



TransWest Express Project

**STEP Meeting
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APS TRANSWEST EXPRESS

Feasibility Study Conclusions

- Economics indicate DC or AC/DC hybrid alternatives best
 - 3000MW
 - \$2.5B to \$3.5B
- Multiple routes viable with minimal impact on sensitive environmental areas
- Start project in Northern Wyoming with potential to access resources throughout Northern Rocky Mountain Region
- Existing plans for AZ-CA expansion provide increase transfer in excess of 3000MW

L & N Group Status

- Presently APS, SCE, SRP, and TEP (load serving entities), Wyoming Infrastructure Authority (WIA), and National Grid (potential operating agent) are negotiating Participation Agreement for Phase 2
- Goal to have Phase 2 Contract executed by 12/31/06
- Agreement would commit participants to 2007 funding of approximately \$10M

Updated Phase 2 Work Plan

- Five year schedule 2007- 2011
- Total cost of \$115M
- Includes engineering and design
- Includes options on right of way

Coordination with Frontier Line Activities

- APS participant in Frontier Line feasibility study
 - APS reps on steering committee
 - APS reps on all work groups
- APS provided transmission cost assumptions used in feasibility study
- TransWest Express one of transmission options in Frontier study
- Frontier economic analysis will include TransWest Express
- Potential participation in TransWest Express by Southern California load serving entities