



PRESS RELEASE

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For Immediate Release

Open Season a Success for Wyoming-Colorado Intertie

CHEYENNE, Wyo. – A new transmission line connecting the Front Range of Colorado with the wind-rich high plains of eastern Wyoming reached a significant milestone last week. The Wyoming-Colorado Intertie (WCI) Project announced today that a recent Open Season auction was a success, the winning bids have been accepted, and development of the project will continue. It is anticipated that much of the capacity of the transmission line will be committed for delivering Wyoming's high-quality wind resources to benefit consumers in Colorado.

"This is another important step in the development of additional transmission capacity so that Wyoming's world-class wind power can be delivered to regional markets," Wyoming Gov. Dave Freudenthal said. "This intertie strengthens an already solid working relationship between Wyoming and Colorado."

The WCI Project is a public/private development partnership involving the Wyoming Infrastructure Authority (WIA), Trans-Elect Development Company LLC (Trans-Elect), and the Western Area Power Administration (Western), with Trans-Elect leading the development effort. The partnership was first announced September 27, 2005 and the Open Season auction culminates nearly three years of intensive development activity.

As part of the Open Season process, the project sponsors had offered up to 850 megawatts of transmission capacity in a public auction. This has resulted in 585 megawatts of capacity purchase commitments from credit-worthy parties. GreenHunter Wind Company, LLC and Duke Energy Ohio, Inc, two wind developers with wind farms under development near Chugwater, Wyoming have secured capacity on the WCI project. The project sponsors are optimistic that the remaining 265 megawatts of

capacity will be sold. The project sponsors expect to complete the siting, permitting, and construction of the line and begin operation by mid-2013.

The new transmission line will be regulated by the Federal Energy Regulatory Commission (FERC) and the Open Season was designed to comply with federal regulatory policy. CRA International, Inc. was retained by the Project to design and implement the auction and to evaluate bids. The timing of the Open Season was also scheduled to be compatible with the Public Service Company of Colorado's (PSCo's) new resource plans, which include purchasing 500 megawatts of wind with deliveries beginning in 2013. PSCo plans to issue a bid for this wind energy later this year after the plan is approved by the Colorado Public Utilities Commission.

Steve Waddington, WIA executive director, said "the WCI Open Season resulted in a 70 percent subscription to the line. I look forward to seeing more of Wyoming's robust wind resource being added to Colorado's resources and delivering benefits to consumers along the Front Range. This has been a regional effort over several years to eliminate a long-standing transmission constraint between Colorado and Wyoming."

Robert Mitchell, CEO of Trans-Elect, stated that "Trans-Elect is pleased with the Open Season results which bring the WCI Project to this critical position. We are optimistic that commitments necessary for the project to proceed will be made soon."

Tim Meeks, Western Area Power Administration (Western) administrator, pointed out "Western and Trans-Elect have a proven track record for success in getting transmission built. In a public-private partnership with Pacific Gas & Electric Co., Western and Trans-Elect completed the \$250 million, 84-mile transmission expansion project in California known as Path-15. The project was electrified in 2004, ahead of schedule and substantially below budget."

Trans-Elect, based in Bethesda, Maryland with regional offices in Denver and Chicago, formed in 1999 as the first independent transmission company in North America to pursue the development of independently owned electric transmission with the twin objectives of increasing the reliability of the system and lowering costs to consumers. Trans-Elect is affiliated with The AES Corporation, a global power company.

Created in 2004 by the State of Wyoming, the WIA's mission is to diversify and expand the state's economy through improvements in Wyoming's electric transmission

infrastructure to facilitate the consumption of Wyoming energy. The Authority can participate in planning, financing, constructing, developing, acquiring, maintaining and operating electric transmission facilities and their supporting infrastructure. Legislation provided the WIA with bonding authority, and other powers, to promote transmission development in the state and throughout the region. It also provided the State Treasurer, with the approval of the State Loan and Investment Board, the authority to invest in WIA bonds.

Part of the U.S. Department of Energy, Western annually markets and transmits more than 10,000 megawatts of power from hydroelectric power plants owned and operated by the Bureau of Reclamation and the Army Corps of Engineers in 15 central and western states. Western is the operator of the transmission lines that currently link Colorado and Wyoming.

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