the working group relative to our projects, discuss potential effects of the projects, negotiate an acceptable monitoring plan, and prepare a complete DLA.

3. Clarify and better understand the intentions of the United States Navy with respect to its proposed program for tidal energy in Puget Sound using Verdant Power's technology. The Navy has expressed interest in one or more sites for which Snohomish has received a preliminary permit; however, details are just now emerging given that the Navy has only recently completed a solicitation for engineering services related to the program.

Accordingly, Snohomish respectfully requests an extension of time to submit its Notification of Intent and Draft License Application for the February and March Permits to November 30 and December 28, 2009, respectively. As described above, this extension balances full utilization of the time allotted under a preliminary permit with the need to file a license application before the preliminary permit expires. Should our request be granted, Snohomish proposes replacing Table 2-1 in the PAD with the table attached hereto as Attachment C.

Snohomish appreciates your consideration of this extension request. Snohomish is an energy-deficit utility that is aggressively pursuing renewable resources to meet load growth and renewable portfolio standard requirements. We expect tidal energy may play an important role in this effort and are committed to developing these projects in a prudent and efficient manner. If you have any questions about this extension request or our projects, please contact me at (425) 783-1825.

Respectfully submitted,

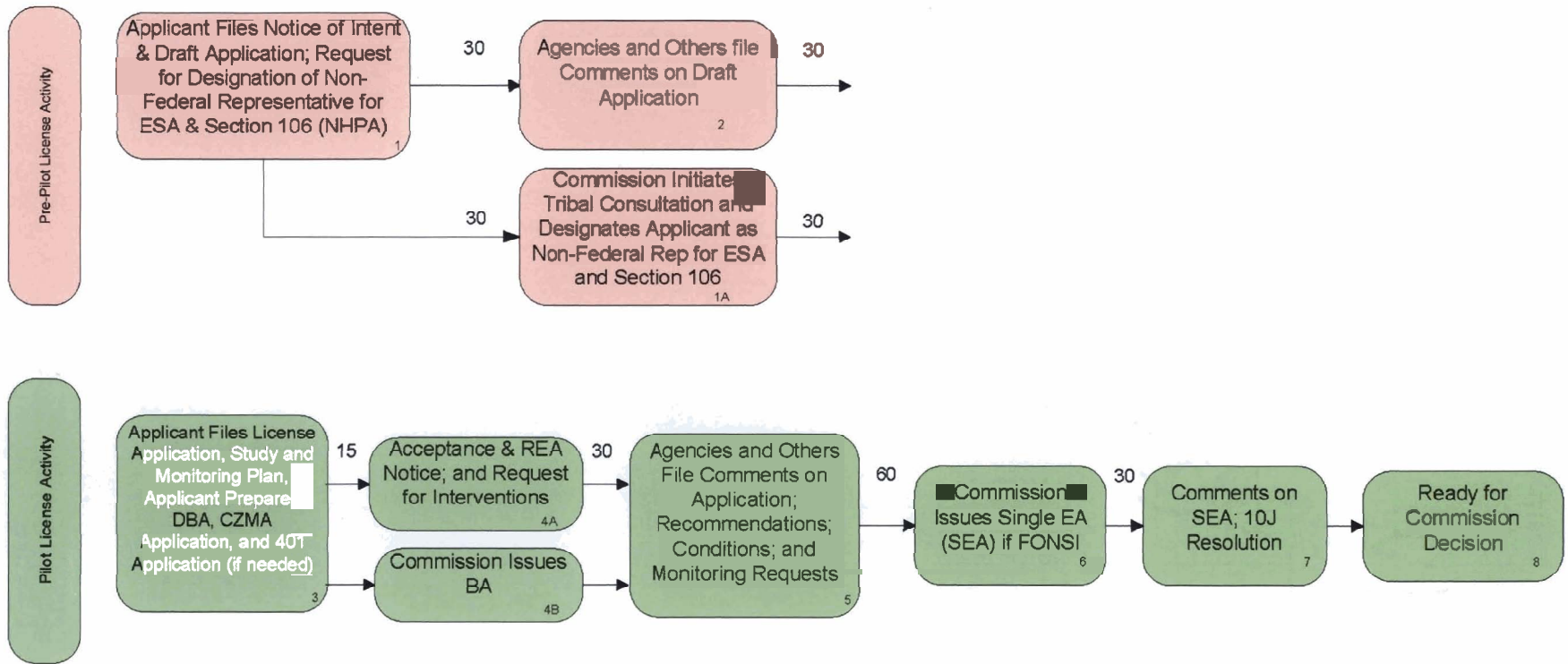


Craig W. Collar
Senior Manager, Energy Resource Development

Proposed Licensing Process for Hydrokinetic Pilot Projects

Purpose - To develop a pilot project licensing process that can be completed in as few as six months, provides for Commission oversight and agency input, and allows developers to generate while testing.

ATTACHMENT A



ATTACHMENT B

Licensing Hydrokinetic Pilot Projects
 April 14, 2008

Procedures

APPENDIX A. HYDROKINETIC PILOT PROJECT LICENSING PROCEDURES

Hydrokinetic Pilot Project Licensing Procedures

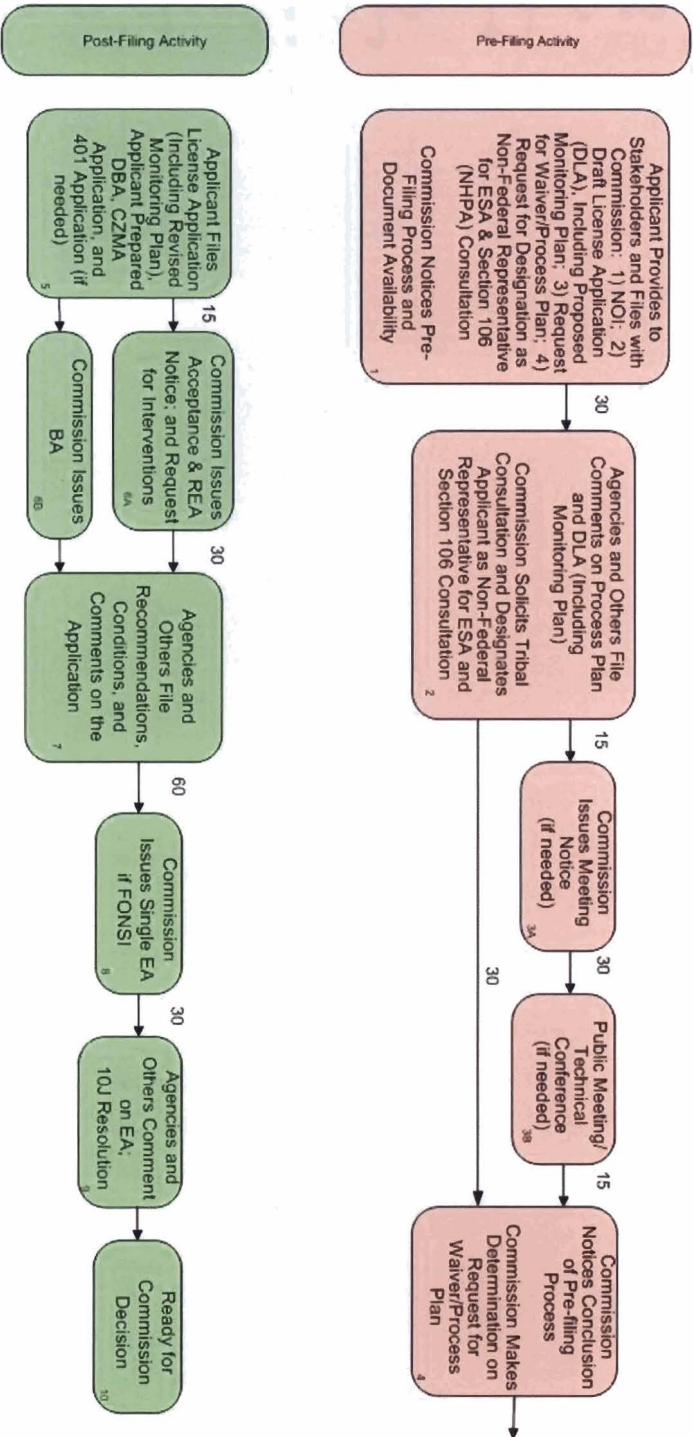


Figure 1A. Schematic of Hydrokinetic Pilot Project Licensing Procedures.

March 17, 2008

ATTACHMENT C

Proposed Schedule for the Snohomish PUD Tidal Energy Projects

Table 2-1. Schedule of project milestones

Activity	Date
Submit Pre-Application Document to FERC and distribute to stakeholders	January 2008
Submit second six-month progress report to FERC	January 2008
Establish and engage working groups with state/federal agency, tribal government, and other stakeholder representatives to gain input into a study and monitoring plan	April 2008 and ongoing
Issue Requests for Proposals for a tidal in-stream energy conversion device technology developer	June 2008
Complete pilot and commercial plant design studies and economic analysis for open-rotor technology deployment in Admiralty Inlet (completed in 2007 for closed rotor horizontal axis technology)	July 2008
Submit third six-month progress report to FERC	July 2008
Evaluate responses to Requests for Proposals and select tidal in-stream energy conversion device technology developer	August 2008
Complete pilot and commercial plant design studies and economic analysis for open-rotor and closed rotor horizontal axis technology development in remaining sites of interest	December 2008
Complete the development, with the University of Washington, of tidal current models for Puget Sound to inform final plant design and environmental effect analysis	January 2009
Submit fourth six-month progress report to FERC	January 2009
Complete review of all feasibility studies and technology assessment activities – make final decision regarding development scope and technology utilization	March 2009
Submit fifth six-month progress report to FERC	July 2009
Submit draft License Application and other required documents to FERC for Projects covered by the Preliminary Permits issued on February 22, 2007	November 2009
Submit draft License Application and other required documents to FERC for Projects covered by the Preliminary Permits issued on March 1 and 9, 2007	December 2009

Activity	Date
Submit License Application, Study and Monitoring Plan, applicant-prepared Draft Biological Assessment, Coastal Zone Management Act application, and 401 application (if needed) for Projects covered by the Preliminary Permits issued on February 22, 2007	January 2010
Submit License Application, Study and Monitoring Plan, applicant-prepared Draft Biological Assessment, Coastal Zone Management Act application, and 401 application (if needed) for Projects covered by the Preliminary Permits issued on March 1 and 9, 2007	February 2010

CERTIFICATE OF SERVICE

I hereby certify that I have this day served via e-mail or via the U.S. Postal Service a copy of the foregoing filing upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with Rule 2010 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission.

Dated at Everett, Washington, this 17th day of June, 2008.

A handwritten signature in blue ink, appearing to read "Ray Finnen", is written over a horizontal line.

Ray Finnen
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Document Content(s)

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