



ROCKY MOUNTAIN POWER



Wyoming Infrastructure Authority

July 1, 2008

Richard Walje
President
Rocky Mountain Power

PacifiCorp Transmission Update

- PacifiCorp Overview
- Load Growth
- WECC and Energy Gateway Foot Print
- Regional Transmission Organizations and Initiatives Environmental Policy Response
- Energy Gateway Project Update
- Issues

PacifiCorp Overview



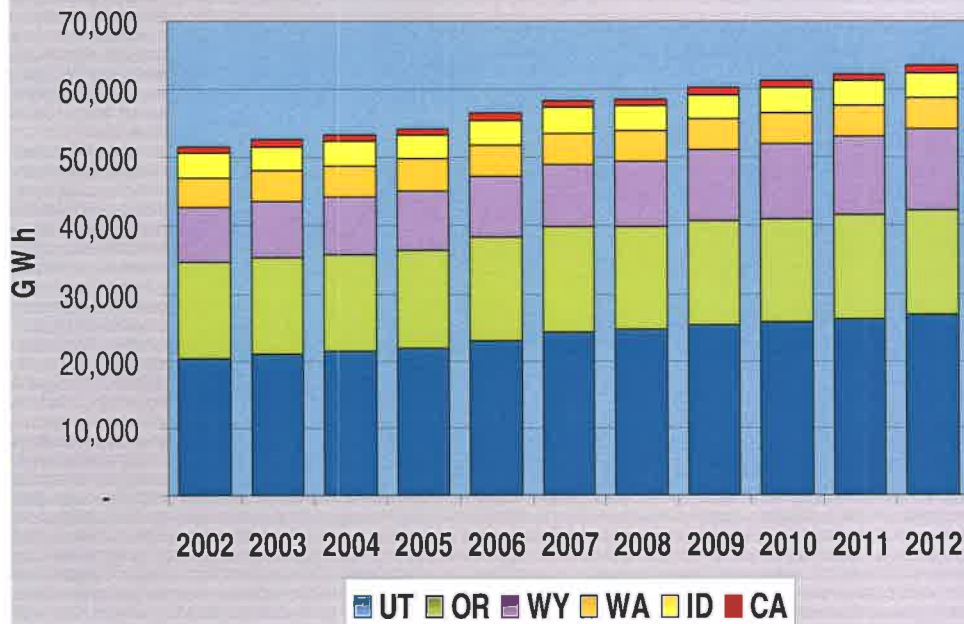
• Customers (million)	1.7
• Annual Call Volume (millions)	5.7
• Number of Meters (millions)	1.8
• Retail Energy Sales (TWh)	53
• Generating Capacity (MW)	9,286
• Line Miles	77,000
• Substations	900
• Number of Employees	6,500

Witness: Dennis E. Peseau
 Rocky Mountain Power
 Exhibit UIEC-____ (DEP-6)
 Docket No. 10-035-124

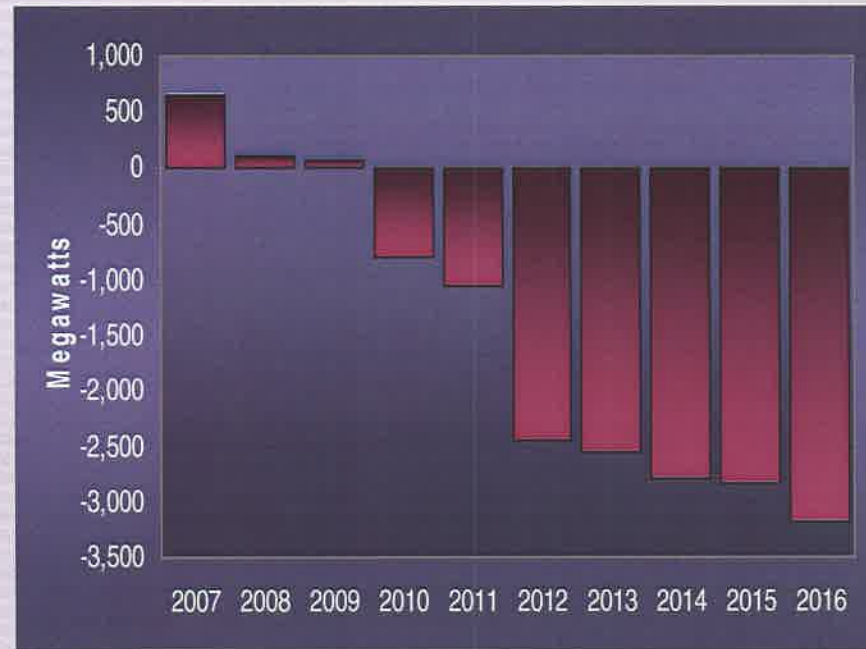
Customers' Increasing Energy Demands

The **conundrum** – reducing CO₂ emissions across the system while satisfying ever-increasing customer electric demand with the lowest possible cost impacts.

Energy Demand



Generation Deficit



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The WECC Foot Print



Energy Gateway Projects Foot Print

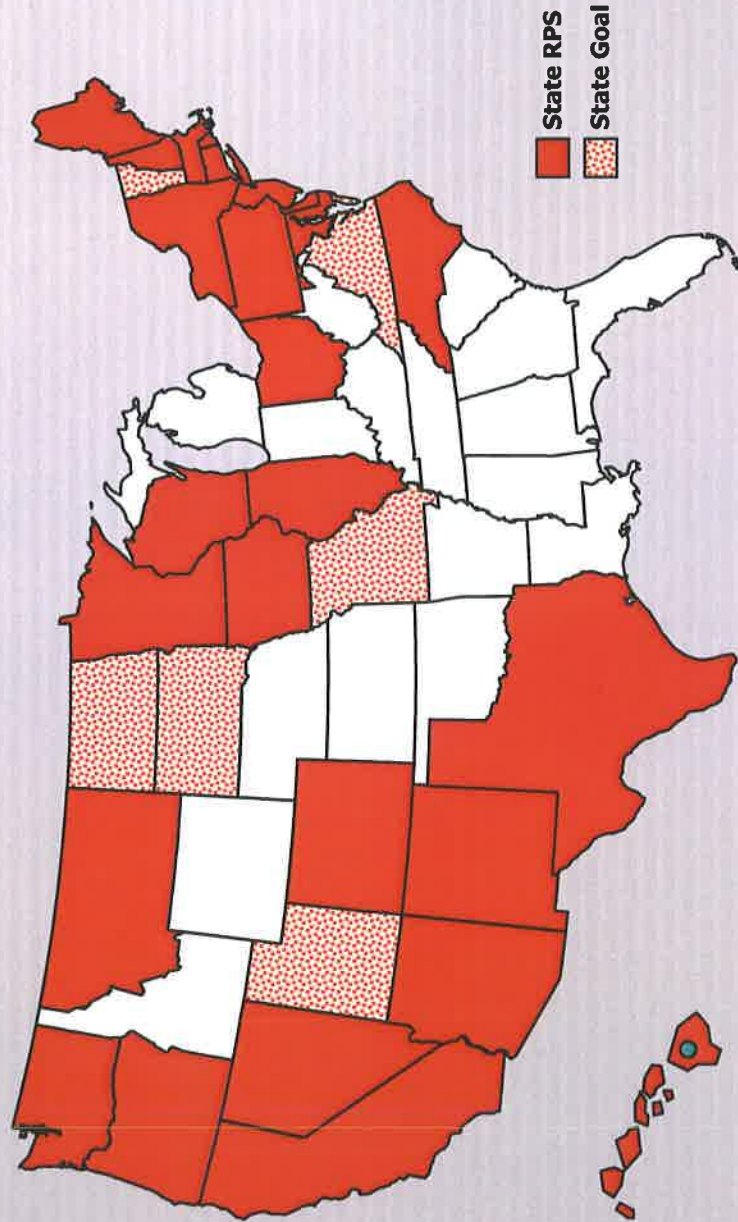


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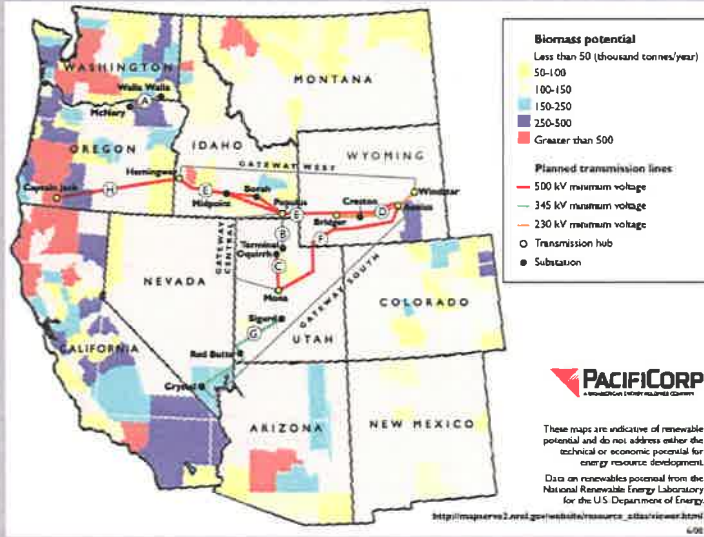
Transmission Environment

- Planning, Coordination, Permitting
 - FERC
 - NERC
 - WECC
 - NTTG (other FERC 890 orgs)
 - CALISO
 - BLM and Federal Lands
 - EIS
 - Governors' Offices
 - State Public Service Commissions
 - Local elected officials
 - Property owners and activists
- Initiatives
 - WGA's Western Renewable Energy Zone Project
 - WGA's Species Corridor Initiative
 - Western Energy Leaders Transmission Initiatives
 - Federal "Renewables Only" Transmission Legislation
 - Threatened species (e.g. sage grouse)
 - ???

State Renewable Standards

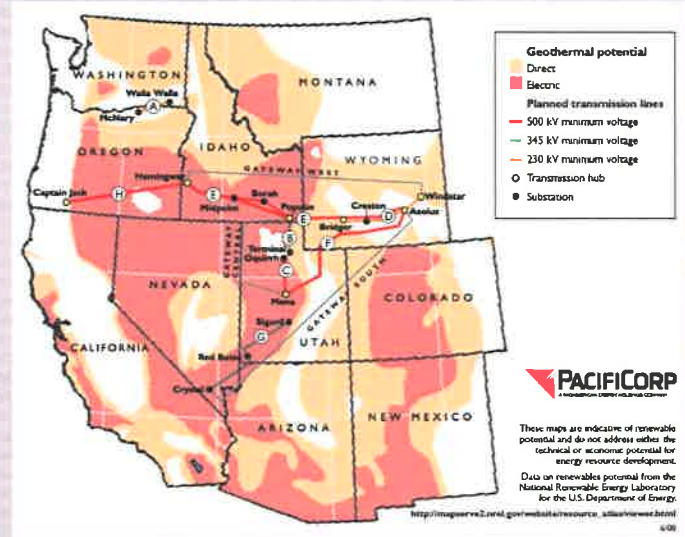


Renewables and Energy Gateway



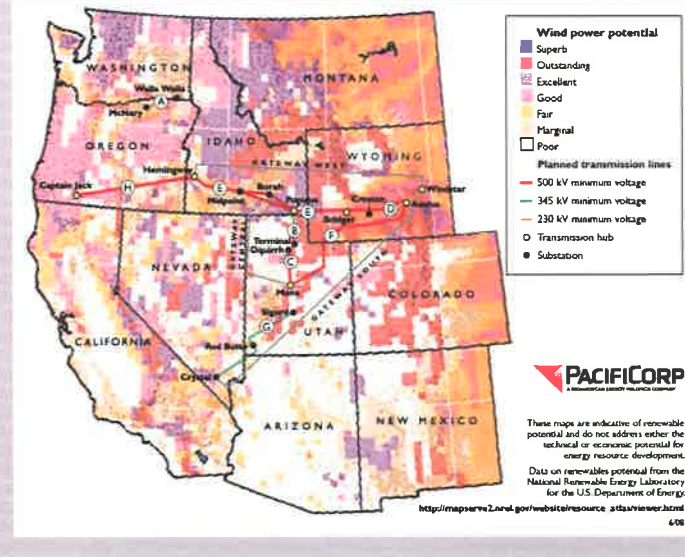
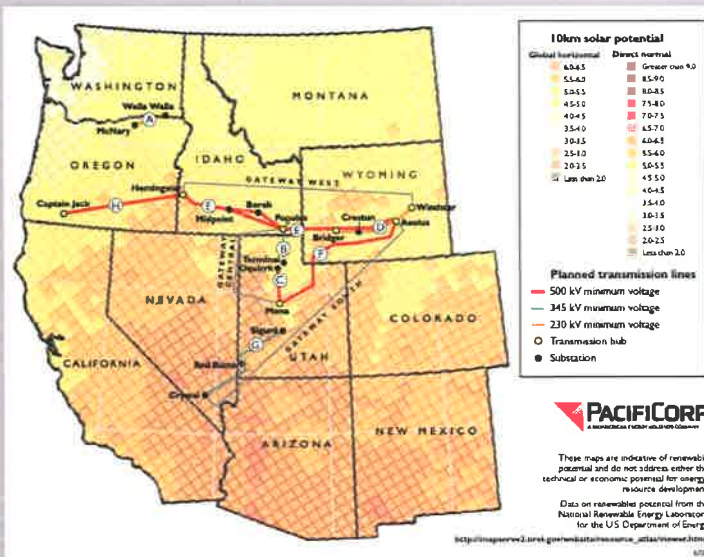
geothermal →

← biomass



→ wind

← solar



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Energy Gateway Status

Priority One Base Load Service and Reliability

- Segment B (Populus to Terminal 345 kV), 700 MW – 2010 & 1,400 MW – 2014
- Segment A (Walla Walla to McNary 230 kV), 400 MW – 2010
- Segment C (Mona to Oquirrh 500 kV), 1,500 MW – 2012
- Segment G (Sigurd to Crystal 345 kV), 400-600 MW – 2013

Priority Two Wind Integration and Resource Adequacy

- Segment D/E (Windstar to Populus 230/500 kV), 1,500 MW – 2012-14

Priority Three Integrated Control Area and Renewable Energy Delivery

- Segment E (Populus to Midpoint/Hemingway 500 kV), 1,500 MW
- Segment H (Hemingway to Captain Jack 500 kV), 1,500 MW

Priority Four Reliability Backup and Rating Support

- Segment F (Mona to Aeolus), 1,500 MW

Transmission Challenges

- Siting, permitting, siting, permitting, siting, permitting, siting, etc...
- The real battle is on the siting "front lines" and utilities need all the proactive help they can get
 - Federal permitting requirements are taking longer
 - Educate people affected on the value to society that transmission brings; before the right-of-way people show up at their door
- Nationalization of transmission investment - load serving entities are still the best hope for the region (at least in the short term)
 - Prudent decisions that pass state prudence examinations
 - Removes the upfront "barrier to entry" financial commitment
- Entities are moving on plans, so focus should be on getting steel in the ground
- New transmission may have to be a "build before subscribe" approach, as customers will likely not be willing to commit before the transmission is "real"
- Engaging equity partners; queue customers have stated they likely cannot give the necessary commitment
- Are western states willing to take an investment position (with associated return) or be able/willing to "backstop" transmission investment?
- PacifiCorp's problem is not access to financing and capital, but making sure we can get a fair return on our investment, especially based on our position as a "first mover" of interstate transmission



ROCKY MOUNTAIN POWER

A DIVISION OF PACIFICORP

