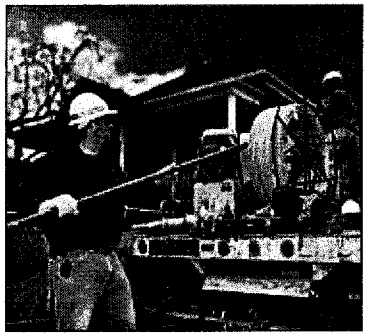

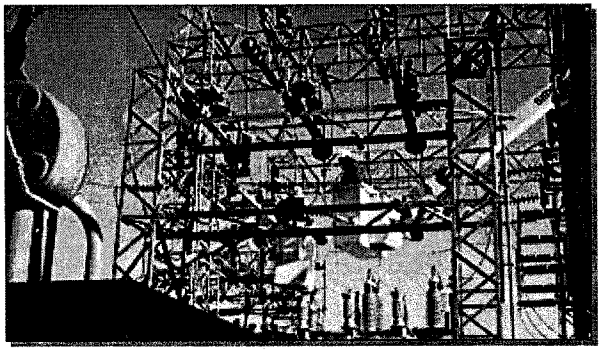

NorthWestern Energy
Transmission Growth Projects Update

Senate Energy and Telecommunications Committee
Electrical Transmission Permitting Hearing
State Capitol
Helena, MT
January 29, 2009

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Senate Energy & Telecomm. Comm.
Exhibit No. 4
Date 1-29-2009
Bill No.

Colstrip Upgrade Project

- Joint Development Agreement with four other CTS Owners and BPA
- Upgrade will provide 500 to 600 MW of additional transfer capability by upgrading or replacing transmission equipment and not existing conductor on 500 kV line
- Total Project cost is $207 million, NWE 30% share cost is $63 million
- Engineering, planning, and study work ongoing to determine required upgrades and regional transmission system impacts
- Expected Project in service date is late 2011

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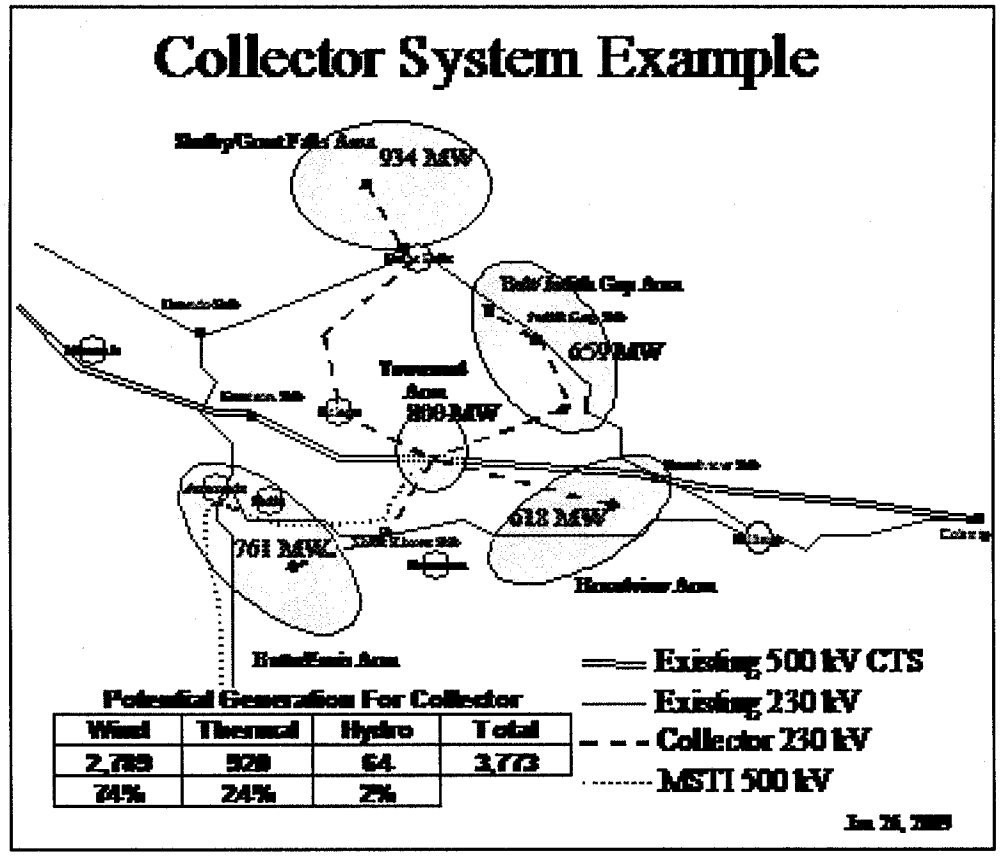
Transmission Collector System



- Currently 5,000 MW in generation interconnection queue
- Provides gathering system for new generation to access MSTI and network system benefits
- Informational Meeting with Customers in Spring 2009
- The actual Project defined through an Open Season in Summer 2009
- Current Project cost is $221 million
- The target in service date is late 2014

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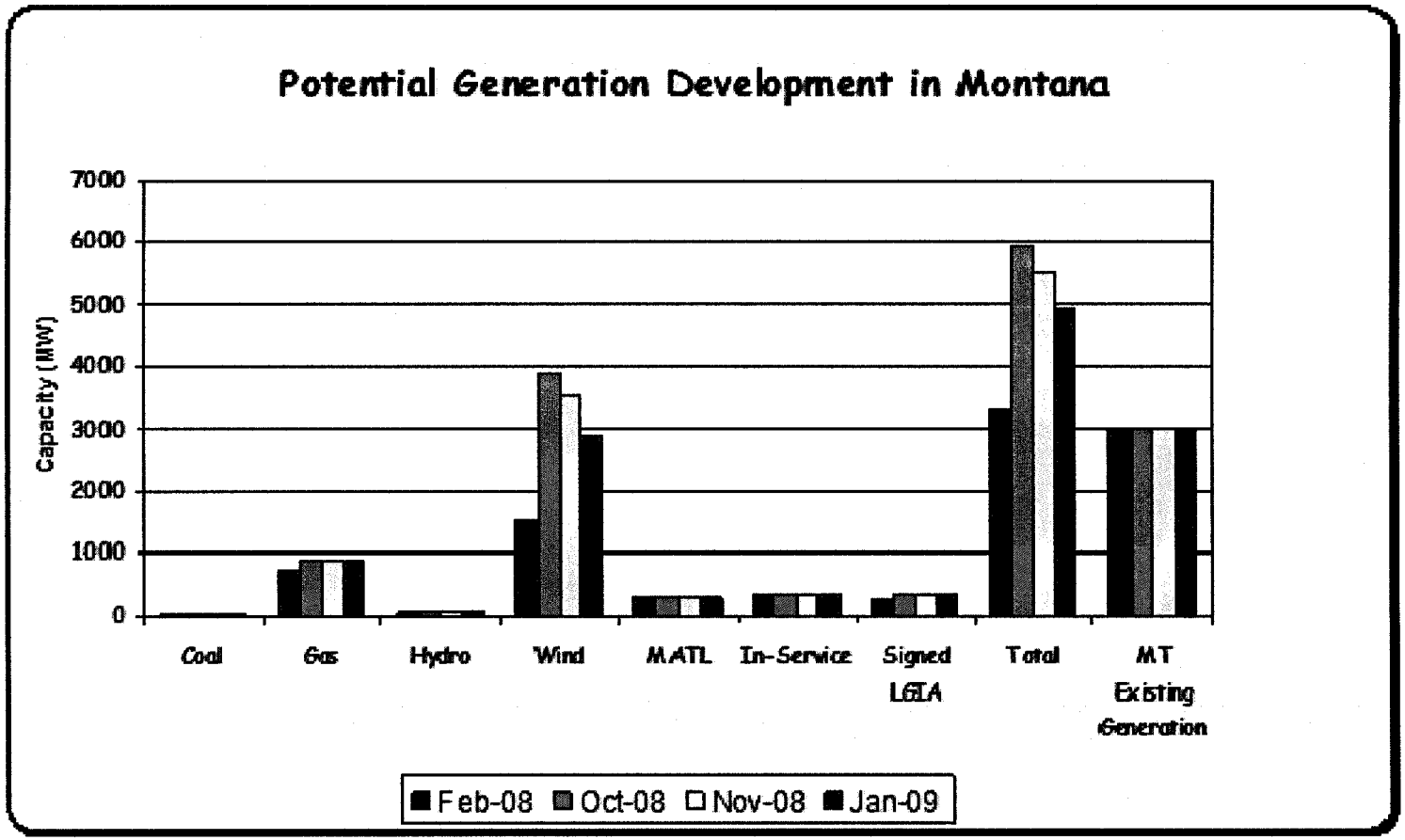
NWE Generation Interconnection Queue



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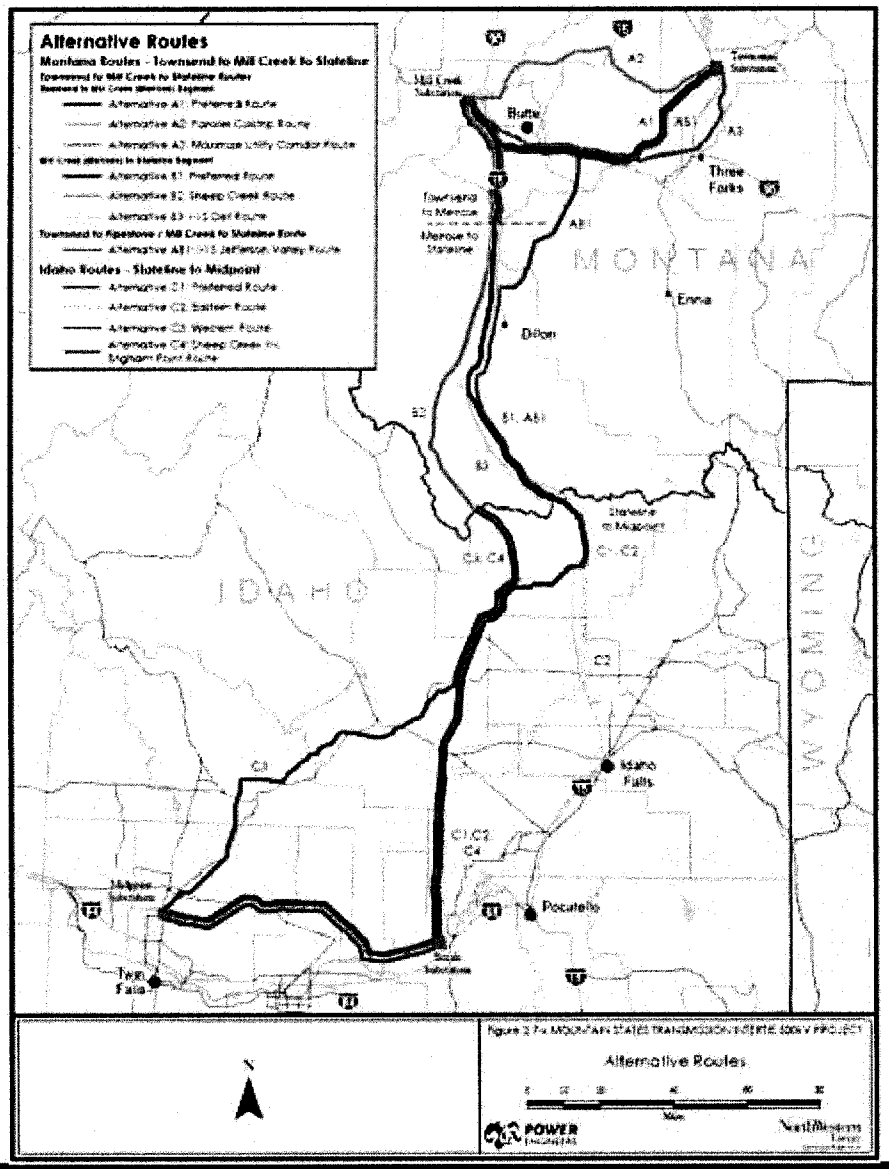
MSTI Project



- 500 kV line from Townsend MT to Idaho Power's Midpoint Substation near Twin Falls
- Respond to requests for interconnection
- Relieves congestion
- Enables high quality wind power to reach markets in the West and Southwest
- Environmental review, WECC path rating, and public consultation all well underway
- Open Season anticipated in Summer 2009

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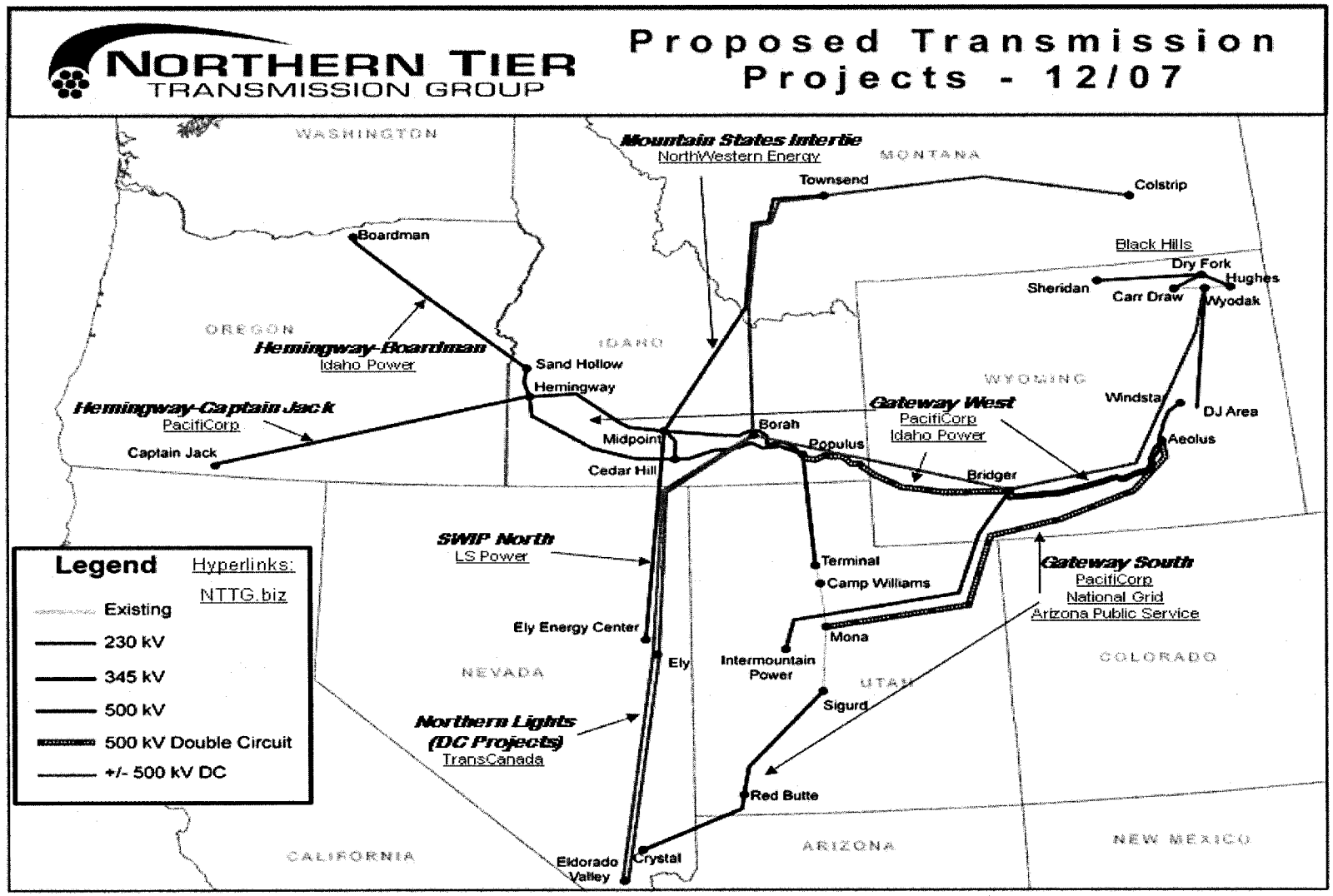
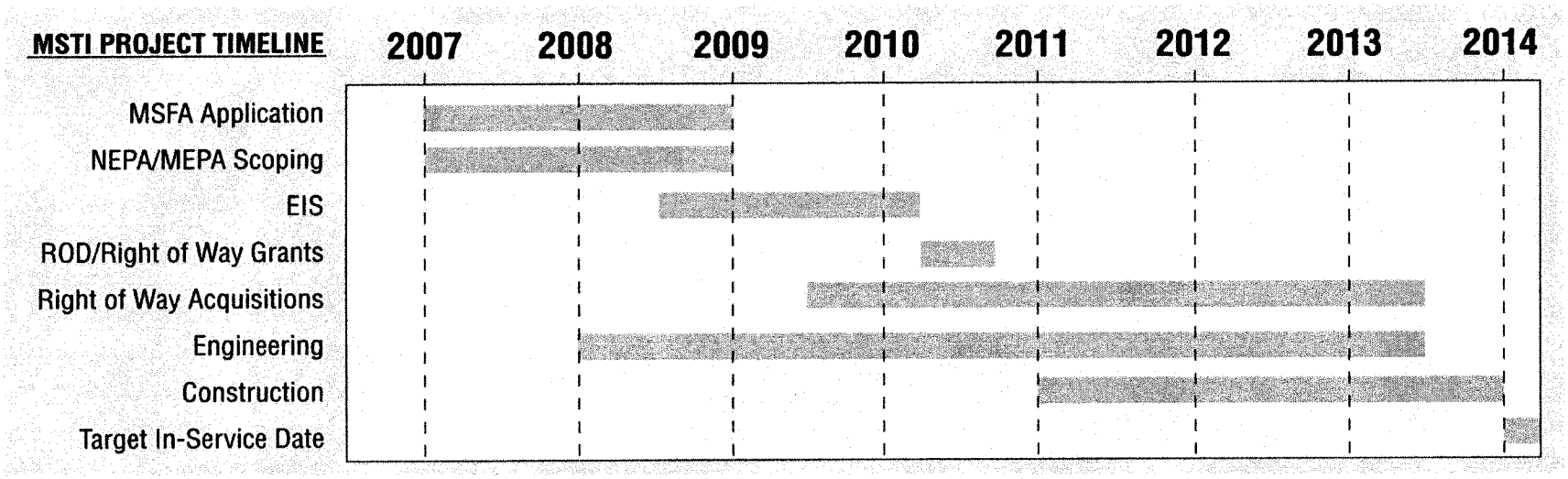
NTTG Proposed Transmission Projects



MSTI Project Schedule



- **Draft EIS Published Late Summer 2009**
- **Final EIS Q1 2010**
- **Record of Decision – Q3 2010**
- **Start Construction 2011**
- **Target Energization Q1 2014**

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MSTI Purpose, Benefit, and Need

- **Purpose**
  - » **Meet requests for new transmission service**
  - » **Provide transmission for new generation**
- **Benefit**
  - » **Provide energy diversification and market competition**
  - » **Provide positive economic impact**
- **Need**
  - » **Improve system performance and flexibility**
  - » **Meet regional electrical demand**

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MSTI Siting, Permitting, and Environmental

- **Siting, Permitting, and Environmental**
  - » **MFSA / Environmental Report Filed July 2008**
    - ♦ **MFSA for Montana Only**
    - ♦ **ER with Studies Similar to an EIS that Covers Idaho**
    - ♦ **MDEQ Sufficiency Letter Received December 2008**
  - » **EIS Schedule**
    - ♦ **Draft EIS Late Summer 2009**
    - ♦ **Final EIS Q1 2010**
    - ♦ **ROD Q3 2010**
  - » **EIS Contractor – PBS&J**

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MSTI Agency Involvement

- **BLM Lead Agency with MDEQ in Montana**
- **No Siting Law in Idaho – Governed by NEPA, Local, and State Requirements**
- **Cooperating Agencies – USFS, DOE, INL, and USDA Sheep Experiment Station**

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MSTI Public Outreach Process

- **Public Comment Importance**
  - » To comply with the MFSA requirements and to identify preliminary issues and concerns
- **Open House Meetings**
  - » Ten Public Open House Meetings Held since June
  - » Montana – Whitehall, Townsend, Ennis, Dillon, Anaconda, Butte
  - » Idaho – Arco, Idaho Falls, Shoshone, Carey, Aberdeen
- **Elected Officials Meetings**
  - » Meetings with county commissioners and other elected officials in counties potentially impacted by the project
- **EIS Scoping Meetings**
  - » Montana:
  - » September 9, 2008 – Butte
  - » September 10, 2008 – Three Forks
  - » September 11, 2008 – Dillon
  - » Idaho:
  - » September 16, 2008 - Twin Falls
  - » September 17, 2008 - Arco
  - » September 18, 2008 - Idaho Falls
- **Recording Public Comments**
  - » Input received will be considered during the planning process to identify project alternatives
  - » Interactive GIS

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MSTI Milestones and Next Steps

- Filed MFSA Application – July 2008
- MFSA Accepted – December 2008
- FERC Filings – December 2008
- Informational Meetings with Customers – Spring 2009
- New Open Season – Summer 2009
- Draft EIS Published – Late Summer 2009
- Final EIS – Q1 2010
- EIS Record of Decision – Q3 2010
- Continue Public Outreach and Communication Process
- Develop Long Term Transmission Contracts
- Develop Contractual Relationships with Vendors and Contractors
- For current information: www.MSTI500kV.com

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NWE's Transmission Siting and Permitting Experience

- **Good Relationship borne by decades of working together**
- **Experience sets expectations and results in fewer issues**
- **MFSA Application Should be Revised to Correspond to Today's Transmission World**
- **DEQ Staffing is Limited**
  With unprecedented volume of activity will certainly cause delays
- **Jurisdictional Issues**
  Conflicting requirements for multi-state facilities and between State and federal agencies

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