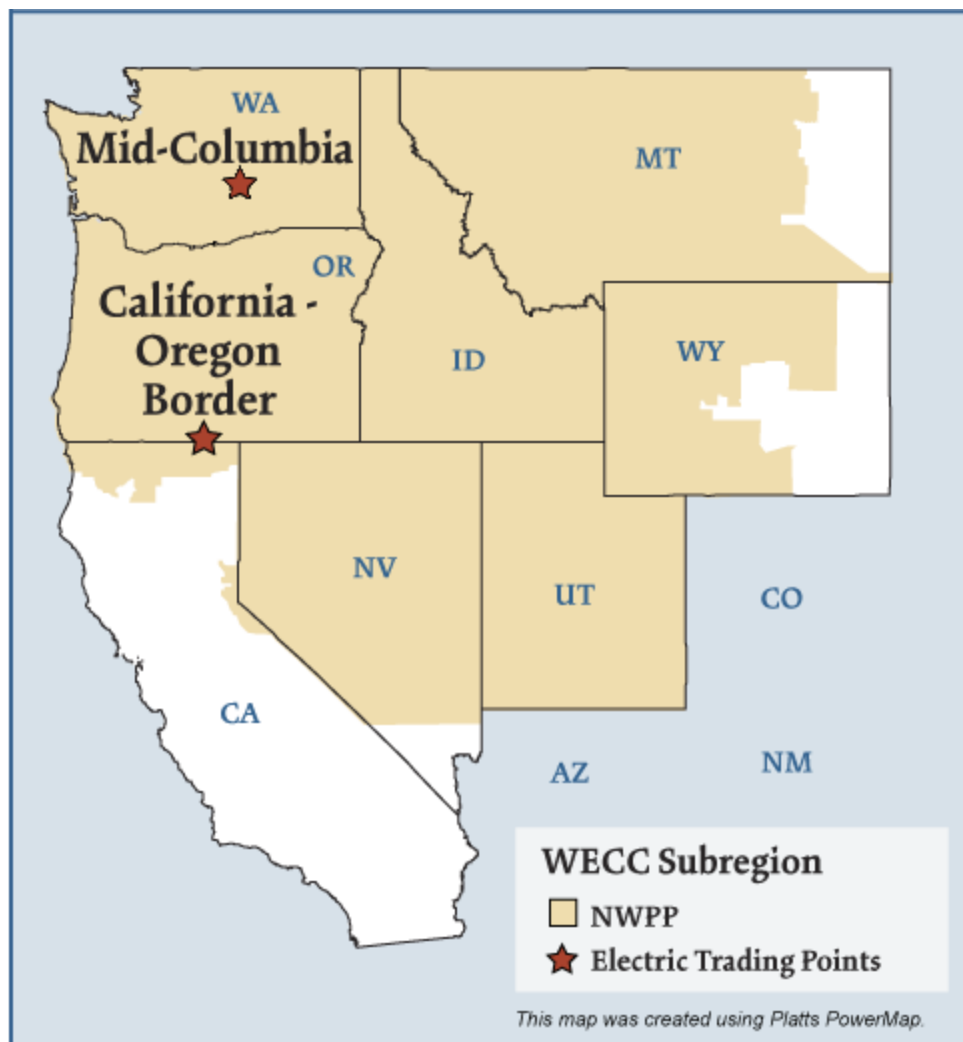


Northwest Electric Market



Northwest Electric Market: Overview and Focal Points

Federal Energy Regulatory Commission • Market Oversight @ FERC.gov

Overview

Geography

States covered: All or most of Washington, Oregon, Idaho, Utah, Nevada, Montana, Wyoming and part of California.

Reliability region: Northwest Power Pool Area (NWPP) sub-region of the Western Electric Coordinating Council (WECC).

Balancing authorities: See page 5.

Hubs: California-Oregon Border (COB), Mid-Columbia (Mid-C)

RTO/ISO

None

Generation/Supply

Marginal fuel type: Hydro and natural gas

Generating capacity (winter 2005): 57,120 MW

Capacity reserve (winter 2005): 16,822 MW

Reserve margin (winter 2005): 42%

When taken together, hydro, fossil fuels, nuclear energy, and renewable resources, were adequate to provide electricity in excess of in-region needs.

Updated May 3, 2007

1038

Northwest Electric Market: Overview and Focal Points

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Demand

All time peak demand (2005): 40,298 MW

Peak demand growth: 1.5% (2004–2005)

Prices

Index Annual Average of Daily Bilateral Day Ahead On-Peak Prices:

Platts California-Oregon Border (COB) Hub:

2004: \$49.02/MWh 2005: \$66.95/MWh 2006: \$55.58/MWh 2007: \$62.14/MWh

Platts Mid-Columbia (Mid-C) Hub:

2004: \$44.50/MWh 2005: \$62.95/MWh 2006: \$50.18/MWh 2007: \$56.57/MWh

Physical and financial electricity products are traded through brokers using the Mid-Columbia (Mid-C) and California-Oregon Border (COB) hubs as pricing points.

Interconnections/Seams

The region relies on hydroelectric production for approximately two thirds of its electricity needs. In most years, Northwest sells surplus power into California and the Southwest.

Balancing Authorities in the Northwest Electric Market

Balancing Authority

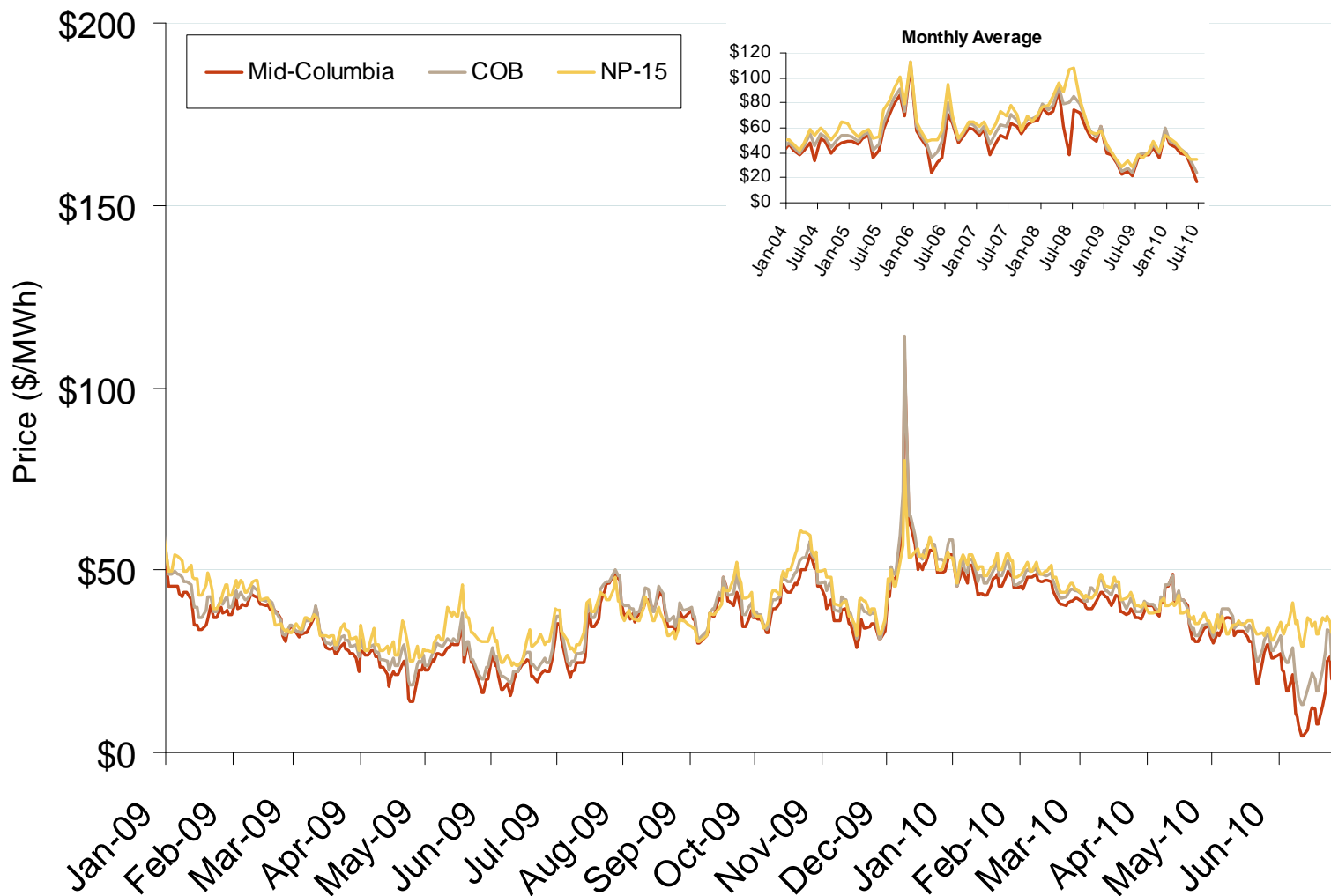
NERC Acronym

Alberta Electric System Operator	AESO
Avista Corp.	AVA
Bonneville Power Administration	BPAT
British Columbia Transmission Corporation	BCHA
Idaho Power Company	IPCO
NorthWestern Energy	NWMT
PacifiCorp-East	PACE
PacifiCorp-West	PACW
Portland General Electric Company	PGE
PUD No. 1 of Chelan County	CHPD
PUD No. 1 of Douglas County	DOPD
PUD No. 2 of Grant County	GCPD
Puget Sound Energy	PSEI
Seattle Department of Lighting	SCL
Sierra Pacific Power Company	SPPC
Tacoma Power	TPWR
Western Area Power Administration - Upper Great Plains West	WAUW

Annual Average Bilateral Prices

Annual Average Day Ahead On Peak Prices (\$/MWh)						
	2005	2006	2007	2008	2009	5-Year Avg
Mid-Columbia (Mid-C)	\$62.95	\$50.18	\$56.57	\$65.00	\$35.66	\$54.08
California-Oregon Border (COB)	\$66.95	\$55.58	\$62.14	\$73.86	\$38.02	\$59.32

Northwestern Daily Bilateral Day-Ahead On-Peak Prices

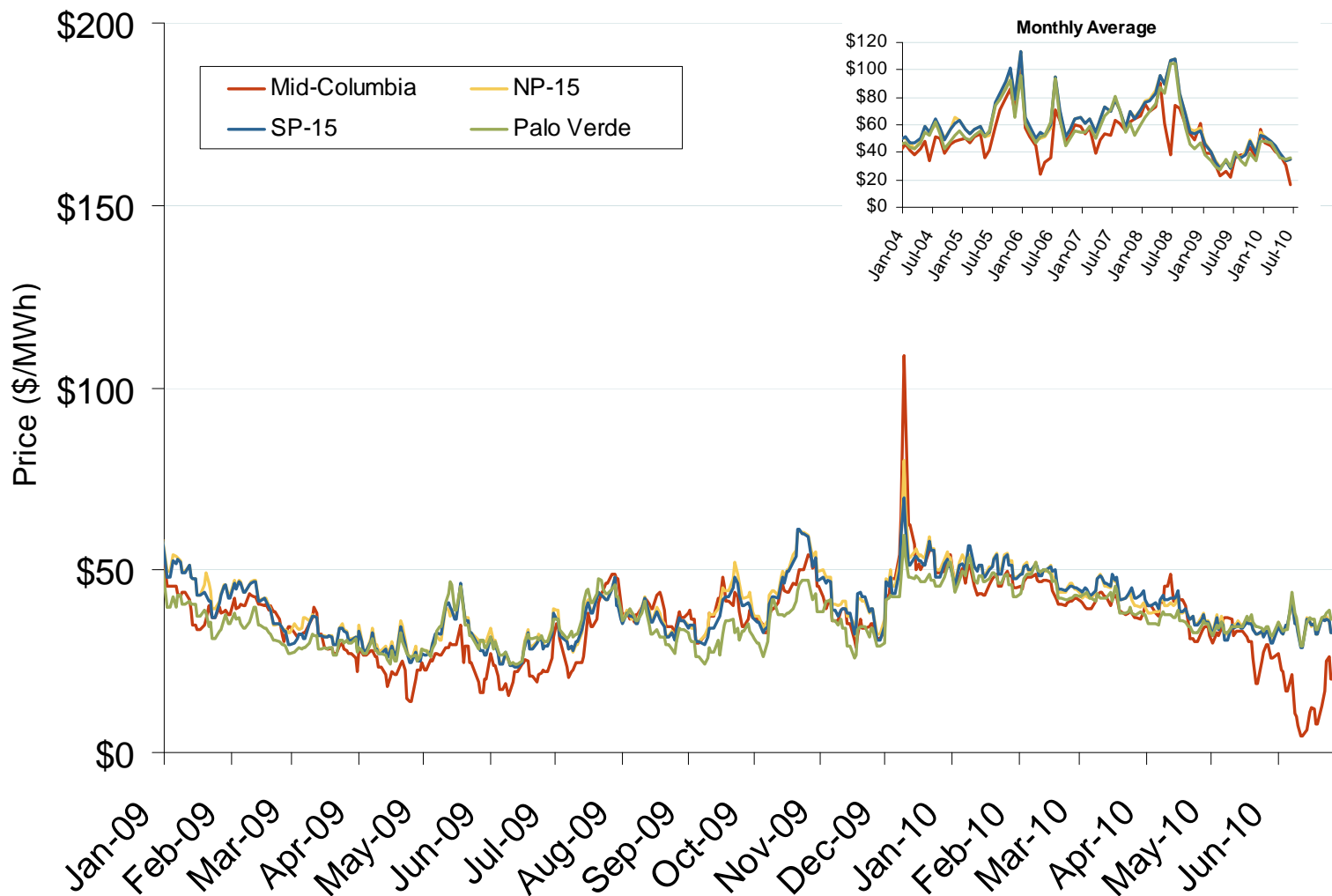


Source: Derived from *Platts* data.

Updated July 9, 2010

1041

Western Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* on-peak electric and natural gas price data.

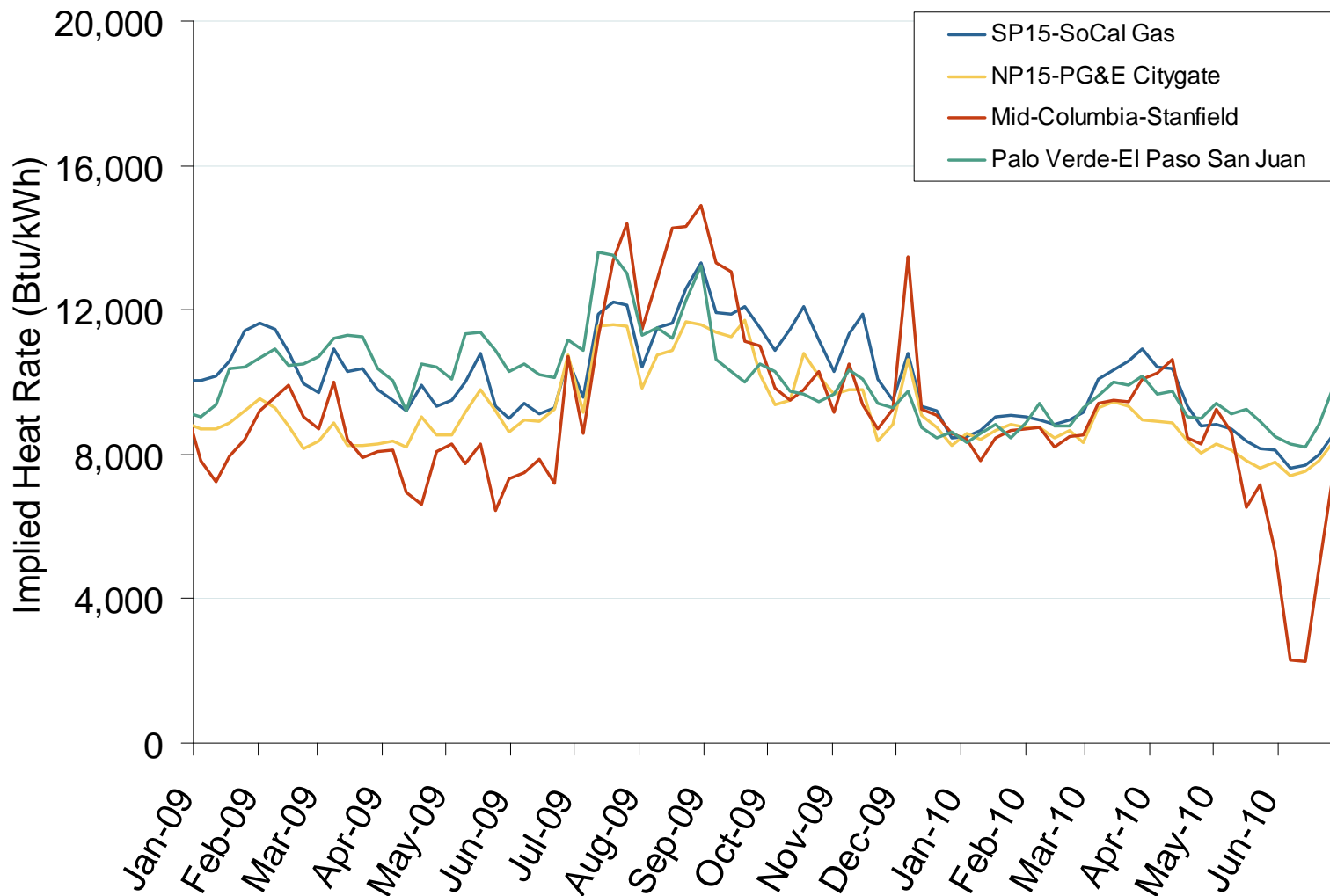
Updated July 9, 2010

1042

Northwest Electric Market: Western Implied Heat Rates

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

Implied Heat Rates at Western Trading Points Weekly Averages

Source: Derived from *Platts* data

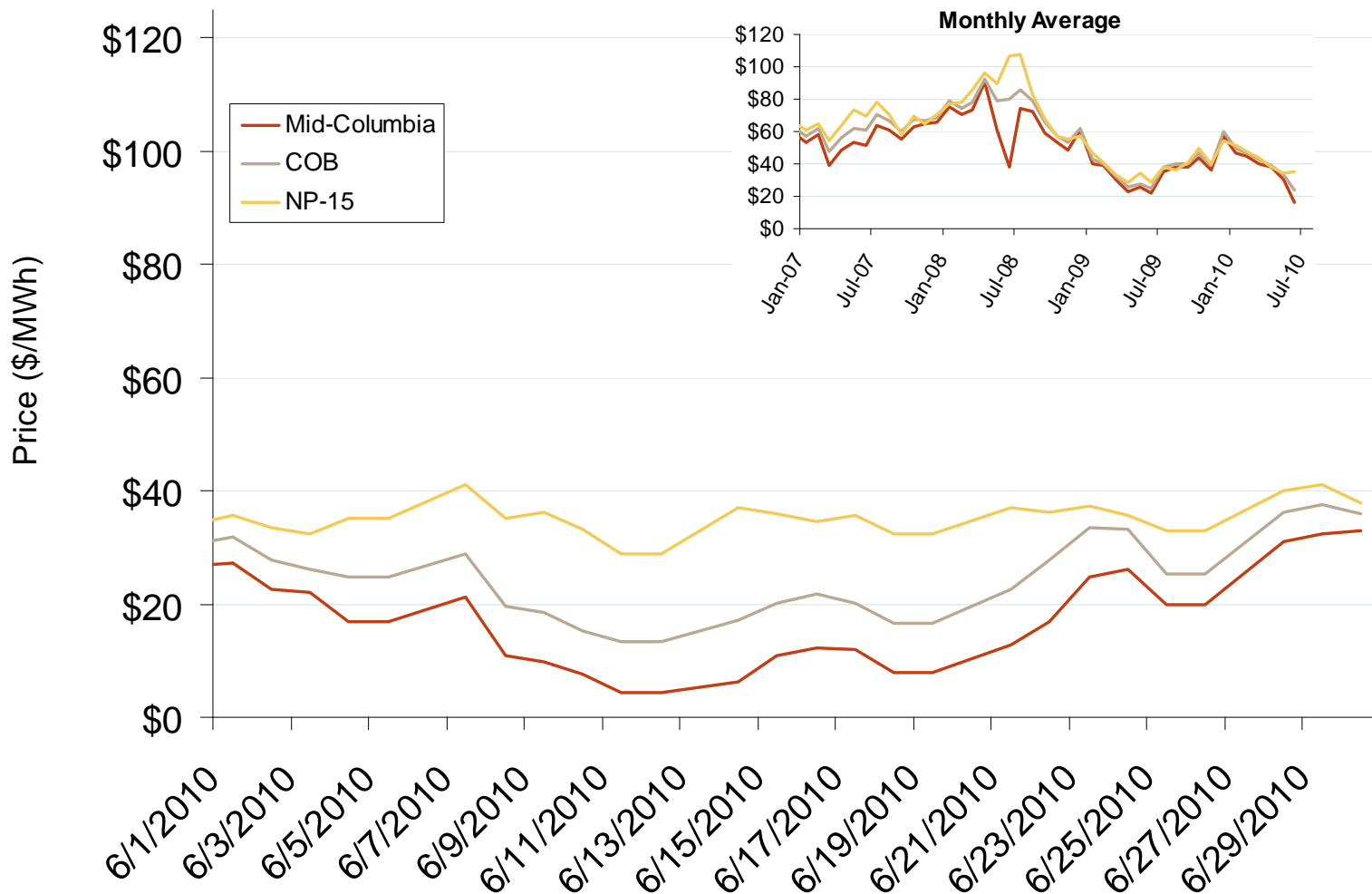
Updated July 9, 2010

1142

Northwest Electric Market: Last Month's Northwestern Bilateral Prices

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Northwestern Daily Bilateral Day-Ahead On-Peak Prices



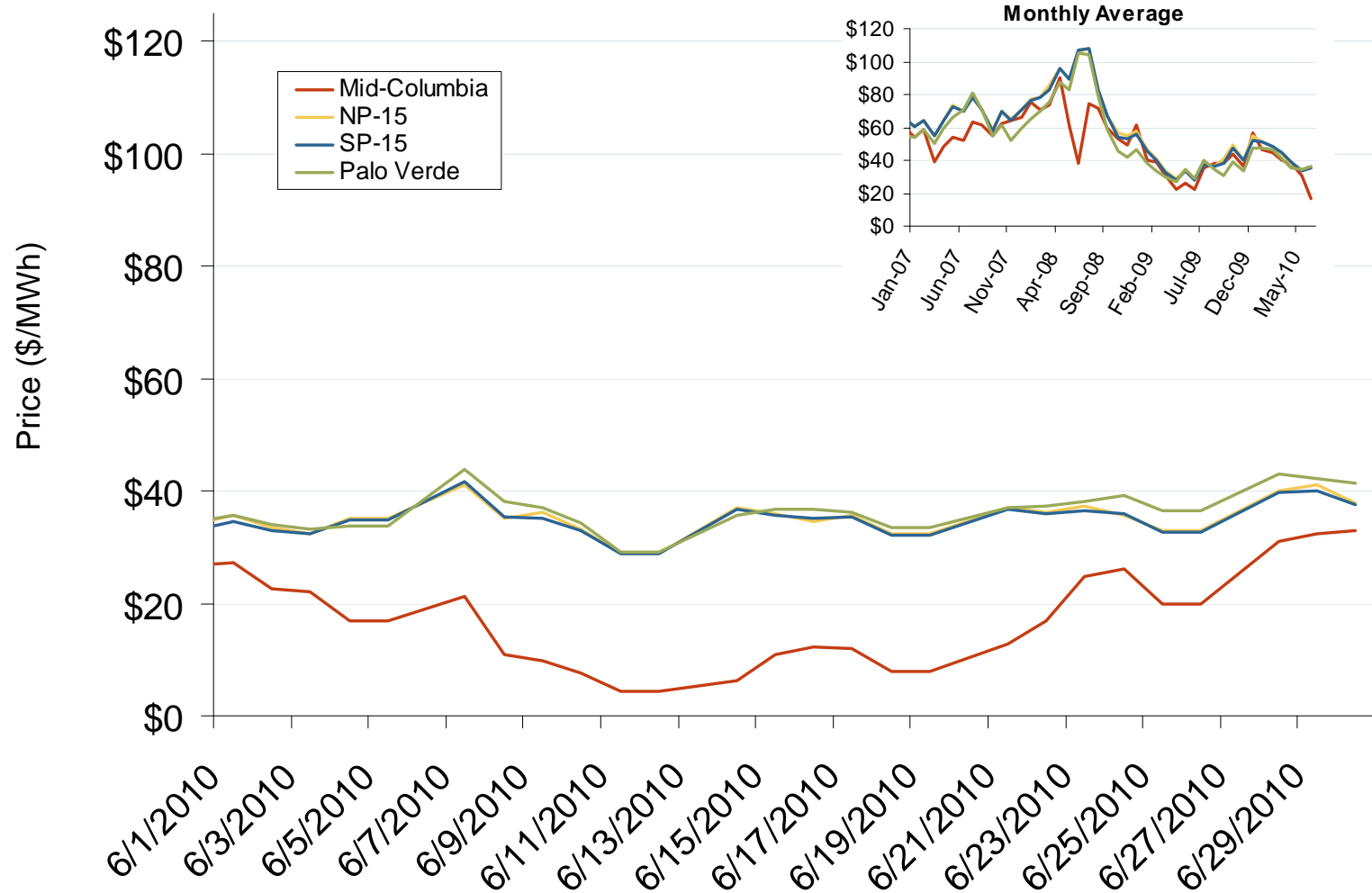
Source: Derived from *Platts* data.

Updated July 9, 2010

Northwest Electric Market: Last Month's Western Bilateral Prices

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Western Daily Bilateral Day-Ahead On-Peak Prices

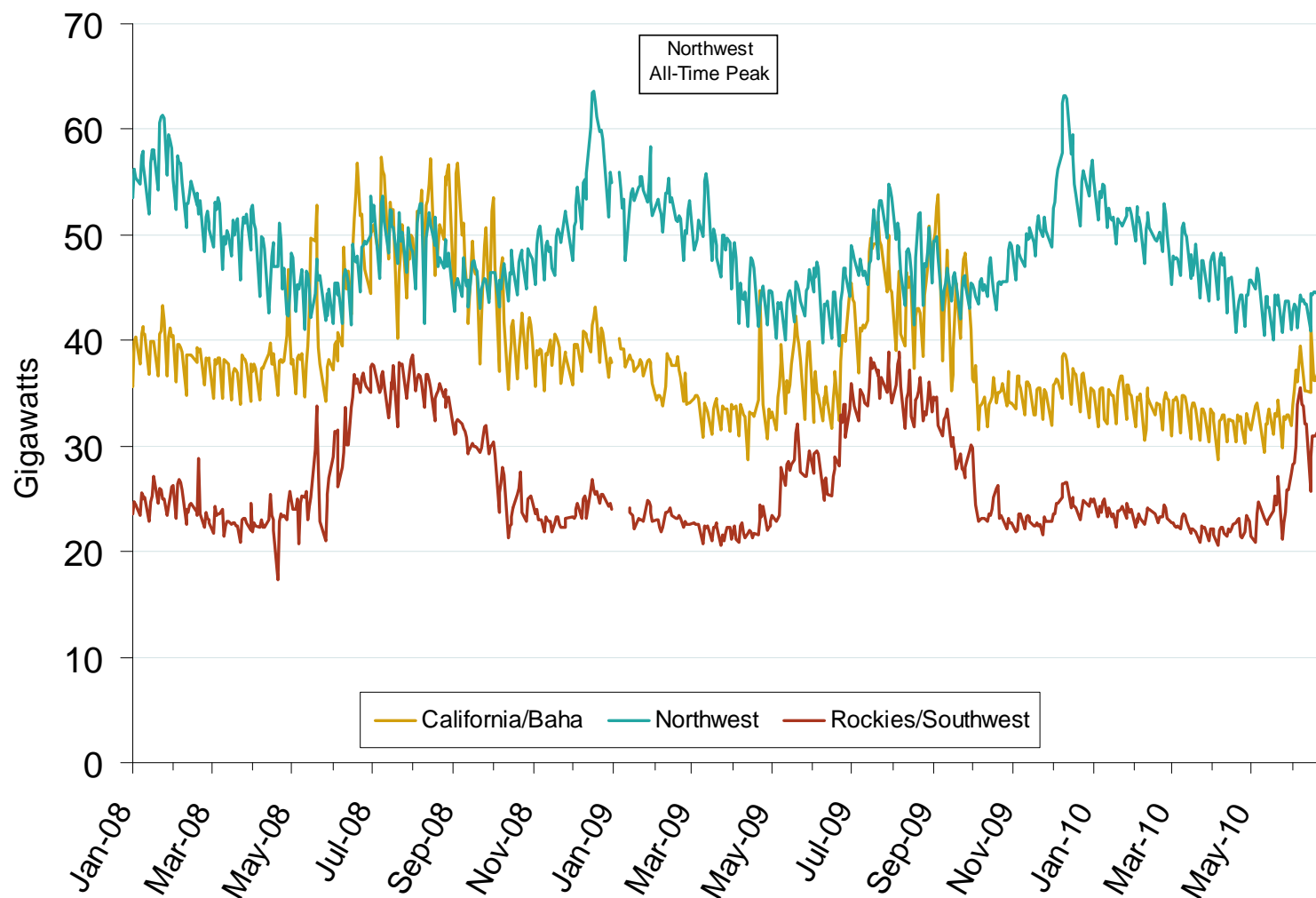


Source: Derived from *Platts* data.

Updated July 9, 2010

13021

Northwest Electric Market: Daily Peak Demand

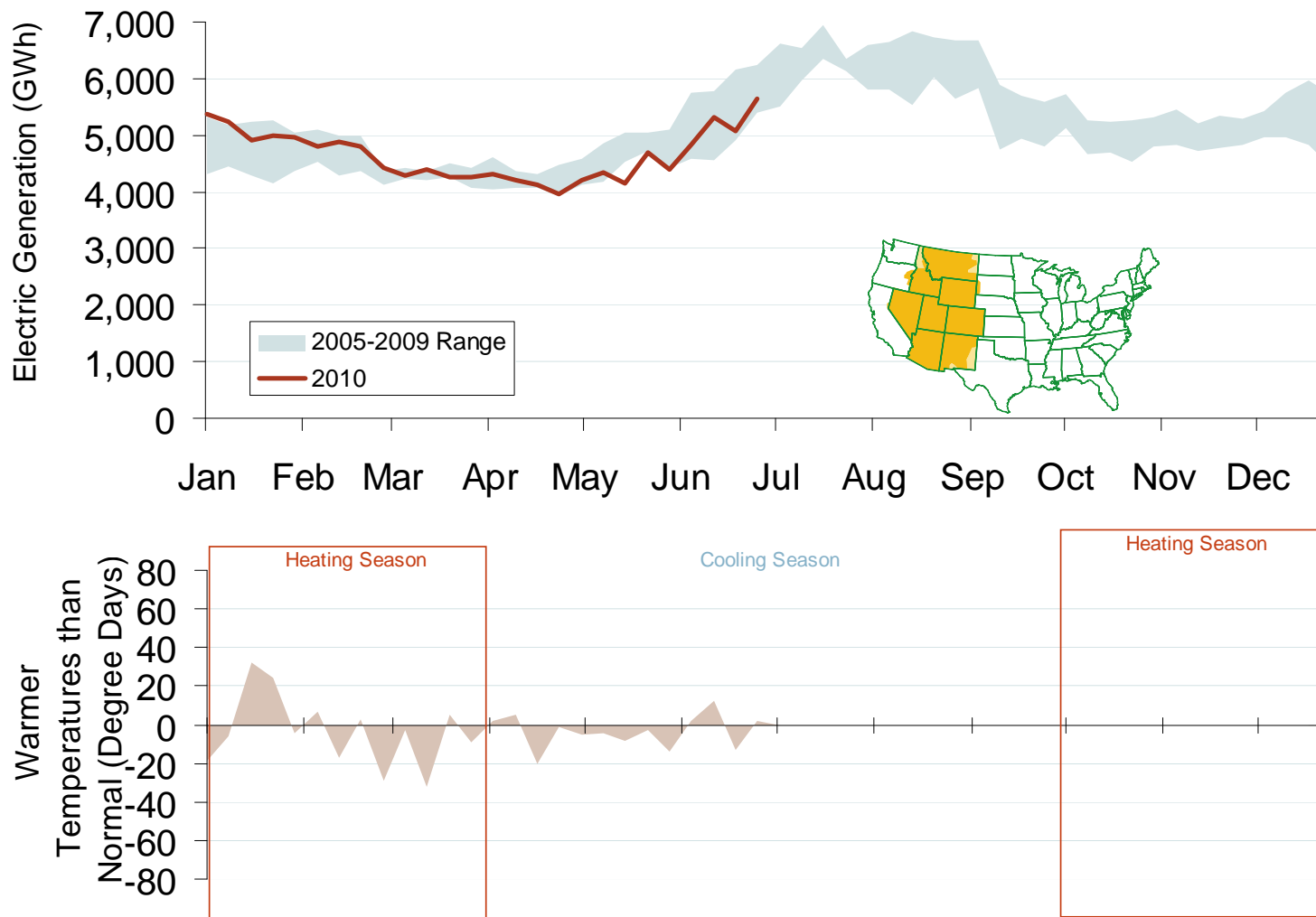
Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight**Western Daily Actual Peak Demand**

Source: Derived from WECC Daily Report data available at <http://wecc.biz>. Data does not include weekends and holidays. Some data for 12/31/2008 – 1/9/2009 are not available from WECC.

Updated July 9, 2010

1199

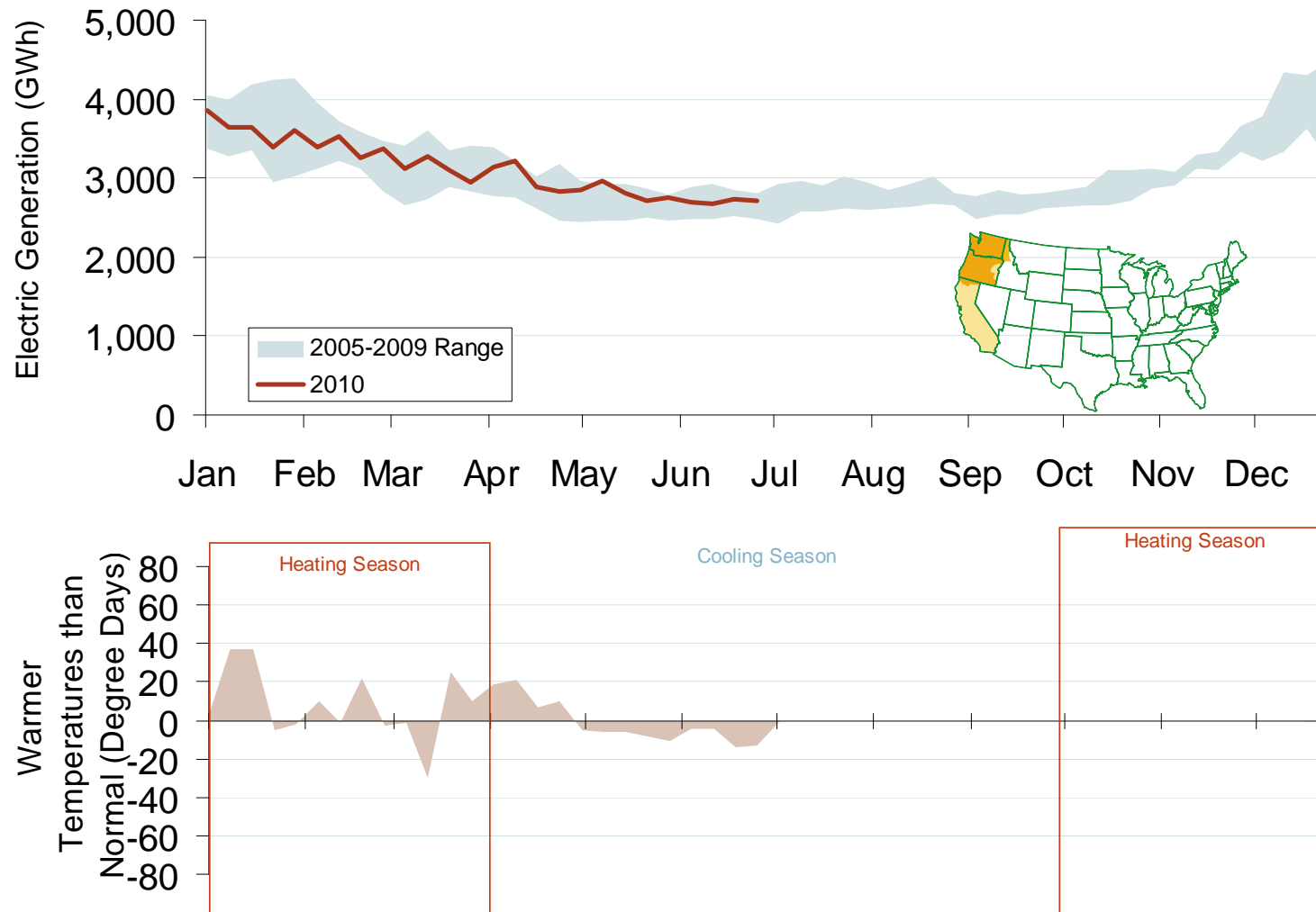
Weekly Electric Generation Output and Temperatures Rocky Mountains Region



Source: Derived from EEI and NOAA data.

Updated July 9, 2010

Weekly Electric Generation Output and Temperatures Pacific Northwest Region



Source: Derived from *EEl* and *NOAA* data.

Updated July 9, 2010

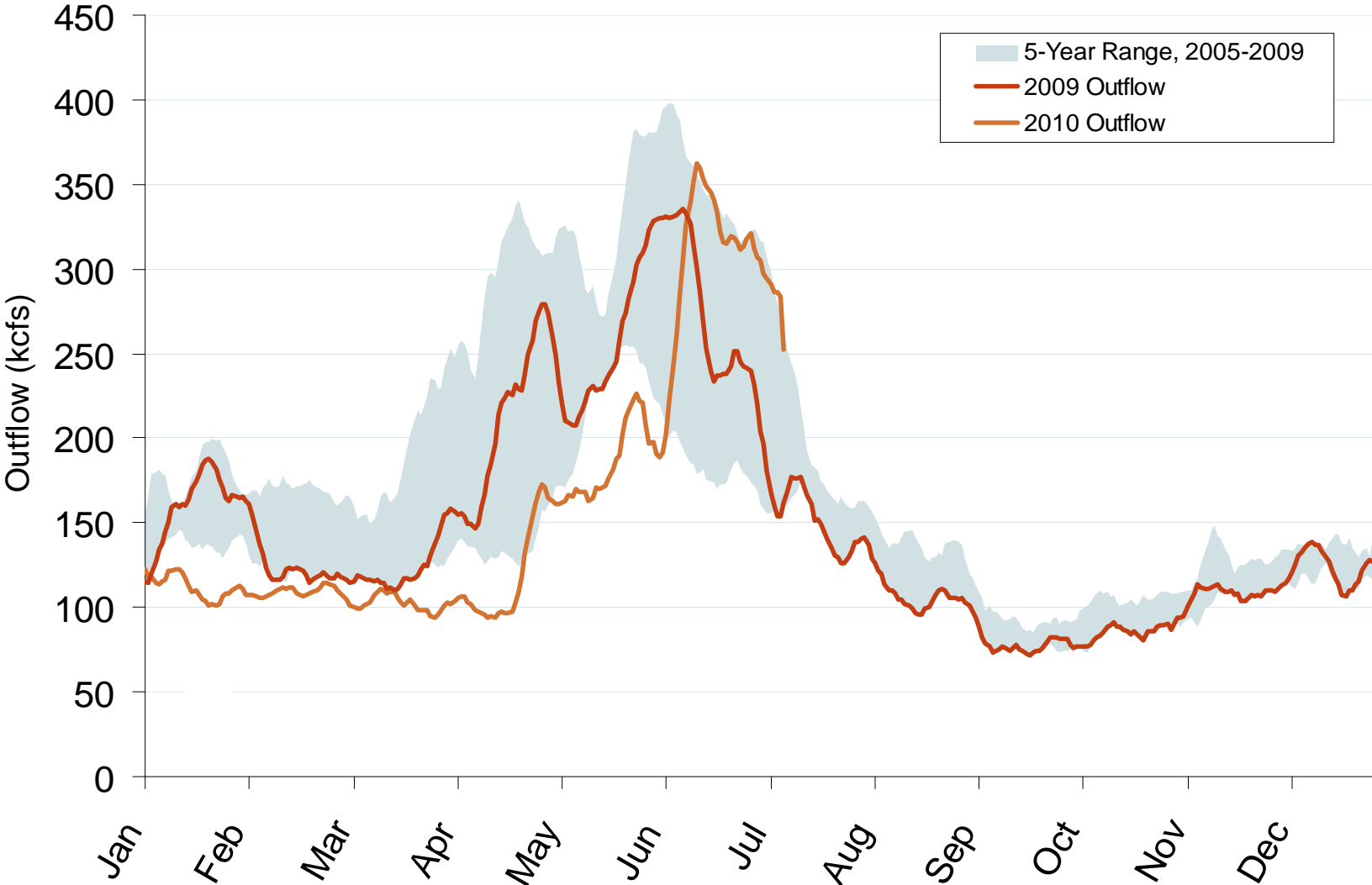
Pacific/Northwest Hydro and Snowpack Levels

	Hydro Generation		Snow Water Equivalent ³		
	In-State Capacity (MW) ¹	Additional Capacity Created Downstream (MW) ²	One Year Ago (3/27/09) (% of historical average)	Last Month 3/1/10 (% of historical average)	Current 4/1/10 (% of historical average) *(percentage point change from 3/1/10)
British Columbia	10,000	16,200	89%	78%	80% (+2)
Idaho	2,700	19,700	88%	64%	67% (+3)
Montana	2,700	16,200	94%	62%	64% (+2)
Washington	21,500	0	90%	67%	72% (+5)
Oregon	9,100	0	100%	64%	67% (+3)
California	10,400	0	88%	112%	106% (-6)

- ¹ Net summer capacity in megawatts by state (EIA).
- ² Approximate electric capacity created by water flow through the downstream states (From EIA and BPA). The capacity estimates reflect the water flow pattern of the series of hydro facilities on the Snake and Columbia Rivers.
- ³ Snow Water Equivalent, in percent of the historical average for the same date, is the ratio of current snow water daily data (collected by the Natural Resources Conservation Services' Snowtel Telemetry sites) compared to the average snow water for the same day between 1961-1990. Total Hydro Capacity figures by state do not tie precisely to Snow Water Equivalent data due to such factors as snow basin terrain and complex distribution of run-off to neighboring state hydroelectric dams or shared facilities (e.g., Columbia River hydroelectric dams on the border of Washington and Oregon) (Bloomberg, California Dept. of Water Resource and Government of British Columbia Ministry of Environment).
- + Correction: The data reported for 3/1/10 in British Columbia is revised from 69% up to 78% due to a data error.

Updated April 15, 2010

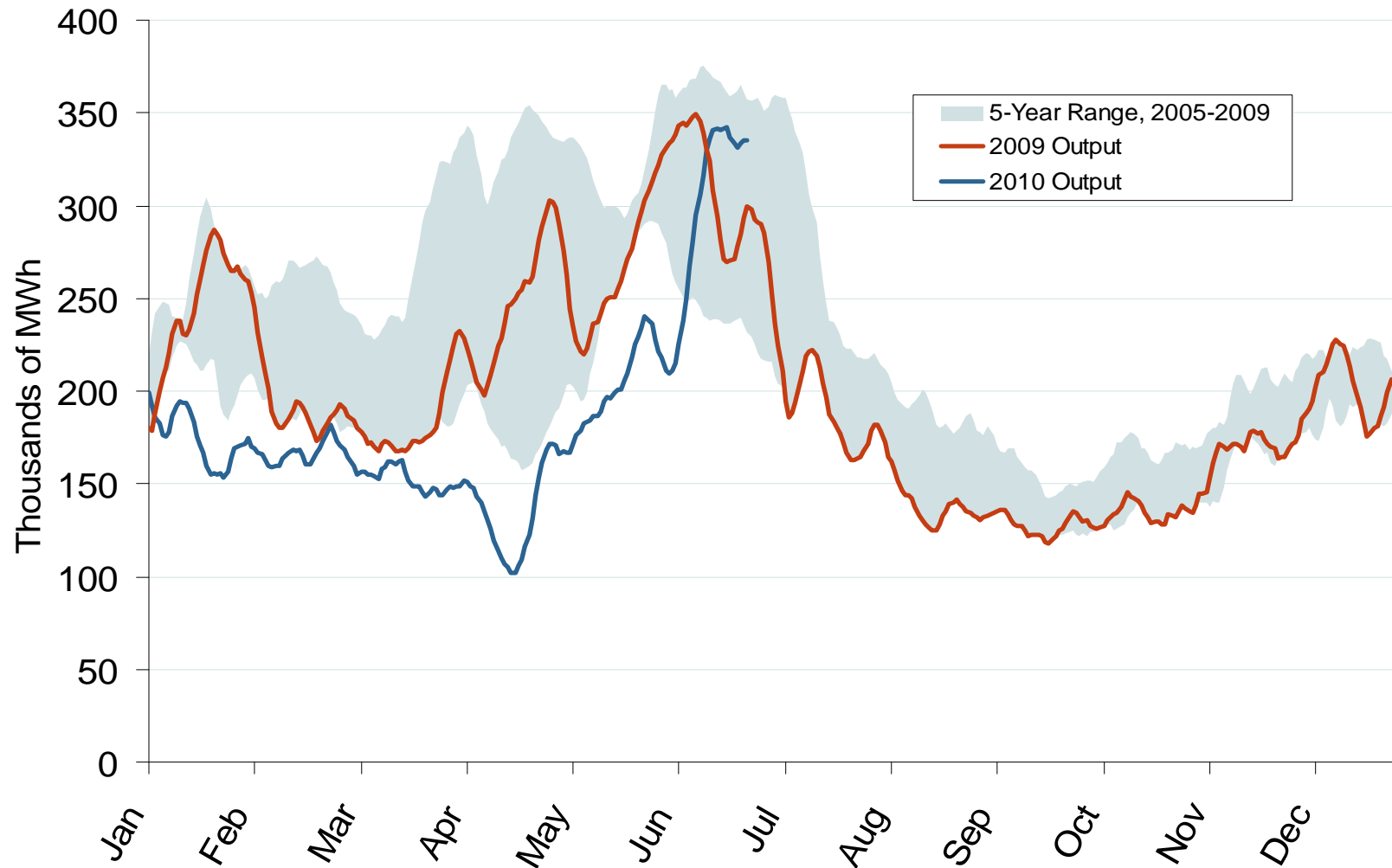
Stream Flow at The Dalles Dam



Source: Derived from USACE data.
Trend lines are 7-day moving averages.

Updated July 9, 2010

Pacific Northwest Hydroelectric Production



Source: Derived from USACE data reflecting the output of the 24 largest facilities.
Trend lines are 7-day moving averages.

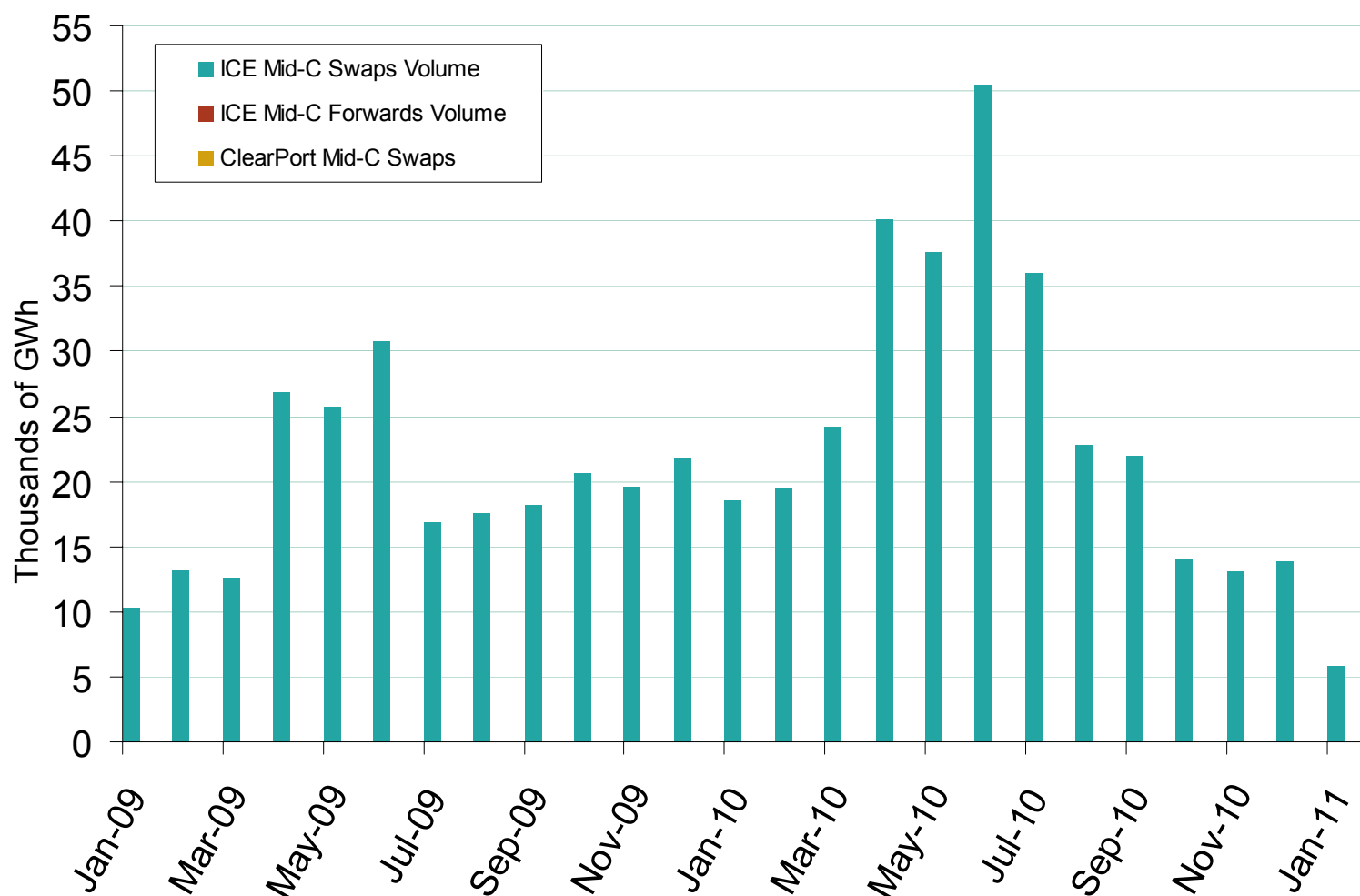
Updated July 9, 2010

1106

Northwest Electric Market: Physical & Financial Market Volumes

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

Mid-Columbia Forward and Swap Volumes



Source: Derived from *ICE* and *Nymex ClearPort* data. ICE on-peak forward (physical) and swap (financial) volumes are for Mid-Columbia and include monthly, dual monthly, quarterly, and calendar year contracts traded for each month. Nymex ClearPort on-peak swaps (financial) volume are for Mid-Columbia and are traded by month.

Updated July 9, 2010

1043