#### Decision on Atlantic-Lincoln 115kV Transmission Project



Gary DeShazo, Director of Regional Transmission - North



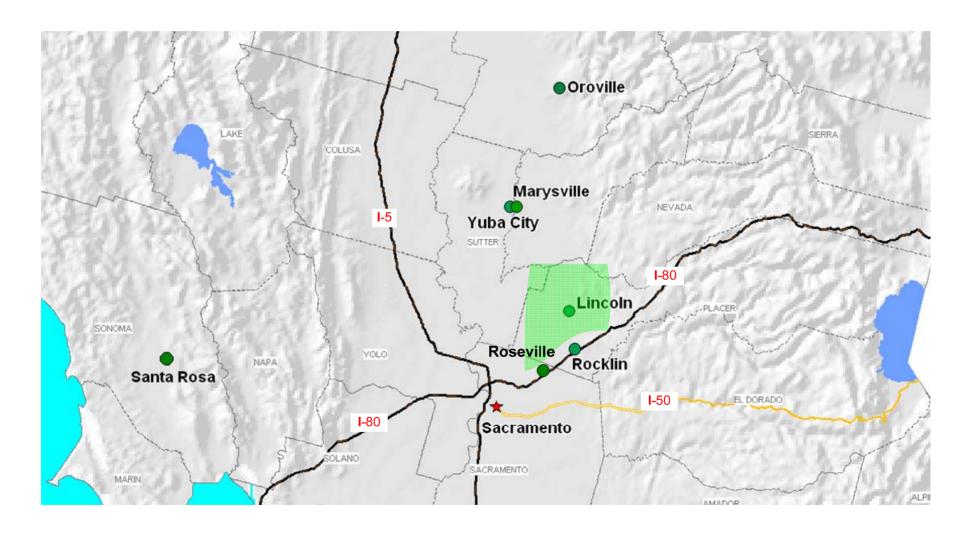
Board of Governors Meeting General Session May 21-23, 2008

### Management is requesting approval of the Atlantic-Lincoln transmission project

- This project is needed to meet federal reliability standards
  - Standards are mandatory under the Federal Energy Regulatory Commission ("FERC")
- Estimated cost of \$70M
- Composed of three components implemented in steps
- All components need to be in-service by June 2010

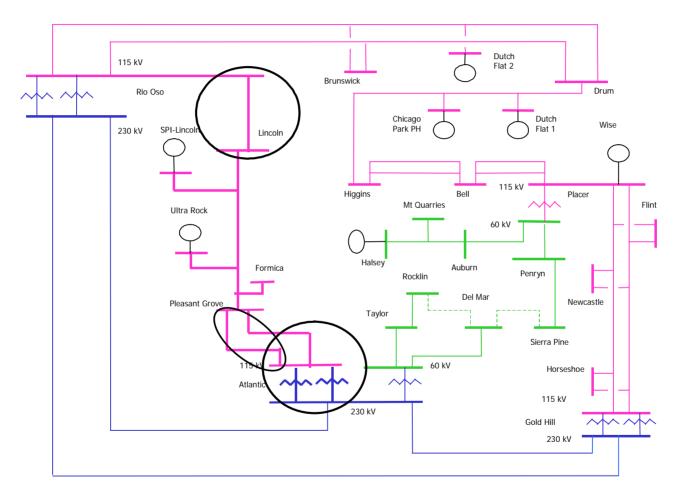


# The Project is located in the Rocklin-Lincoln city areas





# This one-line diagram shows how the Project is integrated into the system



Atlantic - Lincoln Long Term Plan



### The project area is impacted by load growth and "interconnected" system needs

- Long-term planning investigation initiated by the ISO in 2003
- Load growth area of 4% to 5% annually
- Five other alternatives were assessed
- The preferred alternative selected by the CAISO:
  - The highest load serving capability
  - Produces the required level of reliability
  - Least environmental issues
  - Can be implemented without CPCN or GO131D therefore shortening the construction time
  - Best overall benefits (cost-technical-environmental)

