

Rocky Mountain Power
Exhibit RMP___(ARL-9R)
Docket No. 08-035-38
Witness: A. Robert Lasich

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Rebuttal Testimony of A. Robert Lasich
Energy Gateway Update for Wyoming Infrastructure Authority

March 2009

Energy Gateway Update for Wyoming Infrastructure Authority

January 27, 2009

Darrell Gerrard
Vice President Transmission System Planning



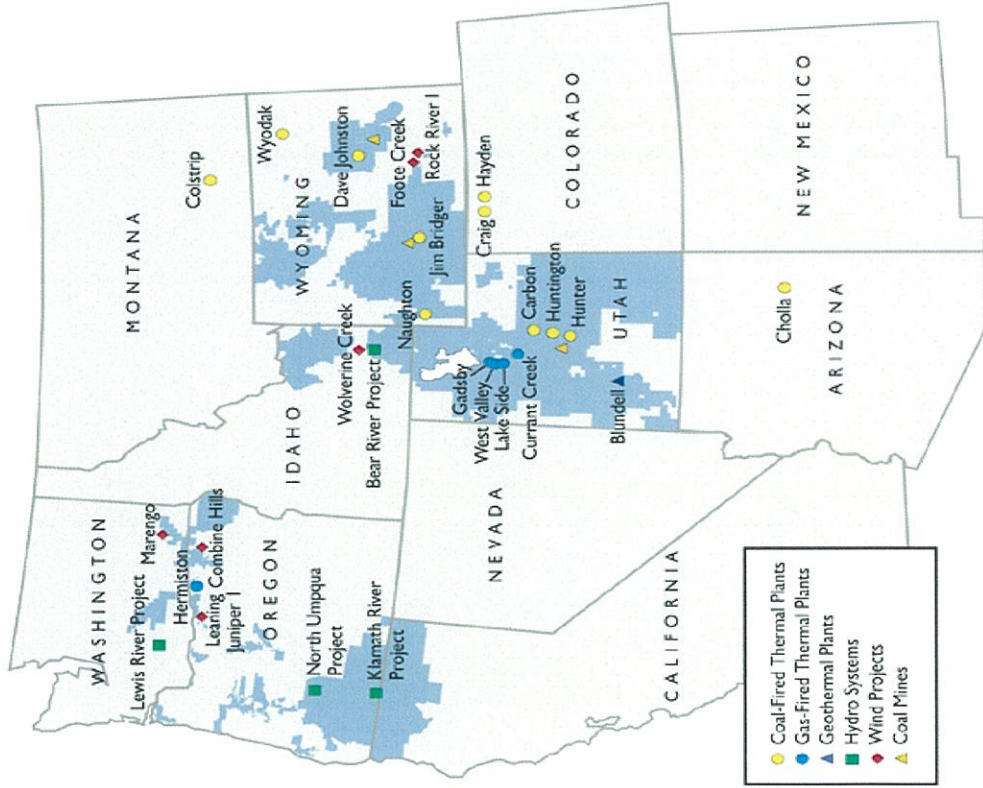
Pacific Power | Rocky Mountain Power | PacificCorp Energy

PacifiCorp Energy Gateway Program Update

- PacifiCorp Overview
- Energy Gateway Foot Print
- Energy Gateway Program Overview and Update
- Energy Gateway Base Case Analyses
- Key Issues and Next Steps



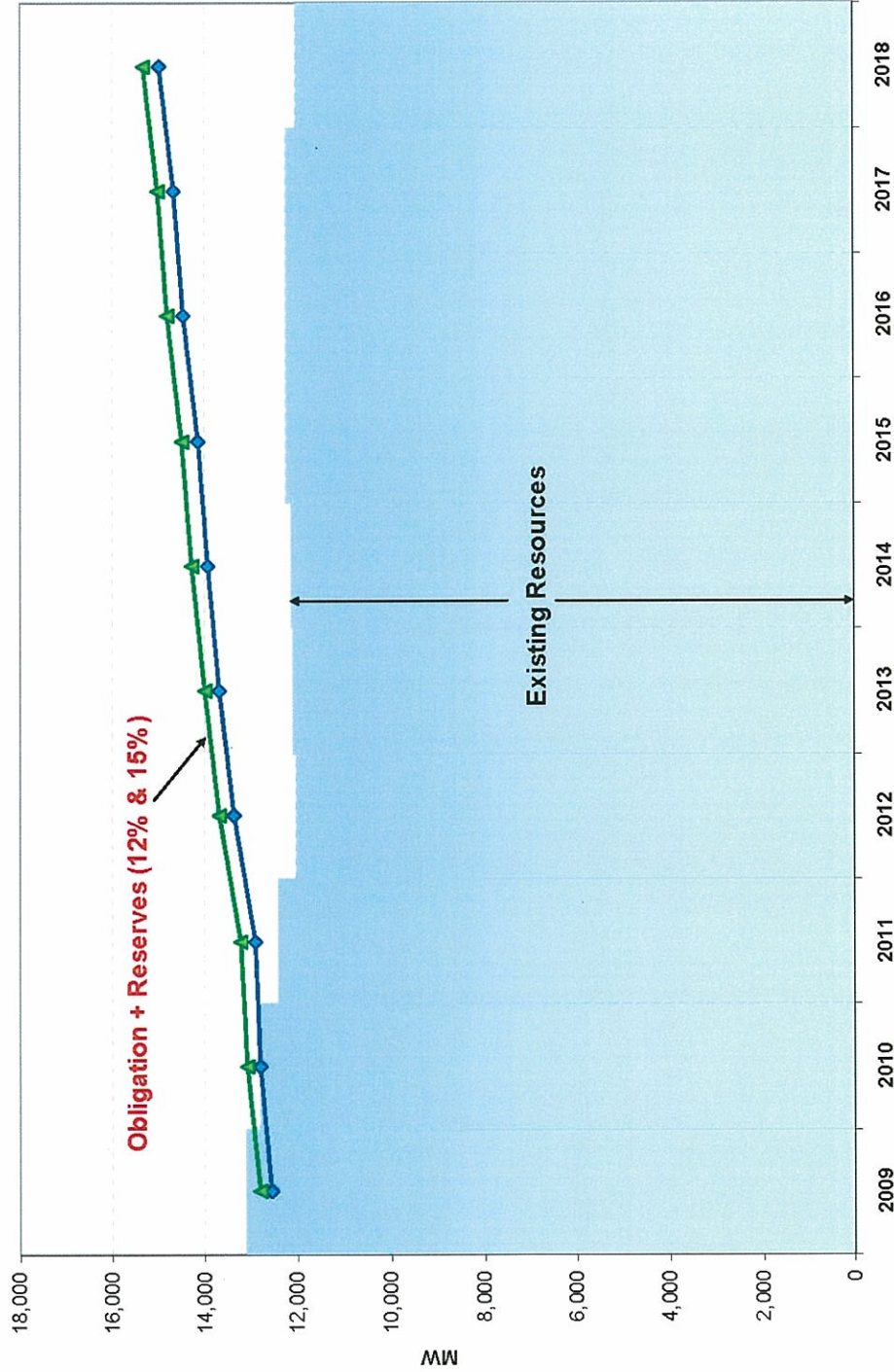
PacifiCorp Overview



| | |
|---------------------------------|--------|
| — Customers (million) | 1.7 |
| — Annual Call Volume (millions) | 5.7 |
| — Number of Meters (millions) | 1.8 |
| — Retail Energy Sales (TWh) | 53 |
| — Generating Capacity (MW) | 9,286 |
| — Line Miles | 77,000 |
| — Substations | 900 |
| — Number of Employees | 6,500 |



System Load and Resource Balance*

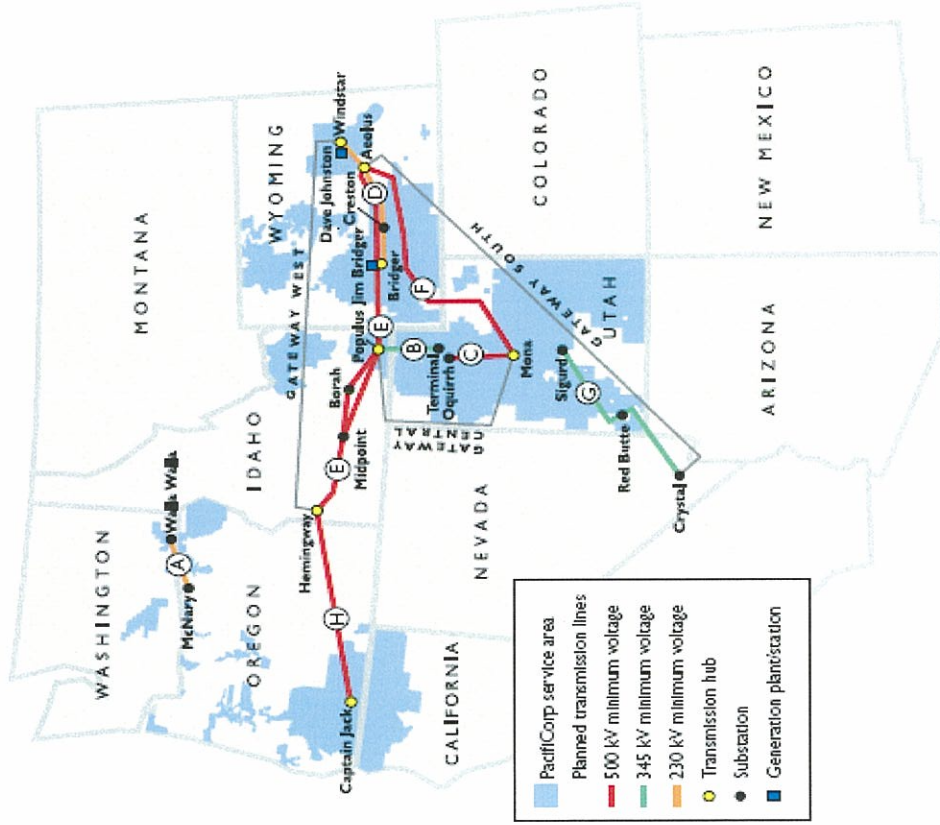


* December 18, 2008 public IRP presentation



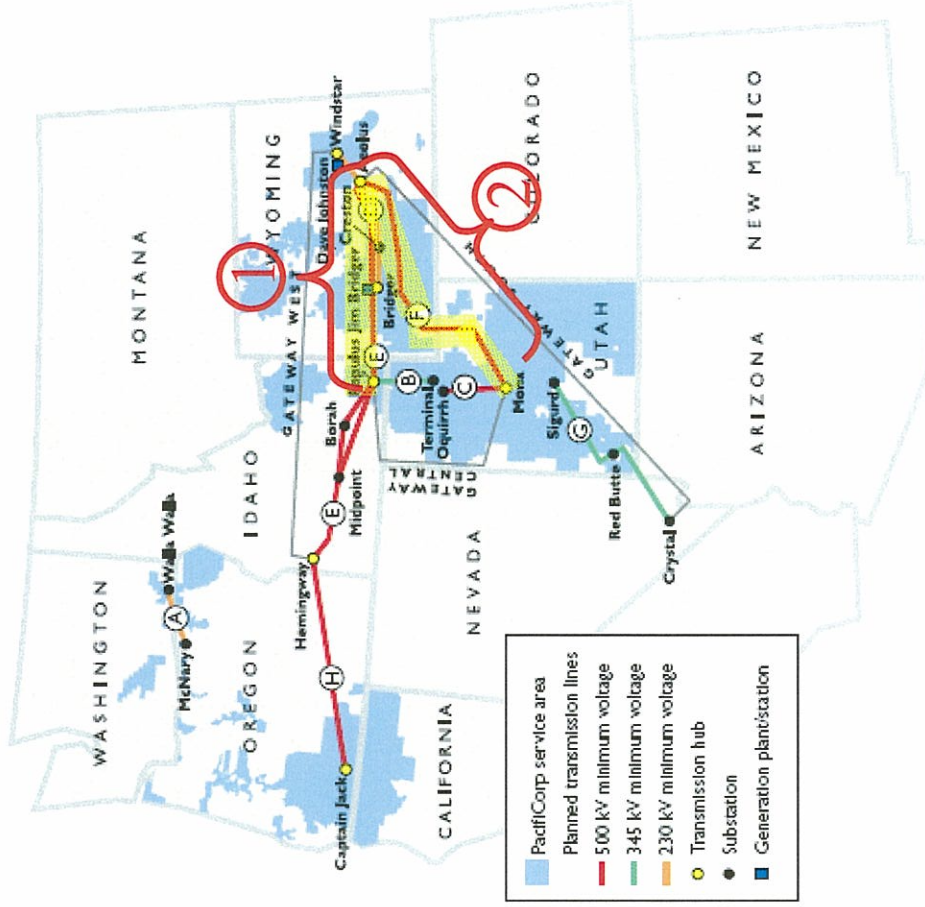
Energy Gateway Program Overview

- 1900+ miles of high voltage transmission
- ~\$6.0B invested over 10 years
- Key segments in service by 2014
- Design “hub and spoke” concept
- Options to transport Generation
 - ▶ Wind
 - ▶ Thermal
 - ▶ New and Existing
- Planned to support up to 3000 MWs capacity
- PacifiCorp’s network allocation targeted at 1500MWs



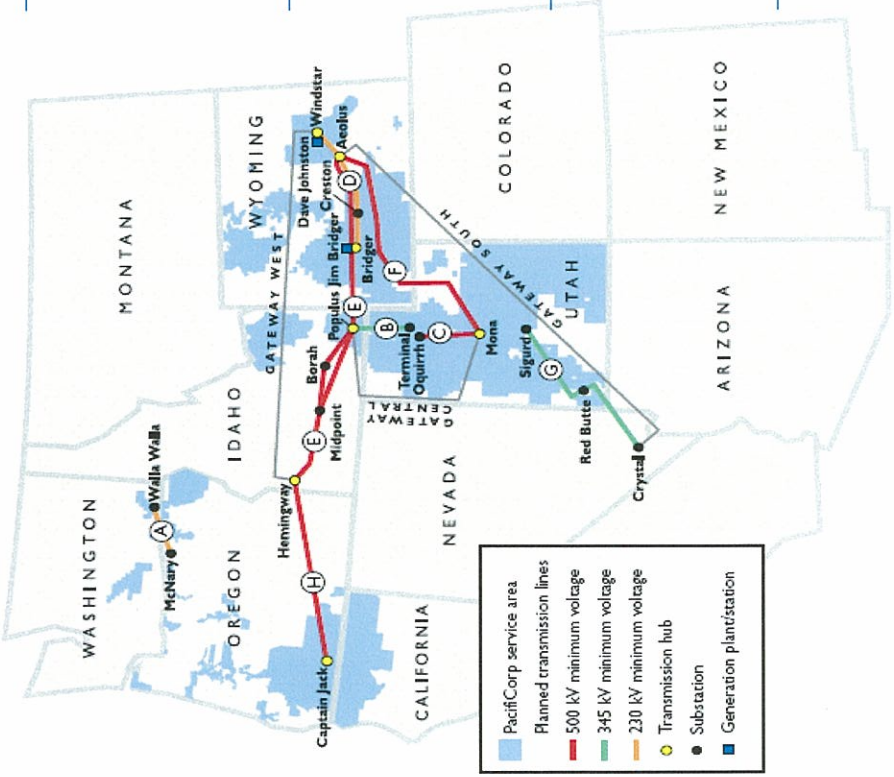
Interdependency of 500 kV facilities

- Current system 230 and 345 kV
- No 500 kV in footprint
- Need “n-1” backup
- (1) Energy Gateway West
 - ▶ Aeolus to Populus
- (2) Energy Gateway South
 - ▶ Aeolus to Mona

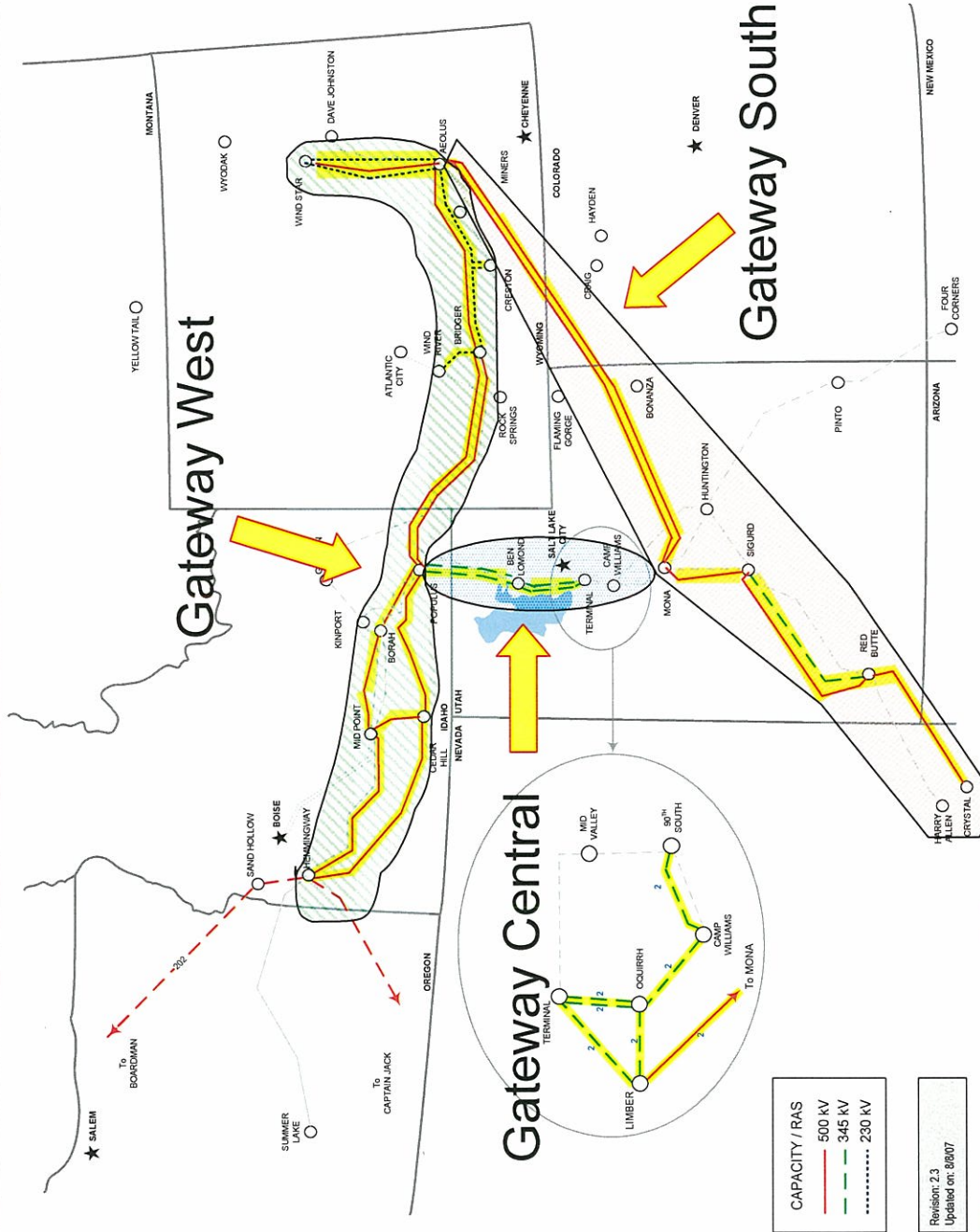


Energy Gateway Progress Update

- Technical
 - ▶ Issued Phase 1 rating report for key Energy Gateway segments – 11/21/08
 - ▶ Obtained Phase 2 rating approval for Populus-Terminal Line (Segment B)
- Commercial
 - ▶ Completed revised permitting agreement with Idaho Power
 - ▶ Completed equity offering and open access service offering
- Siting and permitting
 - ▶ Community and landowner events
 - ▶ Mona – Oquirrh draft EIS – April 09
 - ▶ Energy Gateway West draft EIS – Dec. 09
- Regulatory
 - ▶ FERC incentive rate declaratory order – 10/21/08



Energy Gateway Base Case Analysis



Base Case Generation Assumptions – Phase I

- WECC Phase I Comprehensive Progress Reports for Gateway West and Gateway South completed - November 21, 2008
- 3 base case scenarios were included in the analysis:
 - ▶ Scenario 1a / 1b - Evaluated the system under a wide range of thermal vs. wind resource conditions based on the following assumptions:
 - o Wyoming high thermal and moderate wind resources based on the 2007 PacifiCorp Integrated Resource Plan.
 - o High wind and moderate thermal resources modeled in (1b) base case based on OASIS queue requests and projections
 - ▶ Scenario 1c: Developed to evaluate the southern Utah transmission system (TOT 2C/2B) and Mona South path under simultaneous S to N flow conditions.
- Gateway West (West of Bridger) utilized the Case 1a base case
- Gateway West (East of Bridger) and Gateway South utilized all three base cases.
- Ultimately, specific economic and technology evaluations and siting/permitting processes will need to run their course before specific resources that will be served by the Gateway Project are determined.

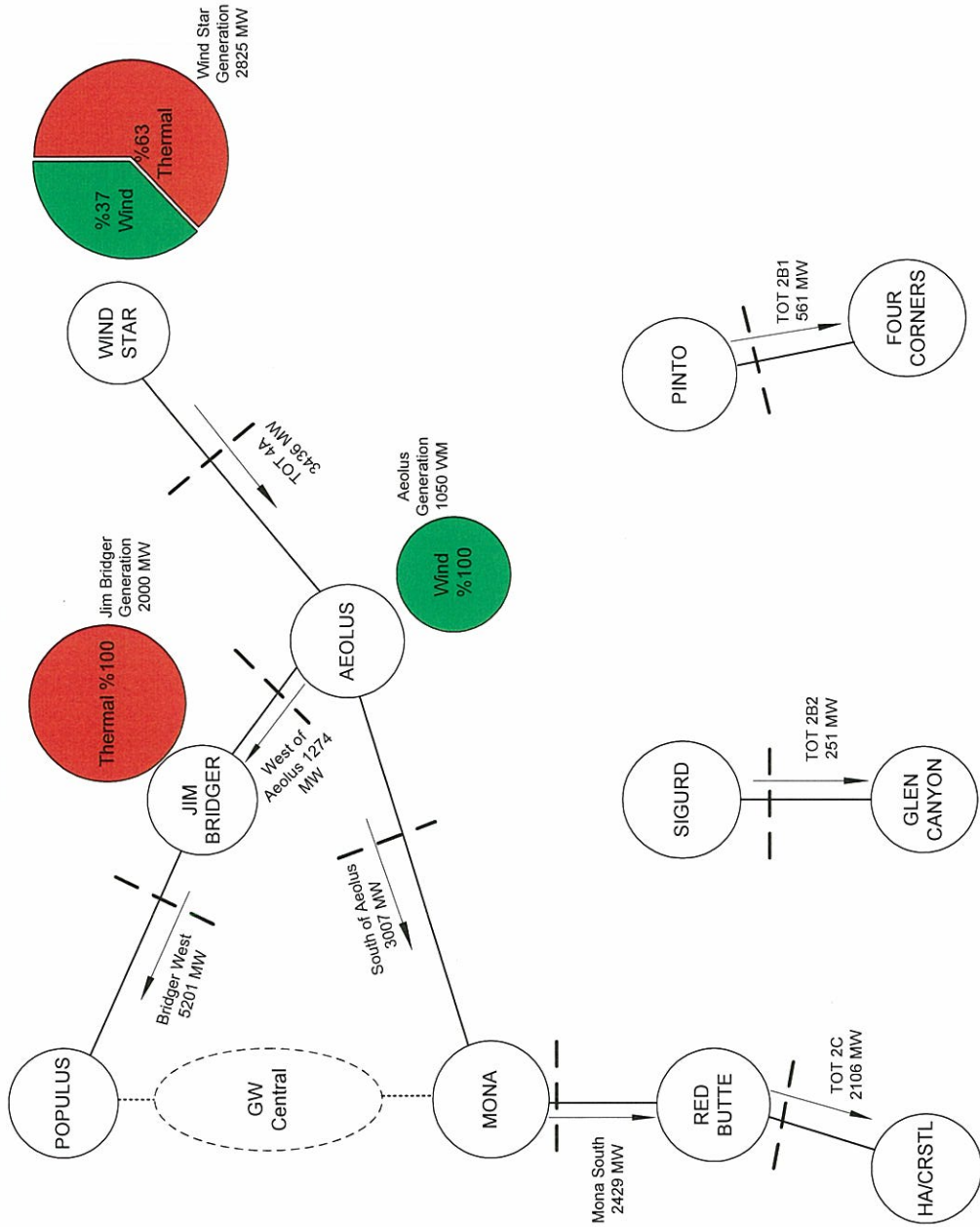


Wyoming Base Cases 1a vs. 1b Comparison

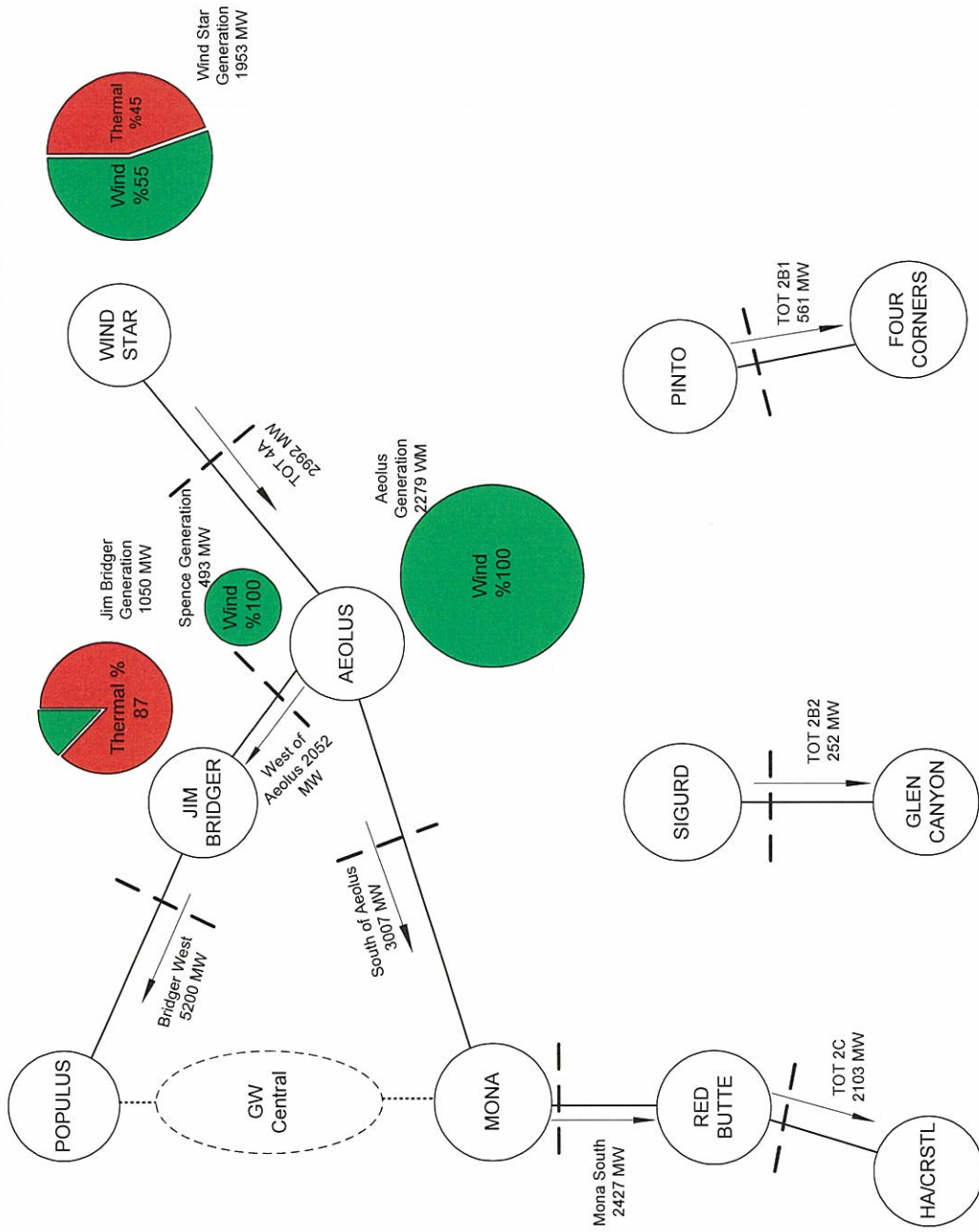
| Location | Case 1 a/d - Generation Projects (Moderate Wind Generation) | | | Case 1 b (new) - Generation Projects (High Wind Generation)** | | | CASE 1A/B COMPARISON | | |
|--------------------|--|------|---------------|--|--------|---------------|----------------------|--------|---------------|
| | Generation Type | | Zone Total | Generation Type | | Zone Total | Generation Type | | Zone Total |
| | Thermal | Wind | | Thermal | Wind | | Thermal | Wind | |
| Dave Johnston Area | 275 | | 2825 | 275 | 575 | 1953 | 0 | | -872 |
| Other Windstar | 1500 | 1050 | | 600 | 503 | | -900 | 28 | |
| Windstar | | | | | | | | | |
| Creston | | | 1050 | | 187.5 | 2279 | | 187.5 | 1229 |
| Footo Creek | | | | | 434 | | | | |
| Other Aeolus | | 1050 | | | 1657.5 | | | 1041.5 | |
| Aeolus | | | | | | | | | |
| Spence | | | 0 | | 493 | 493 | | 493 | 493 |
| Jim Bridger Area | 1500 | | 2000 | 500 | 150 | 1150 | -1000 | 150 | -850 |
| Upper Green River | 500 | | | 500 | | | 0 | | |
| Subtotal | 3775 | 2100 | 5875 | 1875 | 4000 | 5875 | -1900 | 1900 | 0 |
| Total | | | 5875 | | | 5875 | | | 0 |



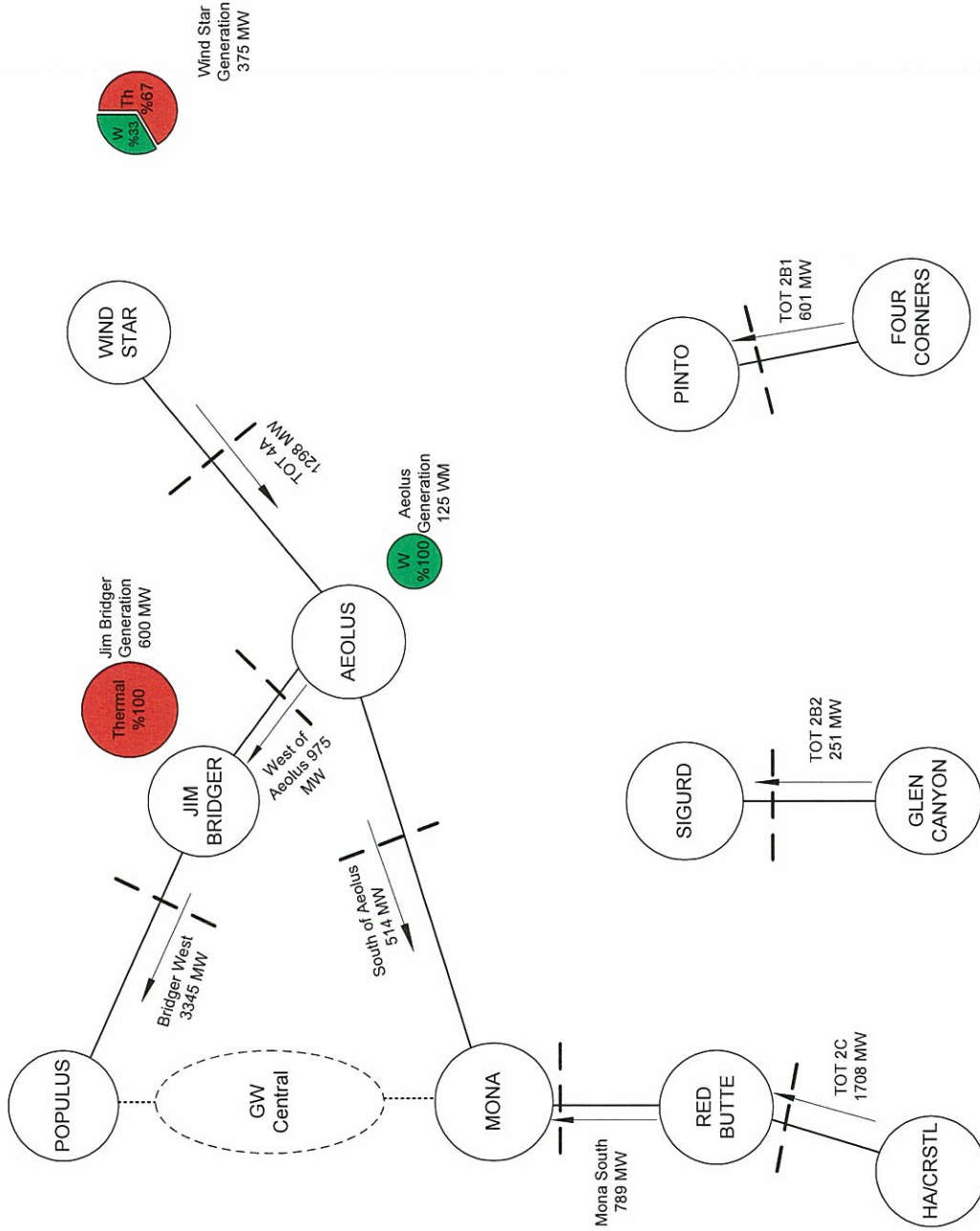
WY 2015 Case 1a – High Thermal / Moderate Wind



WY 2015 Case 1b – High Wind / Moderate Thermal



WY 2015 Case 1c – High Southern UT S-N Path Flows



Key Issues and Next Steps

Key Issues:

- System is planned at 3000MWs; scalable
- Decision to deliver 1500MWs needed shortly to maintain engineering and permitting schedules
- Rigid delivery structure is necessary to maintain schedule
- Customers and equity partners have declined participation opportunities
- US Government participation a possibility
- Resource support (capacity and energy via ancillary services) will be necessary

Next Steps:

- Mona – Oquirrh draft EIS – April 2009
- CPCNs – July 2009
- Gateway West draft EIS – December 2009
- Mona – Oquirrh final EIS – December 2009



Questions?

Energy Gateway website

www.pacificorp.com/energygateway



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