

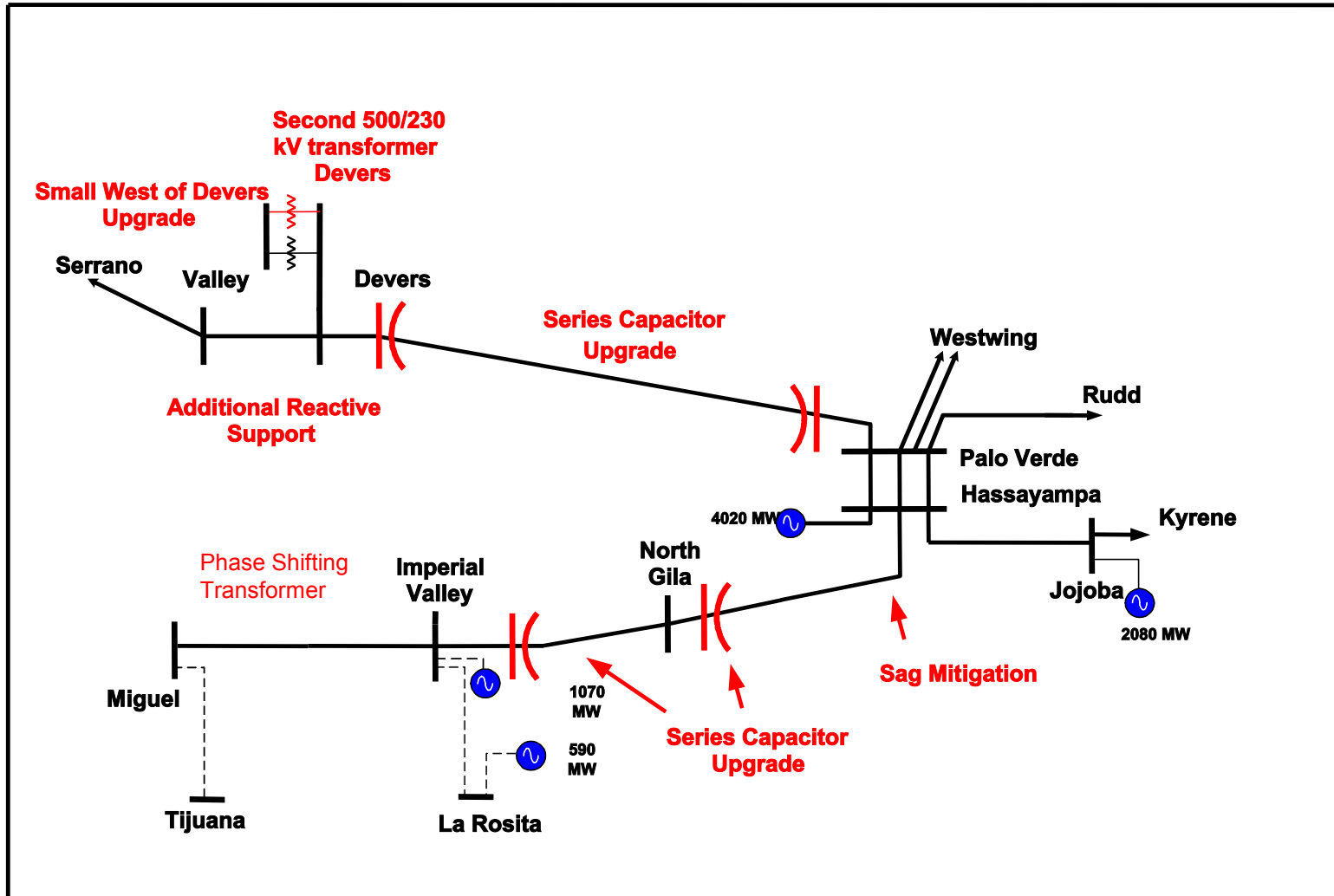
Status of Implementation of the STEP Short-term Upgrades

Progress Report to STEP

May 5, 2006

Bob Smith – Sub-group Chair

Short Term STEP Upgrades



505MW Rating Increase Implementation

- Dependent on series capacitor upgrades and HS-NG sag mitigation completed
- Operating procedure until phase shifter in service
- Approval granted by WECC OTCPC on April 27 for seasonal rating increase beginning Summer 2006 before SVC placed in service
 - 505MW increase subject to curtailment by CAISO for management of SCIT limitations

Schedule for APS Work

- NG series capacitors
 - Equipment arriving on site
 - Had problem with bypass breaker but has been cleared by ABB
 - One crew arrived on 4/25 and other expected on 5/8
 - Expected in service date July 1, 2006

Schedule for APS Work

- HS-NG sag mitigation
 - EA work on excavation is complete
 - BLM is targeting 6/1/06 for the record decision
 - Anticipate finishing excavation work in 4 weeks after the record decision date
 - Foundation work for new tower complete
 - New tower work scheduled for 5/11/06
 - Still targeting the overall completion by 7/1/06