

FEDERAL ENERGY REGULATORY COMMISSION  
Washington, D. C. 20426

OFFICE OF ENERGY PROJECTS

Projects Nos. 12687, 12688  
12689, 12690, 12691, 12692, &  
12698 - Washington  
Snohomish County Public Utility  
District No. 1

Mr. Craig W. Collar  
Senior Manager, Energy Resource Development  
Snohomish County PUD No. 1  
P.O. Box 1107  
Everett, WA 98206-1107

FEB 22 2008  
FEB 22, 2008

Dear Mr. Collar:

On February 22, 2007, the Snohomish County Public Utility District No. 1 (Snohomish) was issued preliminary permits for five tidal energy projects proposed in and around Puget Sound in the State of Washington (Rich Passage Project No. 12688; Spieden Channel Project No. 12689; Agate Passage Project No. 12691; San Juan Channel Project No. 12692; and Guemes Channel Project No. 12698). On March 1, 2007, and March 9, 2007, Snohomish was issued preliminary permits for Deception Pass Project No. 12687 and Admiralty Inlet Project No. 12690, respectively. Paragraph C of the Commission's Orders issuing the preliminary permits requires, among other things, the filing of a Pre-Application Document (PAD) and Notice of Intent (NOI) to file a license application within one year of the effective dates of the preliminary permits.

On January 31, 2007, Snohomish filed PADs for the projects. In addition, Snohomish requested a waiver of the requirement to file a Notice of Intent (NOI) to file a license application within one year of the effective date of the permits.

Since the issuance of your permits, the Commission has developed the pilot project license procedures for hydrokinetic projects, in which the Commission may issue a short-term license for the purpose of testing new hydrokinetic technologies. Preliminary permits for proposed hydrokinetic projects issued since then have contained an additional provision that allows a permittee, if it chooses, to file an NOI and draft application for a proposed pilot project license within two years of the effective date instead of filing the NOI and PAD within one year of

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the effective date.

Because the pilot project license was not in existence at the time your permits were issued, we will construe your request for waiver as a request for an extension of time to file a NOI and draft application for a pilot project license. Therefore, you are granted an extension to January 31, 2009, and February 28, 2009, respectively, to file an NOI and draft application for a pilot project license for your proposed projects. Further, we want to remind you of the Commission's strict scrutiny policy with respect to proposed hydrokinetic projects.

If you have any questions concerning this letter, please contact me at 202-502-6064.

Sincerely,

A handwritten signature in cursive script that reads "William Guey-Lee". To the left of the signature is a horizontal line.

William Guey-Lee  
Division of Hydropower  
Administration and Compliance