

Update on WCI and HPX Projects

*Bob Mitchell, Chief Executive Officer
Trans-Elect Development Company, LLC*

Wyoming Infrastructure Authority Board Meeting

Jackson Hole, Wyoming

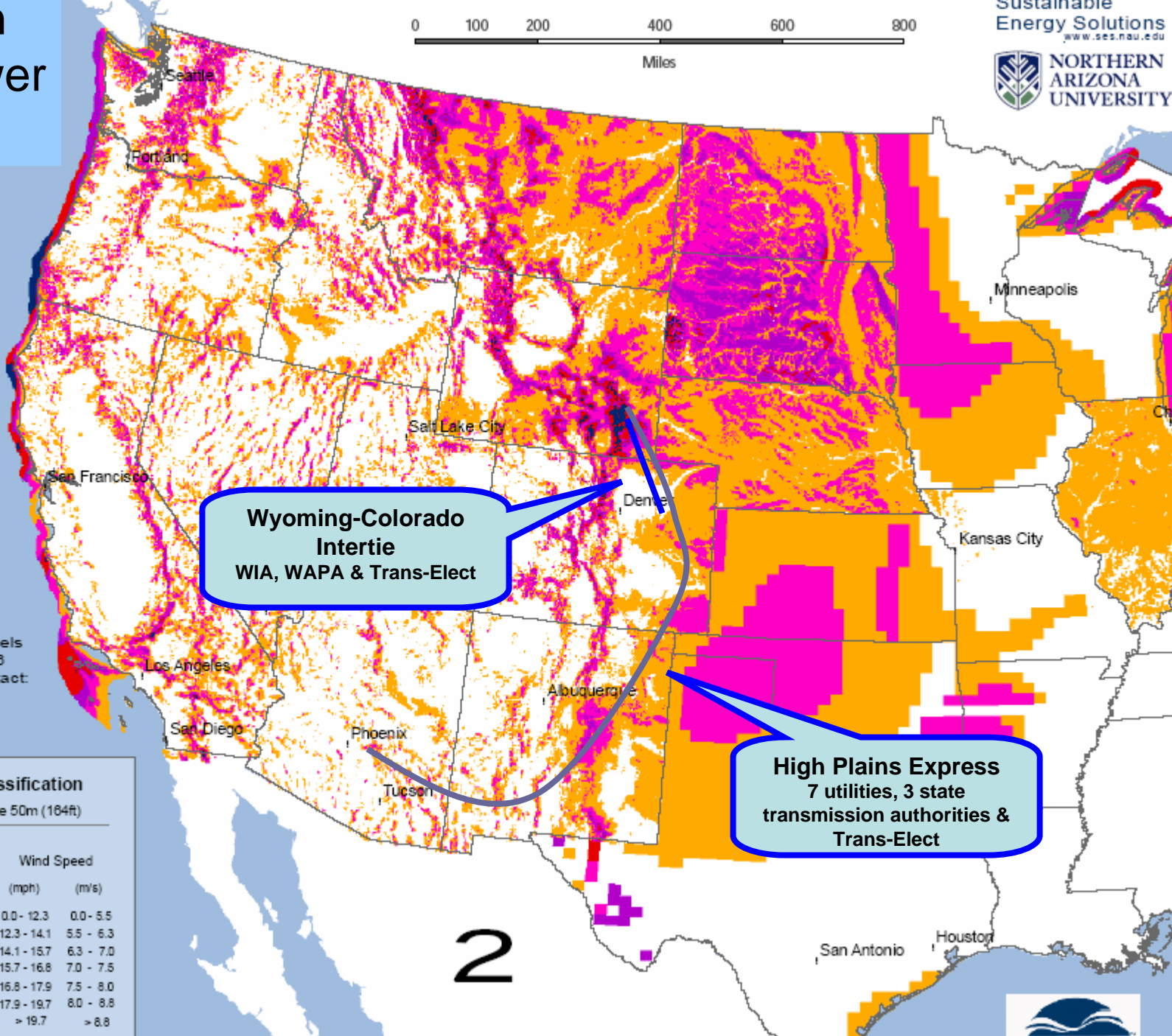
January 29, 2008



Trans-Elect

- Formed in 1999 as the nation's first independent transmission company
 - METC, AltaLink & Path 15
- AES affiliation for transmission development
- Two Partnerships with Wyoming Infrastructure Authority
 - Wyoming-Colorado Intertie
 - High Plains Express

Western Wind Power Map



Average Annual Wind Resource 50m (164 ft)

Wind Data Provided By NREL
Spatial resolution of high-resolution wind resource data 200m (656 ft)
Spatial resolution of low-resolution, 1986 wind resource data 20 mi (32.2 km)

Albers Equal Area Conic

Created by: Grant Brummels
Date of Creation: 3/5/2006
For more information contact:
Dr. Tom Acker
Tom.Acker@nau.edu

**Wyoming-Colorado Intertie
WIA, WAPA & Trans-Elect**

**High Plains Express
7 utilities, 3 state
transmission authorities &
Trans-Elect**

NREL Wind Power Classification
Average Annual Wind Resource 50m (164ft)

Wind Power Class	Wind Power Density (W/m ²)	Wind Speed (mph)	Wind Speed (m/s)
1 Poor	0 - 200	0.0 - 12.3	0.0 - 5.5
2 Marginal	200 - 300	12.3 - 14.1	5.5 - 6.3
3 Fair	300 - 400	14.1 - 15.7	6.3 - 7.0
4 Good	400 - 500	15.7 - 16.8	7.0 - 7.5
5 Excellent	500 - 600	16.8 - 17.9	7.5 - 8.0
6 Outstanding	600 - 800	17.9 - 19.7	8.0 - 8.8
7 Superb	> 800	> 19.7	> 8.8



Wind Resources & Installations

(from NREL & Interwest Energy Alliance)

Generation Capacity (MW)

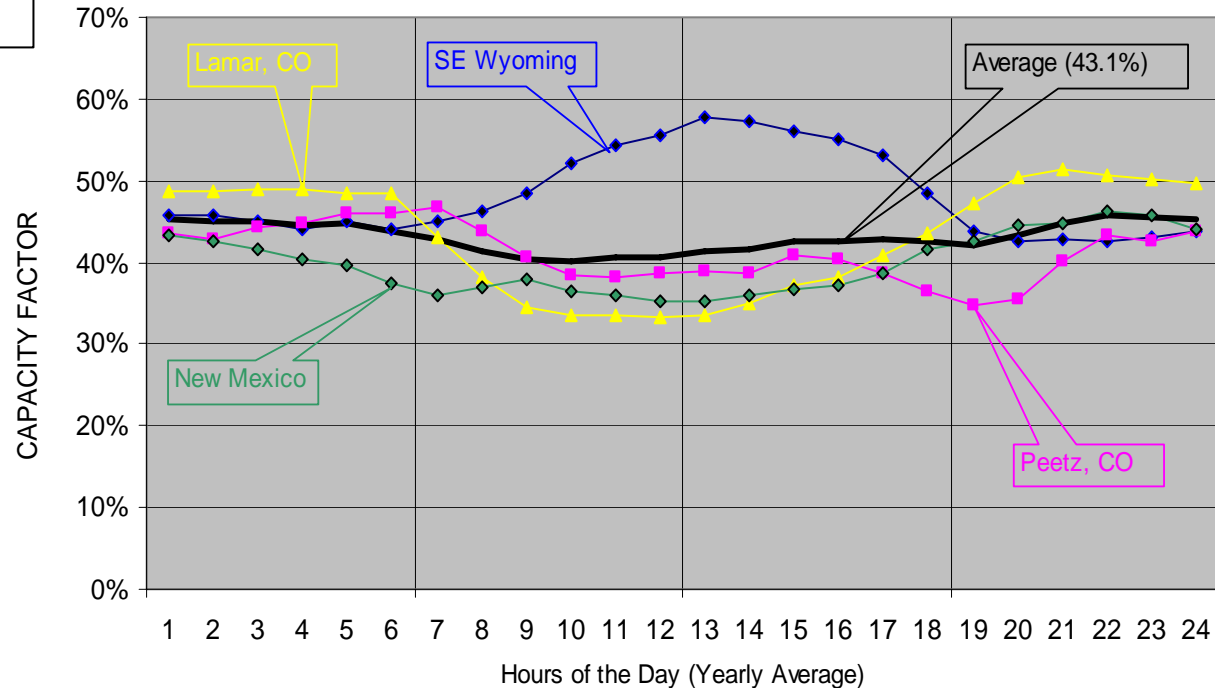
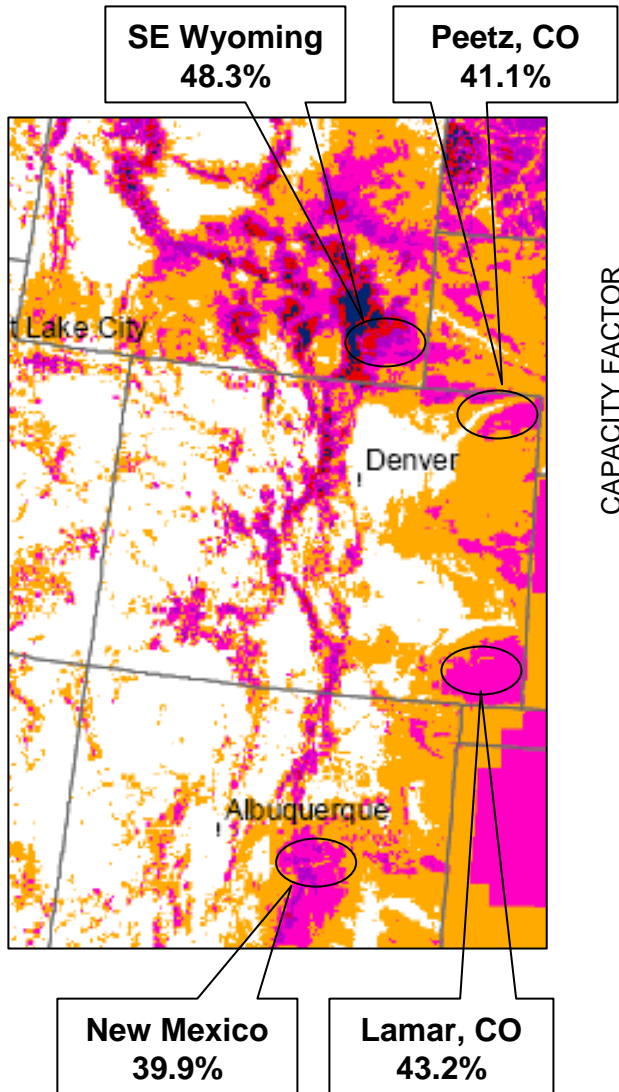
Developable* Installed ('07)

• Wyoming	257,650	319
• Colorado	73,130	1,066
• New Mexico	73,040	496
• <u>Arizona</u>	<u>2,310</u>	<u>0</u>
TOTALS	406,130	1,881

Note: Current WECC peak demand ~ 175,000 MW

* Class 4 +; excludes unsuitable land; 5 MW per km²

Firming Wind with Wind



- **Geographic Diversity**
- **Reduced integration costs**

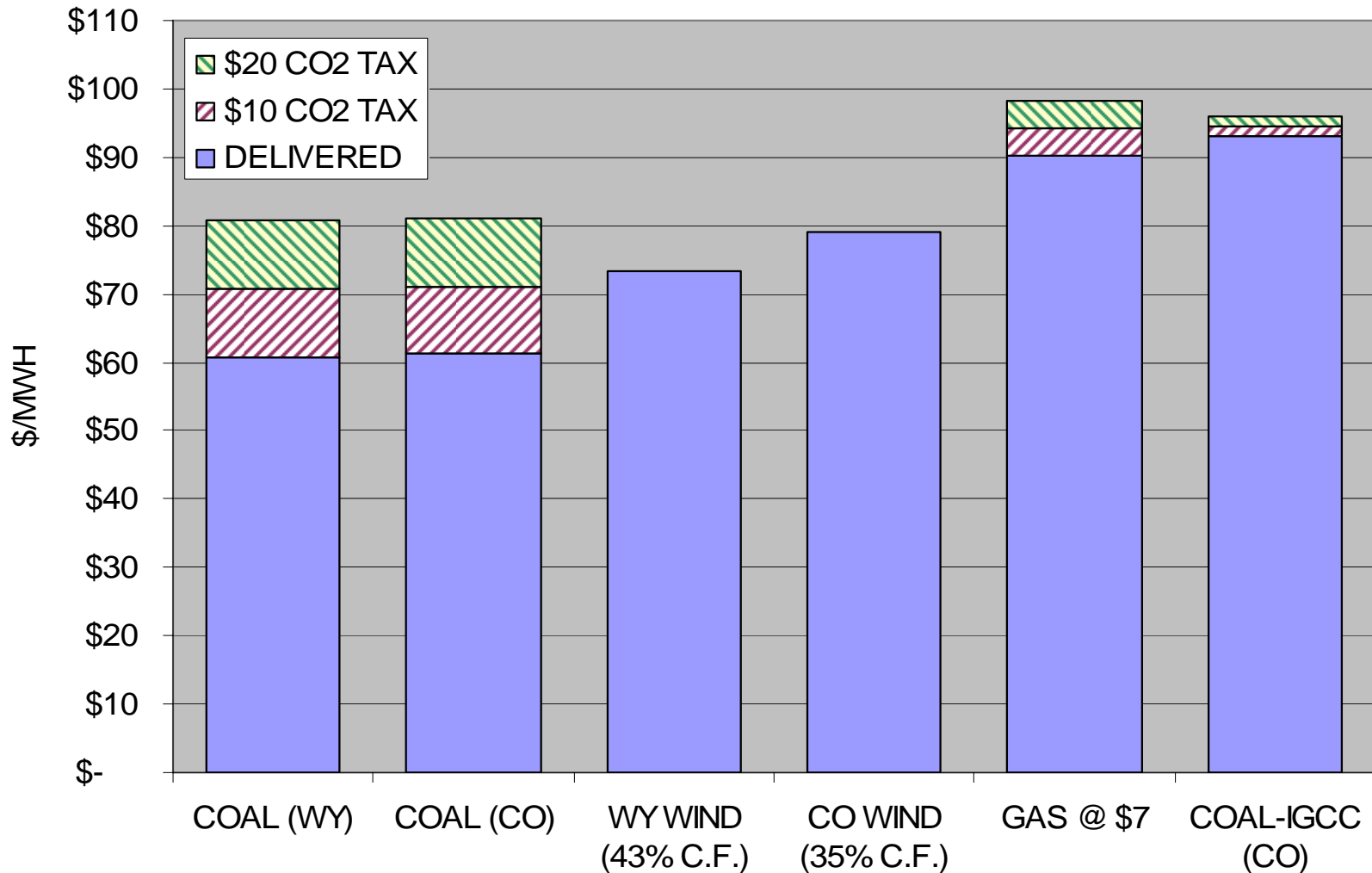
Source: NREL wind performance projections

Wyoming-Colorado Intertie (WCI)

- Long-standing TOT 3 transmission constraint between Wyoming & Colorado
- Recommended by RMATS (2005)
- Partnership formed to develop WCI
 - Strong interest, including several wind developers
 - 900 MW capacity on 180-250 mile line (DJ-LRS-Pawnee)
 - COD in mid-2013
 - Phase I of the WECC Path Rating process complete
 - Strong public policy support, including within Colorado
 - Open Season planned for mid-2008
 - PSCo has tailored its bidding process to get bids for 500 MW of wind via WCI (as part of its 1,800 MW wind needs)

Delivered Power Costs to Colorado

(including transmission costs; excluding PTCs)

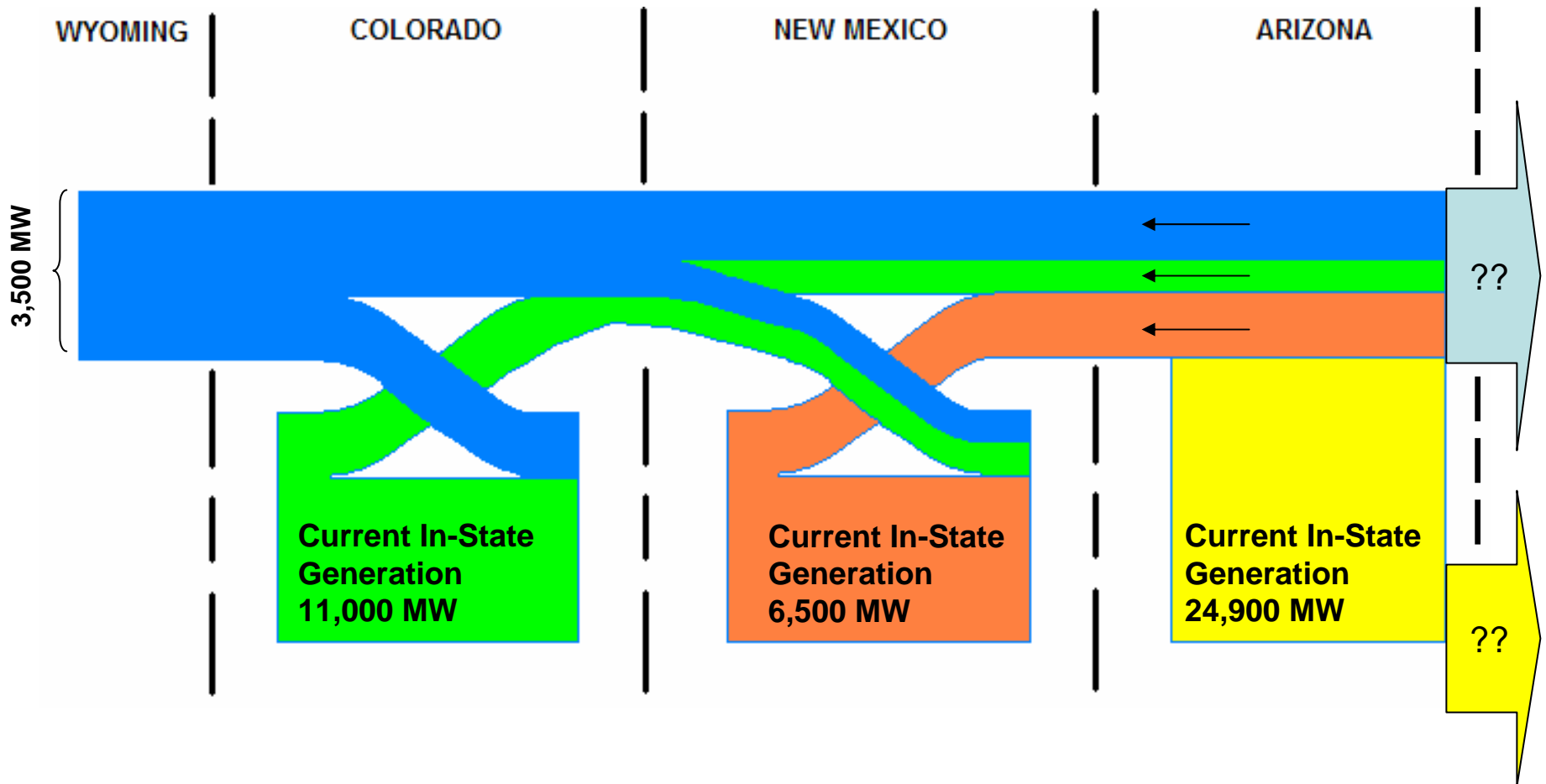


High Plains Express (HPX)

- Moving to Phase II, as initial feasibility studies are positive
- Participants
 - Utilities: Xcel, Tri-State, WAPA, PRPA, CSU, PNM & SRP
 - State Transmission Authorities: Wyoming, Colorado & New Mexico
 - Trans-Elect
- Concept
 - Integrated AC system to facilitate import/exports in all states
 - Two 500 kV lines with 3,500 MW of capacity @ \$5 billion
 - Benefits: savings to customers, increased reliability, renewables development, and benefits to each HPX state
 - Connect four transmission projects already under development
 - Wyoming-Colorado Intertie
 - Eastern Plain Transmission Project
 - New Mexico wind collector
 - SunZia

The HPX Concept

- Benefits for each state resulting from an interconnected expansion of the region's transmission grid
- Provide cost-effective options to meet load growth & an industry-wide shift towards carbon-constrained power markets



Kudos to WIA

- WIA has shown leadership and commitment
 - First of several newly-formed state transmission authorities
 - Vocal advocate of Wyoming's interests
 - Active participant in public policy venues
 - It has put its money where it's mouth is:
 - Providing financial support to projects & development