



# NorthWestern Energy Transmission Growth Projects Update

Montana Transmission Work Group Meeting  
Helena, MT  
February 27, 2009



**NorthWestern**<sup>™</sup>  
**Energy**

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# MSTI project update

## The *Mountain States Transmission Intertie* Project



# MSTI project update

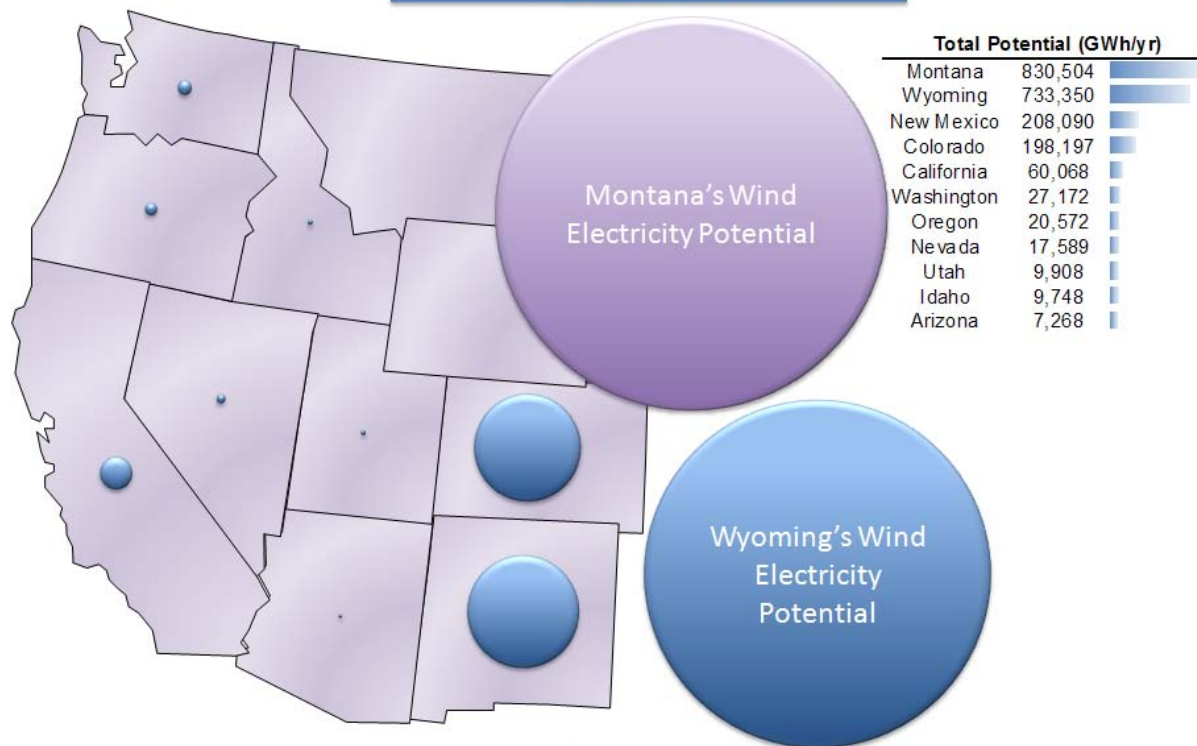
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## Purpose Benefit and Need



# MSTI project update

Wind Electricity Potential  
(GWh/yr) Class 4-7



Prepared by Energy Strategies, LLC

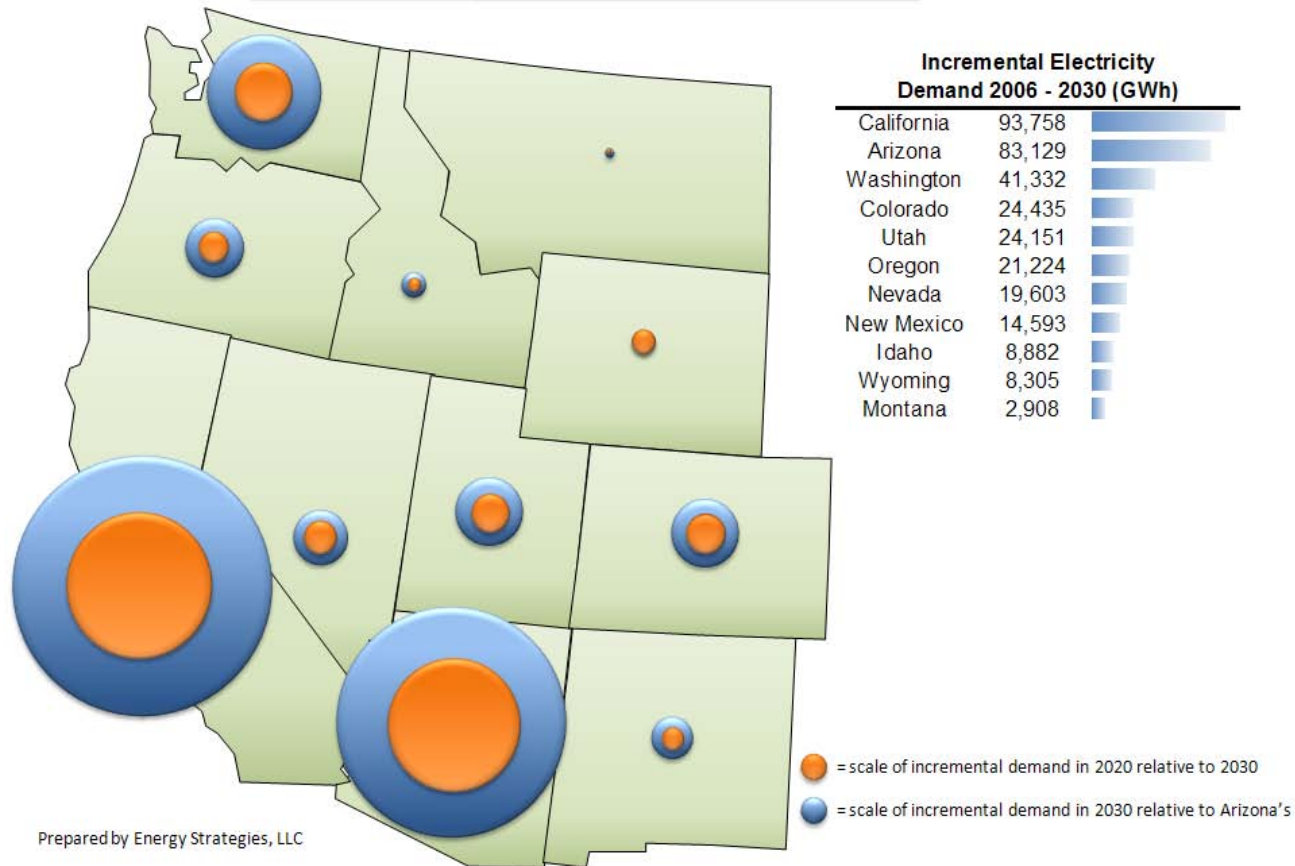
● = scale of wind resources relative to Montana's



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# MSTI project update

Incremental Electricity Demand 2006-2020  
and 2006-2030 (GWh/yr)

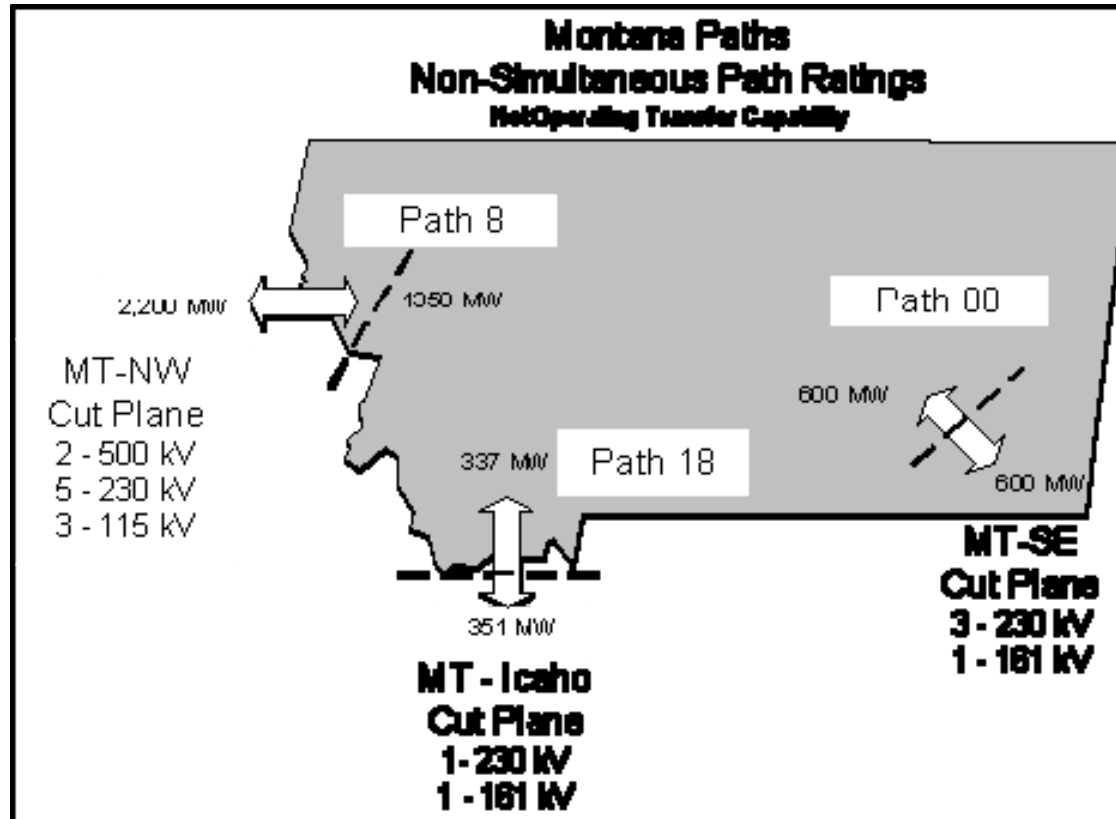


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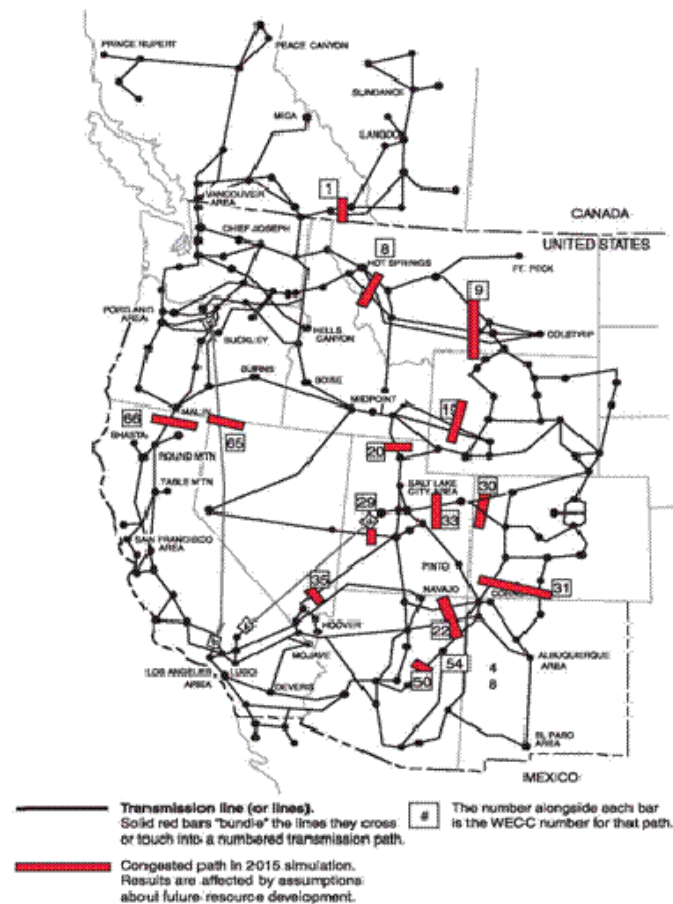
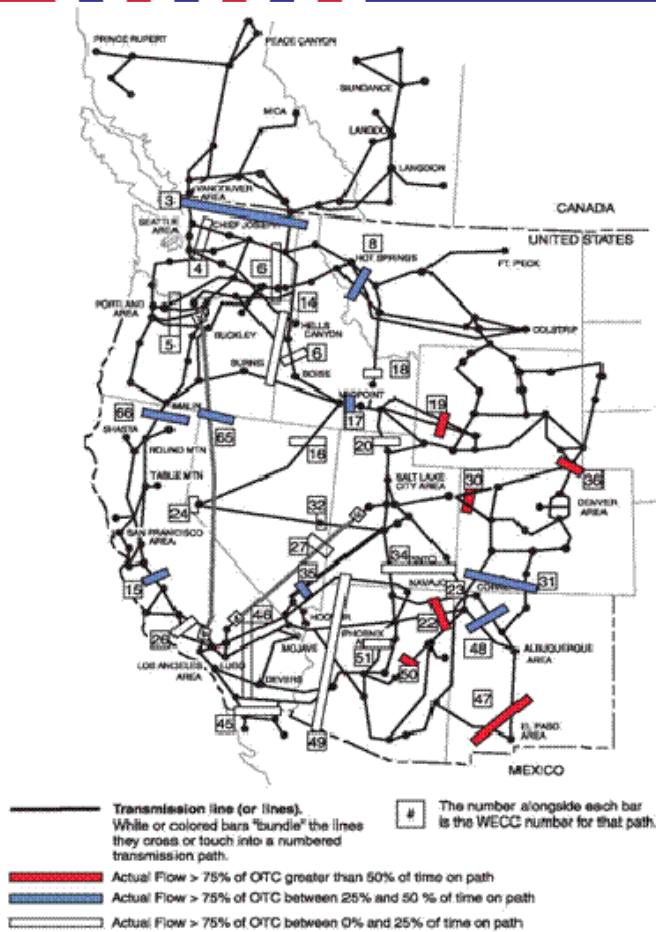
# MSTI project update



Montana Import and Export Path Ratings



# MSTI project update



## Current and Projected Congestion in the Western Interconnection Region

Source: National Electric Transmission Congestion Study, DOE 2006

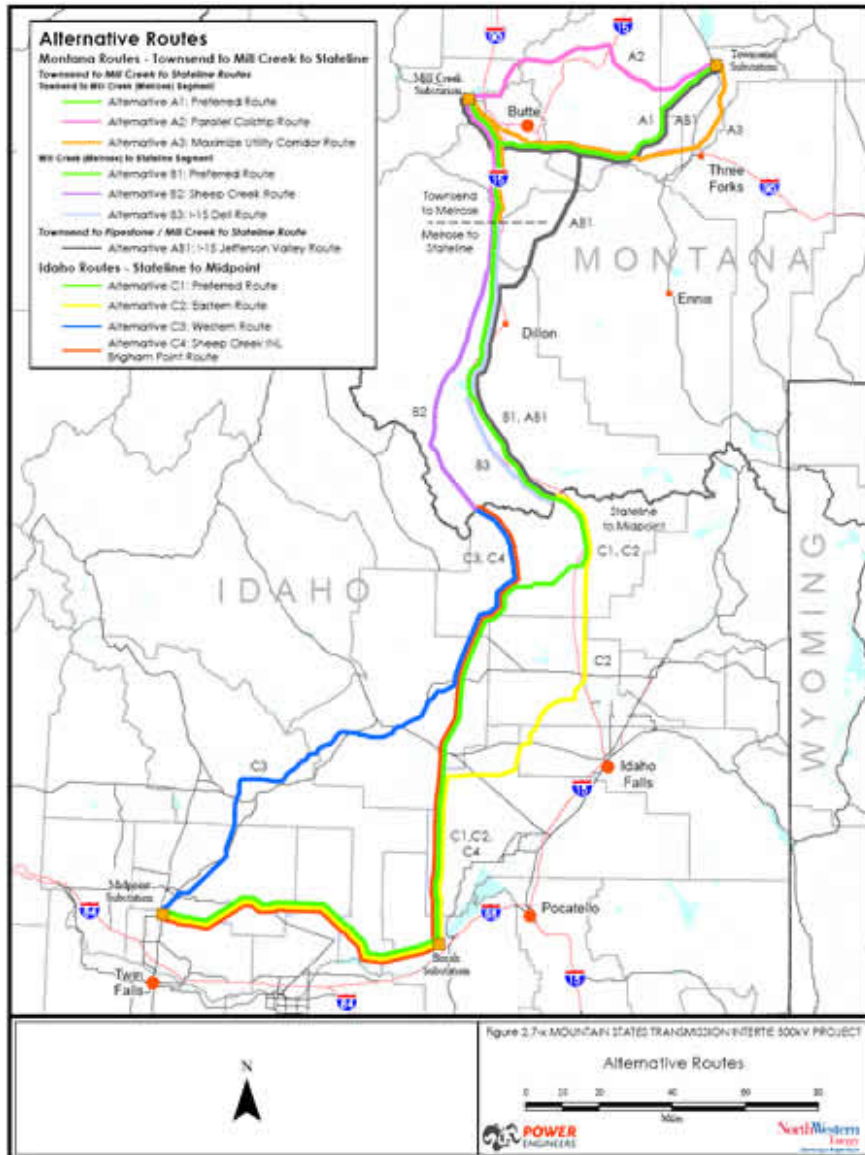


# MSTI Purpose, Benefit, and Need

- Meets requests for new transmission service
- Provides transmission for new generation development
- Enables high quality MT wind power to reach markets in the West and Southwest
- Provides energy diversification and market competition
- Provides and enables positive economic impact to MT and the region
- Improves electric system performance and flexibility
- Meets the needs of regional electrical demand

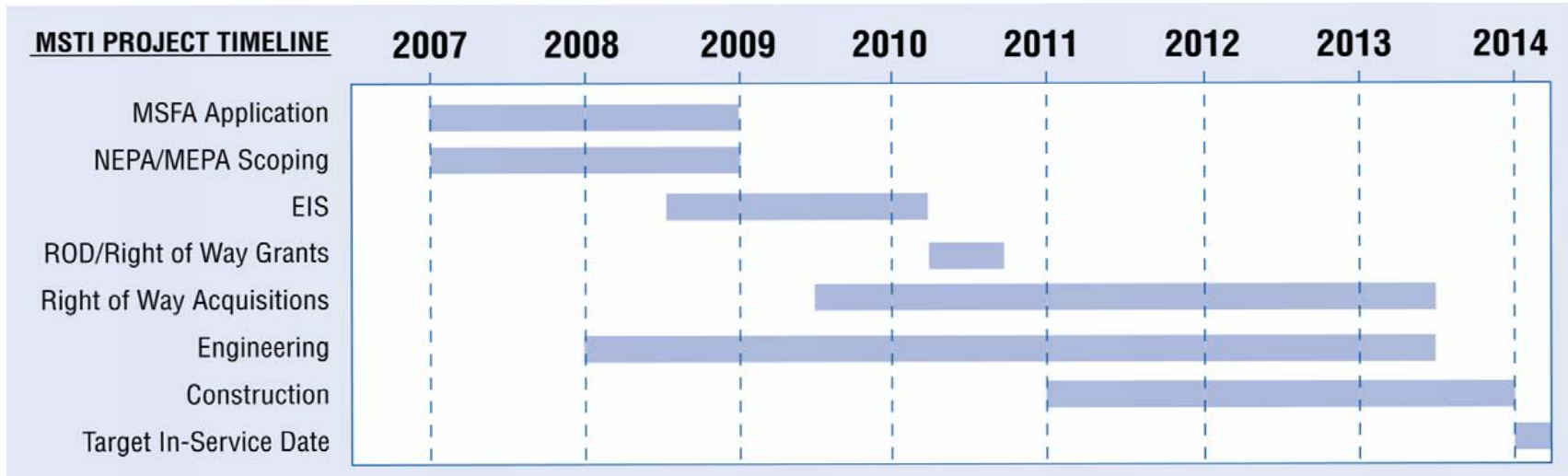


# MSTI Project



- **500 kV AC line from Townsend MT to Midpoint Substation near Twin Falls ID**
- **Approximately 430 miles depending on final route**
- **2 Major Substations in MT; 1 interconnection in Idaho**
- **Advanced Stages of Public Siting and Review – began in 2007**
- **1500 MW Path Rating Capacity Expected**
- **Current Project cost is \$1 billion**

# MSTI Project Schedule



- **Draft EIS Published Late Summer 2009**
- **Final EIS Q1 2010**
- **ROD & MT Certificate of Compliance – Q3 2010**
- **Start Construction 2011**
- **Target Energization Q1 2014**



# 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**
    - ◆ **MFSA Application deemed complete by MDEQ  
December 2008**
  - » **EIS Schedule**
    - ◆ **Draft EIS Late Summer 2009**
    - ◆ **Final EIS Q1 2010**
    - ◆ **Federal ROD and MT Certificate of Compliance Q3 2010**
  - » **3<sup>rd</sup> Party EIS Contractor – PBS&J**
  - » **Final route determined by the MFSA, MEPA and NEPA processes**



# MSTI Agency Involvement

- **National Federal Project Manager assigned with BLM & MDEQ co-lead agencies for EIS**
- **No State Siting Law in Idaho – Governed by NEPA, Local, and State Requirements**
- **Cooperating Agencies – USFS, Idaho OER, DOE, INL, USDA SES and 8 separate field offices**



# MSTI Public Outreach Process

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## Public Outreach & Involvement is Crucial !



# MSTI Public Outreach Process

- **Public Open House Meetings**
  - » 12 separate open house meetings MT and Idaho in 2007 & 2008
- **Elected Officials Meetings**
  - » Meetings with county commissioners and other elected officials in counties impacted by the project
  - » 36 separate meetings in 2007 and 2008
  - » Next round spring 2009
- **EIS Scoping Meetings**
  - » 3 in MT September 2008
  - » 3 in ID September 2008
  - » Next Round after the DEIS Fall 2009
- **Landowner and Right of Way Open House Meetings**
  - » Solicit Input and Buy-In from Landowners prior to final design
  - » Start 3<sup>rd</sup> QTR 2009 Idaho
  - » MT 2<sup>nd</sup> QTR 2010
- **Recording Public Comments**
  - » Input received is considered during the planning process to identify impacts & project alternatives
  - » Interactive GIS



# MSTI Regulatory and Commercial Update

- **Filed FERC Petitions for MSTI and Collector January 2009**
- **Requesting FERC approval of new Open Season for MSTI and allowance for negotiated cost based formula rates**
- **Similar FERC filing for Collector System to conduct an Open Season and certain waivers to existing OATT**
- **Expect FERC ruling on both Petitions late March or early April 2009**
- **Marketing trip with government agencies, LSE's and other potential customers – April 2009**
- **Informational Meetings with Customers – Spring 2009**
- **New MSTI/Collector Open Seasons – Summer 2009**



# MSTI Milestones and Next Steps

- **MFSA Accepted – December 2008**
- **Draft EIS Published – Late Summer 2009**
- **Final EIS – Q1 2010**
- **EIS Record of Decision – Q3 2010**
- **Enhance Public Outreach and Project Communication Efforts**
- **Next Open Season**
- **Develop Long Term Transmission Contracts**
- **Final Design**
- **Right of Way Acquisition**



# MSTI project update

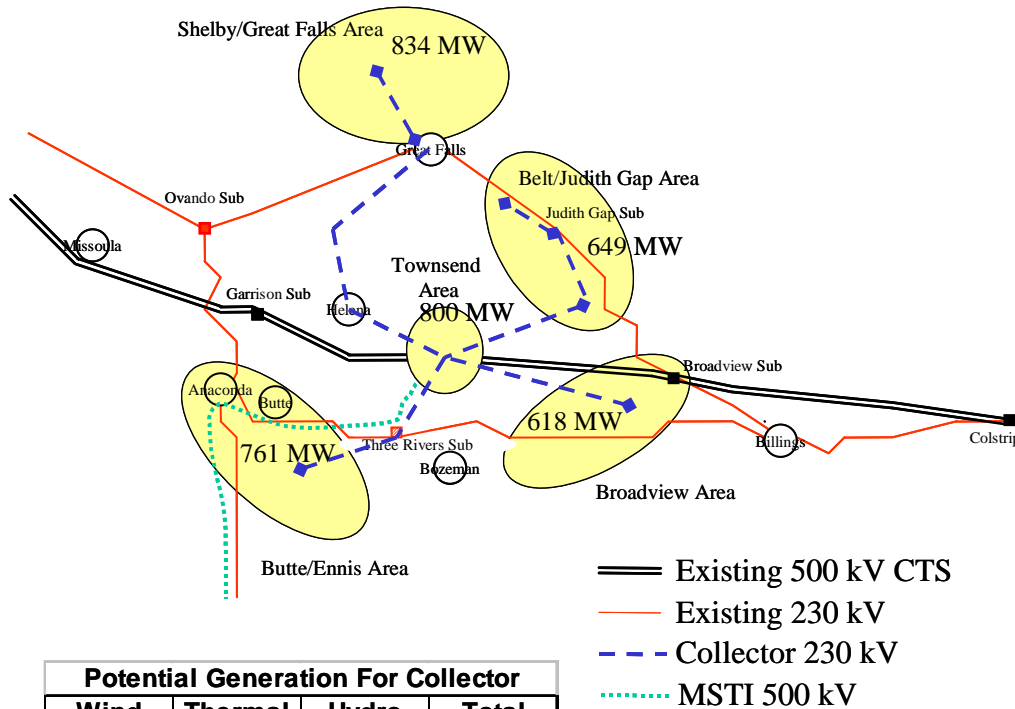
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[www.MSTI500kV.com](http://www.MSTI500kV.com)



# Transmission Collector System

## Collector System Example

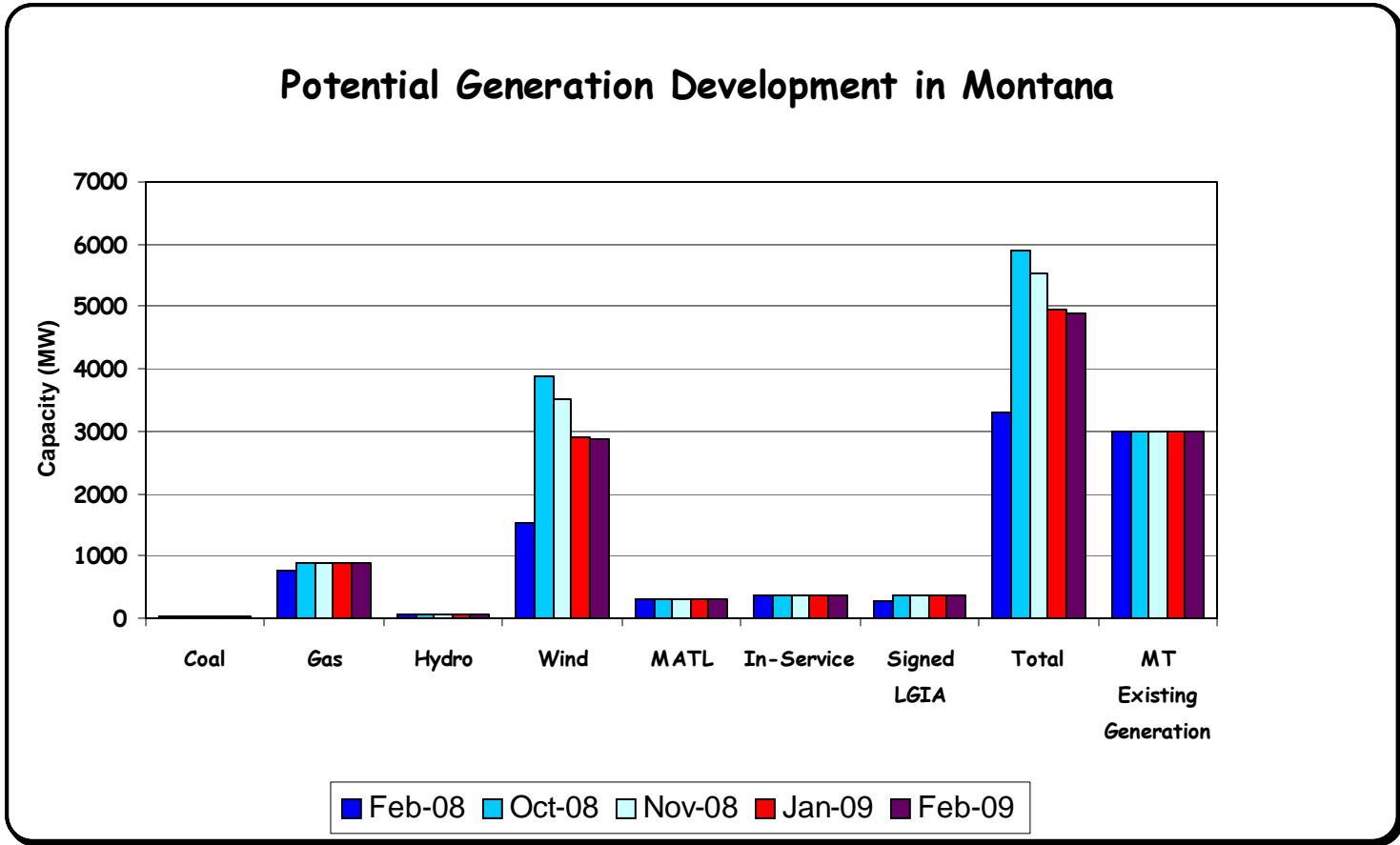


Potential Generation For Collector			
Wind	Thermal	Hydro	Total
2,679	920	64	3,663
73%	25%	2%	

Feb 16, 2009

- Currently 3,700 MW in generation interconnection queue
- Provides a radial gathering system for new generation to access MSTI
- 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

# NWE Generation Interconnection Queue



# WECC Path Rating Process

- **WECC Regional Planning Process complete**
- **WECC Three Phase Path Process**
  - » **Phase 1 - complete in 2008**
  - » **Phase 2**
    - ◆ **Simultaneous technical rating study progressing**
    - ◆ **Estimated study completion end of June 2009**
    - ◆ **WECC path rating trying to achieve**
      - **1,500 MW south bound**
      - **900 MW or more north bound**
    - ◆ **Approved by the WECC Planning Coordination Committee and the Board of Directors**
  - » **Phase 3 is implementation once Phase 2 approved**

# NTTG Biennial Planning Process

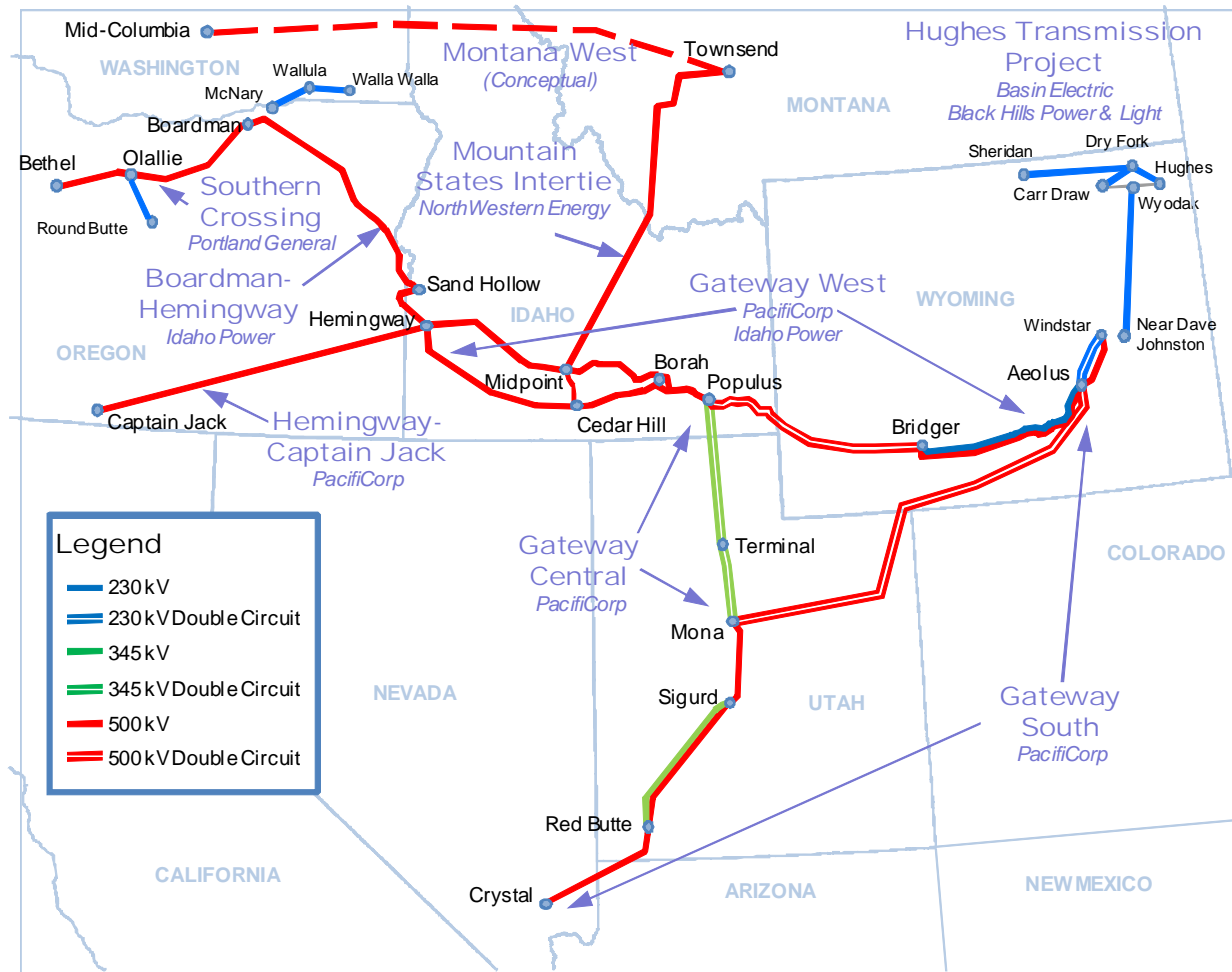
- **MSTI is included in the Northern Tier Transmission Group (NTTG) Biennial Planning Process**
- **This is a sub-regional 10-year transmission study that will focus on moving power from developing resources to growing loads.**
- **Coordination with other sub-regional planning groups and WECC**
- **The following lines are included in this study:**



**RED EXISTING NTTG  
MEMBER TRANSMISSION**

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# NTTG Proposed Transmission Projects



# 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 but not existing conductor on 500 kV line**
- **Total Project cost is \$207 million, NWE 30% share cost is \$63 million (Project allocation has not been determined)**
- **Engineering, planning, and study work ongoing to determine required upgrades and regional transmission system impacts**
- **Expected Project in service date is late 2011**



# Questions And Discussion