

American Recovery & Reinvestment Act— Section 402

Western Area Power Administration
Proposed Transmission Infrastructure Program

March 23, 2009

Today's meeting

- Our purpose today
 - To receive comments on the proposed program
- Meeting outline and format
 - Brief overview of why we're here and how we'll conduct the meeting
 - Comments from members of the public
 - Conference call: 800-857-2038, code: 62285
 - (Please mute phone lines)
 - Close meeting

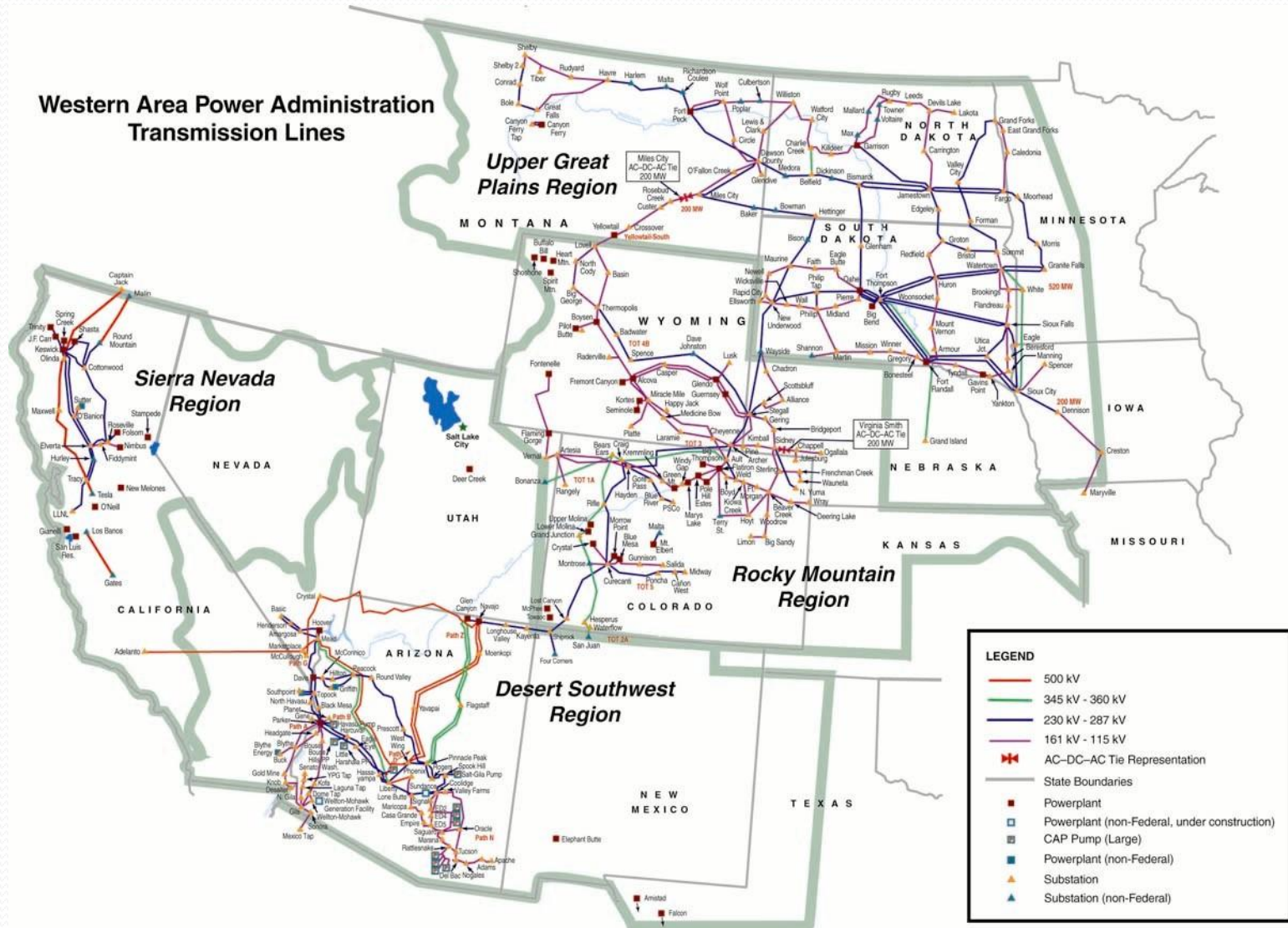
ARRA – Section 402

- Authorizes Western's Administrator to:

Construct	Finance	Facilitate
Plan	Operate	Maintain
Study		
- New, upgraded transmission
- One terminus in Western's service area
- Facilitate delivery of renewable energy to markets

Western's service territory

Western Area Power Administration Transmission Lines



Legislative authority & requirements

- Authorized to borrow funds from Treasury
- Use a public process to develop practices and policies to implement authority

Proposed program goals

- Identify
- Prioritize
- Participate in:
 - Study Facilitate Finance Plan
 - Operate Maintain Construct
- New, upgraded transmission
- Help bring renewable energy to market

Proposed Program

Objectives:

- Encourage non-Federal participation
- Leverage borrowing authority

Components:

- Project funding
- Project evaluation
- Project development
- Project O&M
- Project rates and repayment

Proposed program principles

Each project:

- Public interest
- System reliability, ops, statutory obligation
- Proceeds adequate for repayment
- Public process for Western rates
- Ancillary services
- Repay principle, interest after
 - Ancillary services
 - Project O&M

Proposed program principles, con't.

Program:

- Provides participation opportunity for others
- Uses project revenues as only source to:
 - Repay associated loan
 - Pay ancillary services, O&M expenses
 - Credit payments to Western power systems for provided ancillary services
- Maintain controls for accounting, repayment to ensure separate, distinct treatment

Comment Process

- Critical to the success of this program
- Most useful if:
 - Specific
 - Offer proposals
 - Include suggested changes or methodologies
 - Provide rationale
 - Refer to section of proposed program

txprogram@wapa.gov

Today's Comment Process

- Moderator: Call speakers in order of registration
- Speakers:
 - State name, organization, if any, first
 - Speak into microphone
 - Limit comments so all may have a chance to be heard
- Moderator: Advise when 30 seconds remain in allotted time
- Meeting transcripts and all comments received will be posted on Western's Website

Today's Comment Process

- **Speakers**

- Name
- Organization, if any

- **Comments**

- Specific
- Proposals
- Suggested changes or methodologies
- Rationale
- Refer to section of proposed program

Submitting Comments

- **Due:** April 3, 2009
- **E-mail:** txprogram@wapa.gov
- **By mail:**

Western Area Power Administration
Transmission Infrastructure Program
PO Box 281213
Lakewood, CO 80228-8213

Visit us online @www.wapa.gov/recovery

Requests for Interest

- To identify proposed projects and/or participants
- **Due: April 3, 2009**
- **E-mail:** txrfi@wapa.gov
- **By mail:**

Western Area Power Administration
Transmission Infrastructure Program
PO Box 281213
Lakewood, CO 80228-8213

For More Info

E-mail us at
txprogram@wapa.gov

Or visit us online at
www.wapa.gov/recovery

Visit us online @ www.wapa.gov/recovery