

Wyoming Infrastructure Authority

**Developing Electric Infrastructure
for the Future of the West**

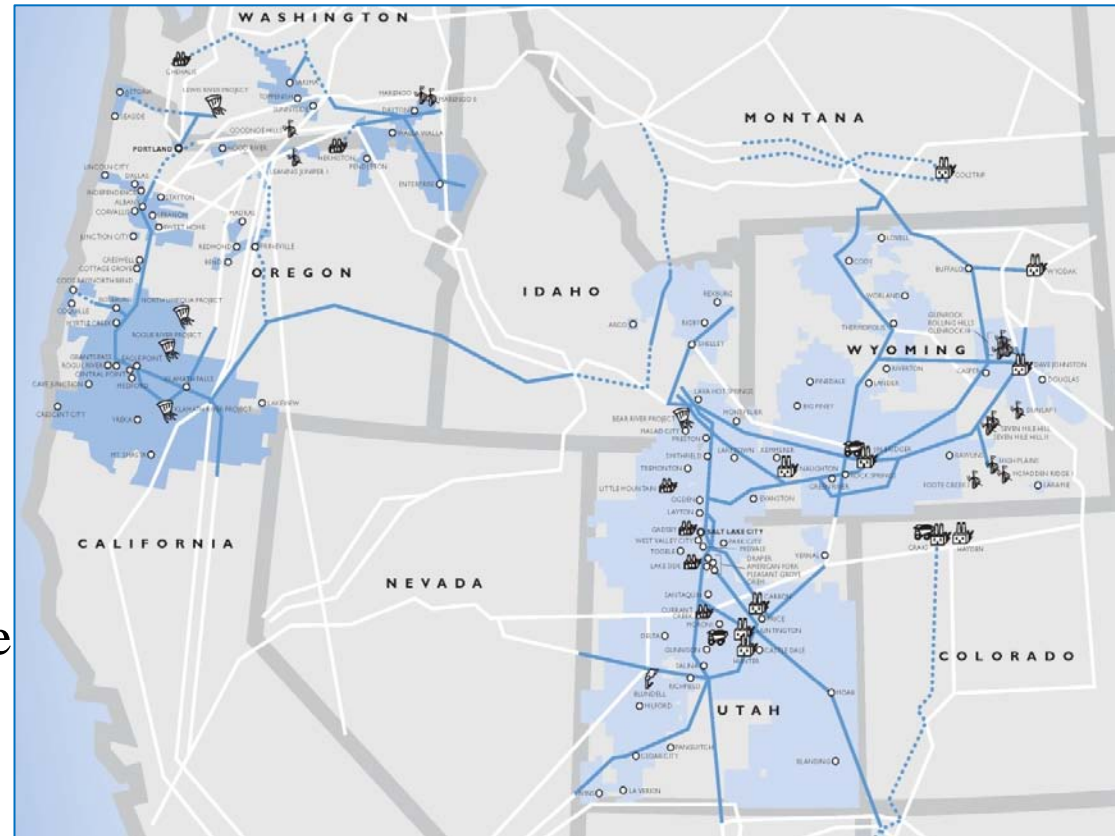
Energy Gateway Update

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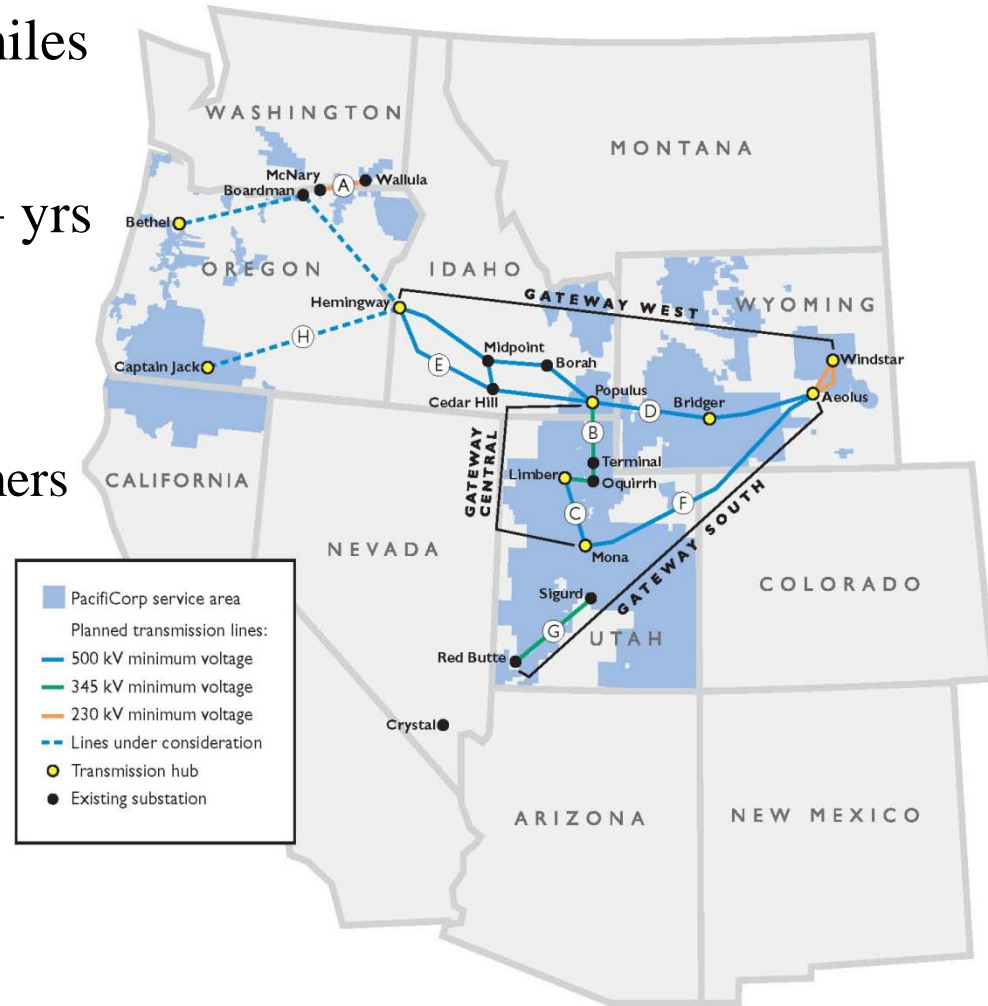
Background-PacifiCorp's Transmission System

- One of the largest privately held transmission systems in the U.S.
 - Interconnected with more than 80 generating plants, and 13 adjacent control areas with more than 150 interconnection points with others
 - More than 900 transmission and distribution substations
 - Nearly 17,000 line miles throughout ten western states, ranging from 46 to 500 kV
- Line miles equal to nearly 70% of the distance around the Earth at its equator. A huge responsibility.



Energy Gateway Overview

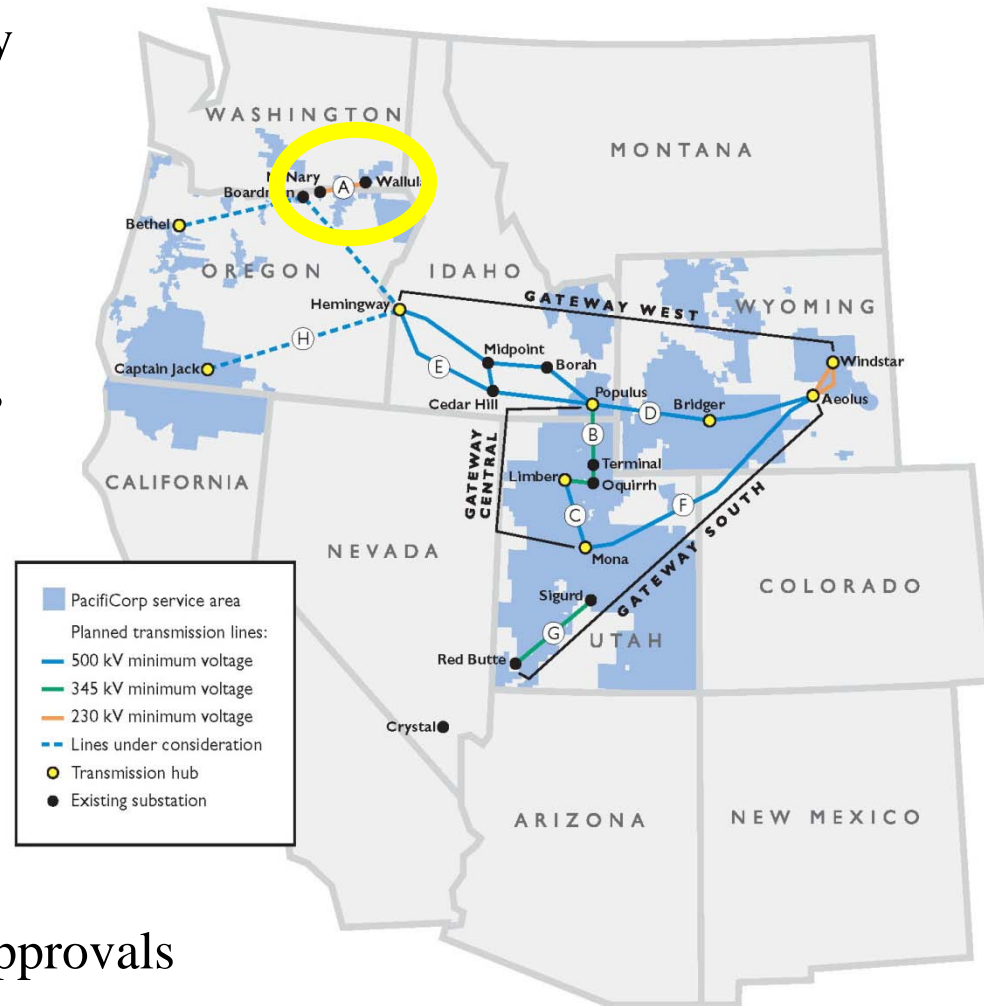
- Approximately 2,000 new line miles
- Multi-year, multi-billion dollar investment for the long term 20+ yrs
- Key Principles
 - Secure capacity for the long-term benefit of our customers
 - Customer load service first, regional needs second
 - Support multiple resource scenarios
 - Secure regulatory, customer & community support
 - Build it and operate it efficiently



This map is for general reference only and reflects current plans. It may not reflect the final routes, construction sequence or exact line configuration.

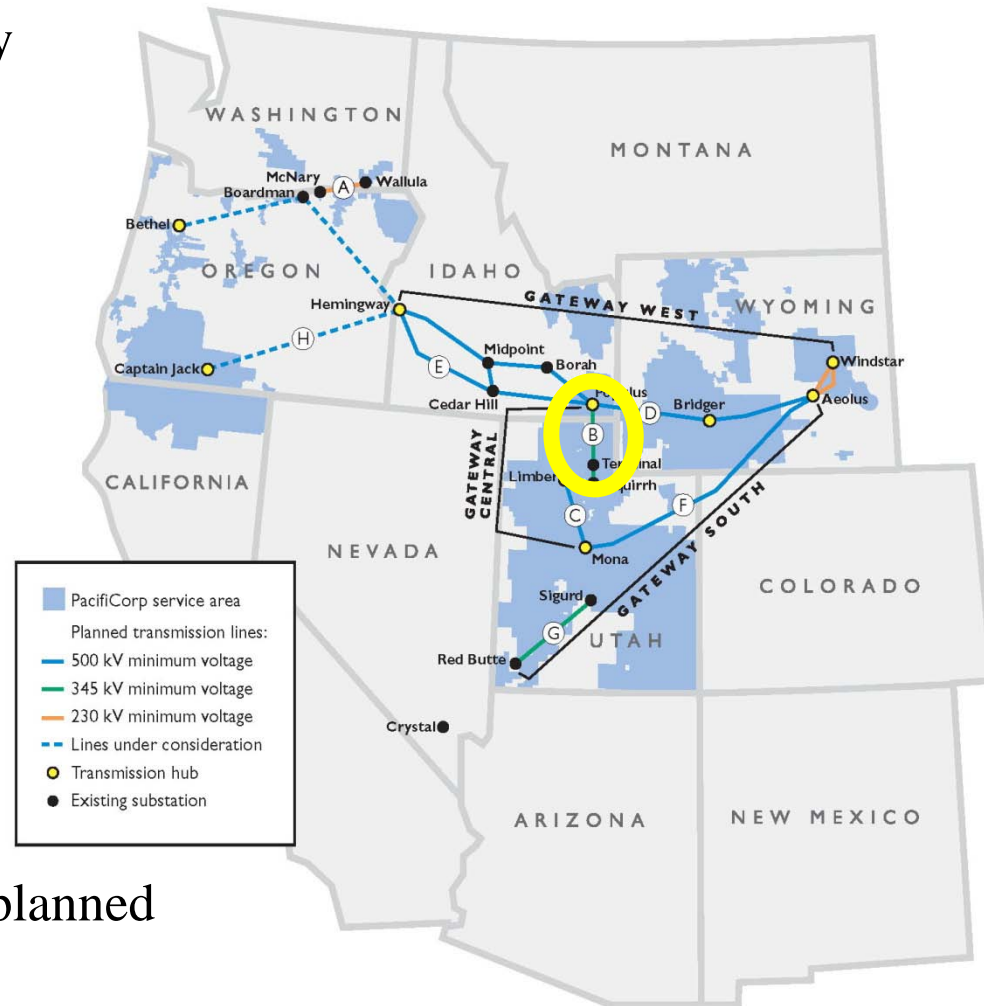
Wallula to Mc Nary-Segment A

- Nearly 5 years since Energy Gateway was announced
- Major milestones reached for near-term segments
- Wallula to Mc Nary 230kV, 30 miles
- Cost estimated at \$30M
- Started siting in 2007
- CUPs granted (County, City)
- Permits pending (Federal)
- Construction pending (2) customer approvals
- In-service date 2013-14



Populus to Terminal-Completed Segment B

- Nearly 5 years since Energy Gateway was announced
- Major milestones reached for near-term segments
- Populus to Terminal came online in November 2010
- Construction took 2 years & \$832M
- Over 50 permits and applications
- No NEPA permits required
- Operating and providing benefits as planned



Mona to Oquirrh-Under Construction Segment C

- 100 miles total, 500kV & 345kV sections
- Under construction and on schedule \$440M
- 244 foundations and 109 towers installed out of 471 total for the project
- In-service by May 2013, started in 2006



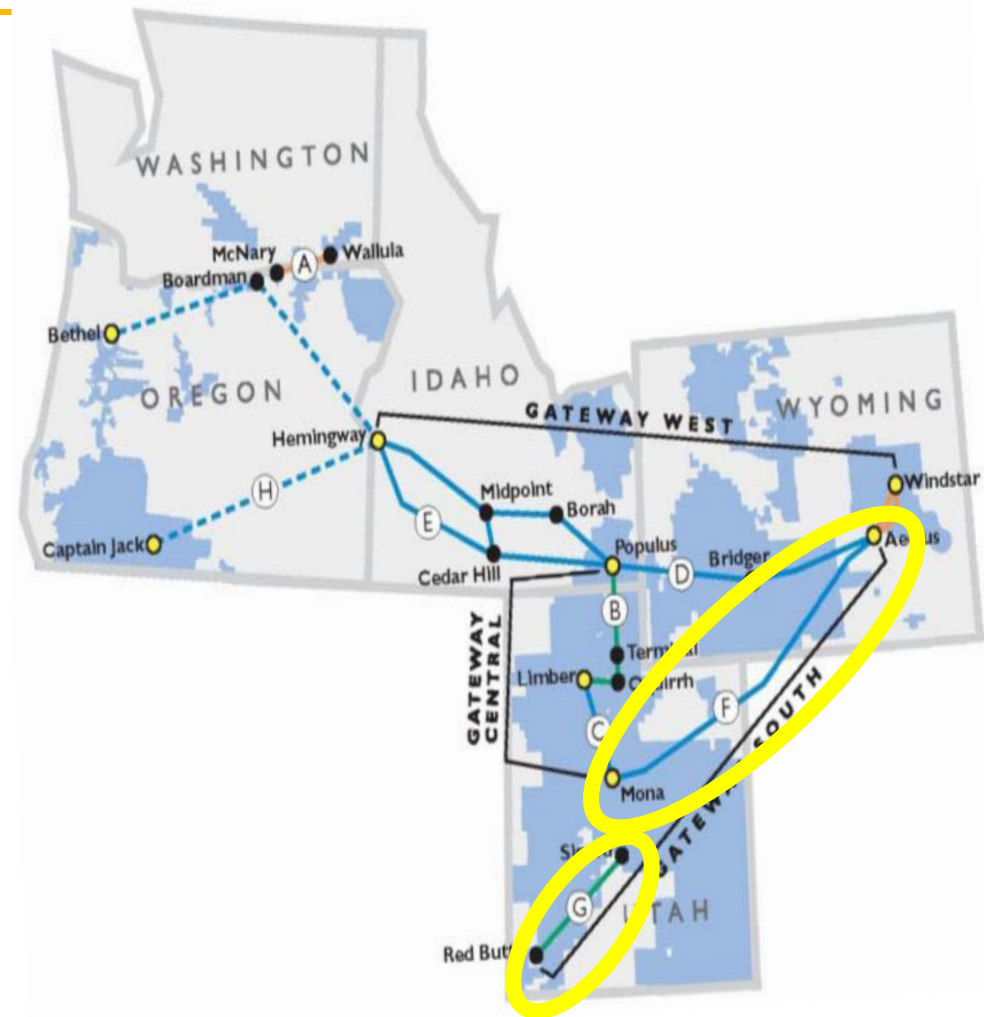
Gateway West-Segments D & E

- 1,100 miles, 230kV and 500kV
- Draft EIS issued July 2011
- Final EIS targeted for October 2012
- ROD expected in May 2013
- Scheduled in-service 2015 – 2018
- Three stage construction sequence
- Prioritized federal permitting via RRT



Gateway South-Segments F & G

- **Aeolus to Mona-Segment F**
- Total 400 miles single circuit 500kV
- Draft EIS expected August 2013
- Final EIS targeted for August 2014
- ROD expected in January 2015
- Scheduled in-service 2018-2020
- **Sigurd to Red Butte-Segment G**
- Total 160 miles single circuit 345kV
- Draft EIS expected in July 2011
- Final EIS targeted for May 2012
- ROD expected in September 2012
- Scheduled in-service 2015



Significant Challenges Remain

- Delayed in-service dates, a significant and costly issue for customers
 - NEPA or siting processes prolonged or delayed
 - There are clearly no “consensus line routes” (NIMBY)
 - Public, agency and/or NGO opposition is likely
 - Risks exist for legal challenges
 - Re-planning required or requested by multiple entities
- Cost recovery issues drive up risk for transmission projects
- Public vs. private land use is always present
- Minimum corridors and lines vs. system reliability requirements

Progress Is Being Made

- Establishment of federal Rapid Response Team and prioritized projects
- Department of Energy's current NOPR on coordinated federal authorization for interstate transmission facilities, including establishment of lead agencies and deadlines for all required permit decisions and related environmental reviews
- DOE's commitment to collaborate with FERC and other agencies on congestion studies and national interest electric transmission corridors
- Governor Mead's Executive Order on sage grouse requires state agencies to work together and creates a path toward getting projects permitted.

→ ***COORDINATION IS CRITICAL to timely transmission siting, permitting and construction.***

Opportunities for Process Improvement

- Coordination is needed between and among local, state and federal permitting entities to eliminate redundancies, reduce conflicts and establish clear permitting timelines
- Coordinate with neighboring states on land-use and other policies impacting inter-state transmission projects
- Create one coordinated appeals process for contesting a permit ruling—unlimited exposure to legal challenges in multiple forums after a permit has been granted is costly to the state, costly to the project and customers, and can threaten the survivability of the project.
- Key to moving forward with state and local permits is designation of a NEPA “agency preferred” line route

Summary

- Energy Gateway is an essential for current and future energy delivery to PacifiCorp's customers throughout its service territory
- Energy Gateway is under construction and progressing on several fronts
- Schedule predictability is critical to balancing cost, resource development, and load service timing
- Permitting/siting delays and uncertainties are costly to customers
- Significant delays threaten needed transmission investments
- Better coordination among local, state and federal permitting agencies is needed and would be highly beneficial for new transmission investments.

Questions?