



October 6, 2016

Robert E. Neate
Assistant General Counsel
Puget Sound Energy, PSE-11N
P.O. Box 97034
Bellevue, WA 98009-9734

Transmitted via email: robert.neate@pse.com

Dear Mr. Neate:

As you are aware, the City of Bainbridge Island has initiated a study to determine the feasibility of establishing a municipal electric utility to serve Bainbridge Island. In August, an agreement was entered into with D. Hittle and Associates to conduct the feasibility study. We are currently in the process of gathering information for the feasibility study.

I'm confident you will agree that it is extremely important for this feasibility study to include an accurate and thorough analysis so City management, elected officials and community members can make informed decisions. I recognize the awkwardness of this situation, but hope that Puget Sound Energy understands the important role it can play in making sure the feasibility study includes accurate and thorough information. Without cooperation from Puget Sound Energy, assumptions and estimates may be necessary, which can lead to an end product that none of us desire. As such, the following information and data is requested from Puget Sound Energy:

1. Number of electric customers by rate schedule on Bainbridge Island – year end 2015
2. Total energy sales (kWh) by rate schedule on Bainbridge Island in 2015
3. Total miles of primary distribution on Bainbridge Island
 - a. Overhead
 - b. Underground
4. Total miles of transmission line on Bainbridge Island

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5. Estimated net book value of PSE electric assets on Bainbridge Island
 - a. Transmission lines
 - b. Substations and substation facilities
 - c. Distribution poles, lines, transformers and services
 - d. Other
6. Estimated uncontested selling price of PSE facilities on Bainbridge Island
7. For each outage in electric service in each of the past five years (2011-2016) on Bainbridge Island:
 - a. Date of outage
 - b. Number of customers affected by outage
 - c. Duration of outage
 - d. Cause of outage
 - e. Location of outage, feeder and substation
8. Miles of tree-trimming work conducted by PSE on Bainbridge Island in each of the past five years
9. Map of Bainbridge Island showing PSE electric feeders and substations
10. Planned major electric system improvements for PSE's system on Bainbridge Island in the next five years
11. Estimated annual adjustments in PSE retail rates over the next ten years, 2017-2026

I look forward to answering any questions you may have as well as input that might be offered from PSE representatives.

Sincerely,



Douglas Schulze
City Manager

Cc: Mayor & City Council
Task Force on Electric Utility Municipalization
John Heberling