

Meeting Agenda (Revision 1)
Southwest Transmission Expansion Plan (STEP)

January 20, 2004

Sempra Energy Building, Main Auditorium

101 Ash St, San Diego, CA

10:00 a.m. to 3:00 p.m.

Call-in number: 877-670-4099 (Passcode: 925206)

1. Welcome, introductions, meeting goals – Harlow Peterson/Armie Perez
2. Update on the activities of the Seams Steering Group – Western Interconnection – Planning Work Group - Harlow Peterson
3. Status of the sub-group to develop the initial upgrades (series capacitor upgrades and a second Devers 500/230 kV transformer) – Bob Smith
4. Status of the sub-group to develop a new line from Arizona to California – Jim Charters
5. Update on Harquahala-Devers Project – Pat Arons
6. CFE Transmission Expansion Plans
7. Status of the sub-group developing a new line into San Diego – Dave Korinek
8. Review of first annual STEP report – Johan Galleberg
9. 2004 Goals (see Attached) – Miller
10. Updates on the Navajo Transmission Project and the Path 15 Project – Perry Cole
11. Five minute status reports on related studies and projects
 - Central Arizona Transmission Study (CATS) – Harlow Peterson
 - Western Arizona Transmission Studies (WATS) – Brian Keel
 - US/Mexico border 2006 studies and preliminary findings – Kishore Patel
 - Path 49 upgrades and status of phase 2 study work – Kishore Patel
 - Status of San Diego area generation additions – Dave Korinek
 - Status of Los Angeles area generation additions – Pat Arons
12. Member comments
13. Review action items and assignments
14. Next meeting – Proposed for March 9th in San Diego or Phoenix.

Proposed 2004 STEP Goals

First Quarter 2004

1. Agree on the allocation of capacity for short-term upgrades.
2. Agree on the criteria for determining the voltage support requirements for the short-term upgrades and develop a technical study plan to determine requirements.
3. Agree on the short-term west of Devers project (reactor or reconductoring)
4. Agree on the series capacitor ratings.

Second Quarter of 2004

1. Reach agreement on the integration of the new line between Arizona and California with the underlying system that runs north and south along the Colorado River.
2. Complete the economic, reliability, and preliminary routing assessments for the various options for a new line into San Diego.
3. Invite voltage support equipment manufacturers to a STEP meeting to discuss available technologies, modeling in studies, and costs
4. Complete studies to determine voltage support requirements
5. Agree on voltage support requirements for the STEP area.
6. Gain all the utility and ISO approvals that are necessary to proceed with the short-term upgrades

Third Quarter of 2004

1. Order all equipment necessary to complete the short-term upgrades.
2. Reach agreement on whether or not to proceed with a new line into San Diego, and if so, select the preferred option.
3. Gain utility and ISO approvals necessary to proceed with a new line from Arizona to California.
4. Agree on transmission economic assessment methodology
5. Develop study plan for long range STEP study (i.e., 10-20 years).

Fourth Quarter of 2004

1. Gain Utility and ISO approvals necessary to proceed with a new line into San Diego.
2. Begin development of the STEP long-range plan (10+ years) using SSG-WI updated data bases

Current STEP Transmission Plan

Initially, 26 alternatives were considered in the STEP Screening Study. From these, six alternatives were selected for more detailed studies. Those studies led to the following plan for upgrades. Additional studies are underway to further refine and develop these projects.

San Diego Upgrades (EOR rating unchanged at 7550 MW)

1. Miguel 500/230 kV #2, Imperial Valley-Miguel 500 kV Series Capacitor Upgrade, and Miguel-Mission 230 kV #2

Short-term Upgrades (EOR rating increased to 8300 MW)

1. Hassayampa-N. Gila-Imperial Valley Series Capacitor Upgrade, Palo Verde-Devers Series Capacitor Upgrade, and Devers 500/230 kV #2.
2. Small West of Devers Upgrade (install reactor in limiting line)
3. Navajo-Crystal and Moenkopi-Eldorado Series Capacitor Upgrade

New Line between Arizona and California (assumes completion of the short-term upgrades)(EOR rating increased to 9500 MW)

1. Rebuilding of the four 230 kV lines west of Devers.
2. New Harquahala-Devers 500 kV line
3. Connection of the Blythe #2 power plant to the Palo-Verde Devers 500 kV line
4. Addition of a new double circuit 230 kV line north out of Blythe to Parker Substation.

New Line into San Diego for Economic and Reliability Need (assumes completion of the short-term upgrades)

- Option 1) New Valley-Rainbow 500 kV line.
- Option 2) New Talega-Escondido-Valley/Serrano Line with or without the Lake Elsinore Advanced Pumped Storage project
- Option 3) New Imperial Valley-Rainbow 500 kV line
- Option 4) New Imperial Valley-Ramona 500 kV line
- Option 5) New Imperial Valley-East of Escondido 500 kV line
- Option 6) New Imperial Valley-Miguel 500 kV line.
- Option 7) New La Rosita-Tijuana 230 kV Double Circuit 230 kV line with 230 kV reinforcements as needed between Tijuana and Miguel and between La Rosita and Imperial Valley.