



NORTH GILA IMPERIAL VALLEY #2

500 kV TRANSMISSION PROJECT
(NG-IV#2 Project)



Project Overview
May 18, 2018

PROJECT STATUS AND OVERVIEW



- Development Team – **ITC Grid Development, LLC and Southwest Transmission Partners, LLC**
- Single circuit configuration planned for initial project, with loop into the IID Highline substation to establish a 500/230kV and a reliable outlet for IID to export up to 1250MW of renewables as a new delivery point
 - Increase reliability of Path 42 and Path 46 under emergency conditions (loss of existing SWPL)
 - A segment of the long-term plan developed from the Imperial Valley Study Group (CEC sponsored analysis)
- Ultimate permitting is still anticipated to include up to a double circuit (e.g. 500/230kV same structure)
- Submitted as a Interregional Transmission Project to WestConnect and CAISO, March 2018
- Open Houses held Late March 2018 in Yuma and El Centro (Project Sponsored)
- EIS/EIR will be initiated in Q3 2018, permitting will include the option for double circuit
- Additional Route Options
 - Developed in response to agency input
- Developer is NGIV2, LLC
- Anticipated In-Service Date – Q4 2022

ITC – WHO WE ARE



OUR IMPACT TO DATE

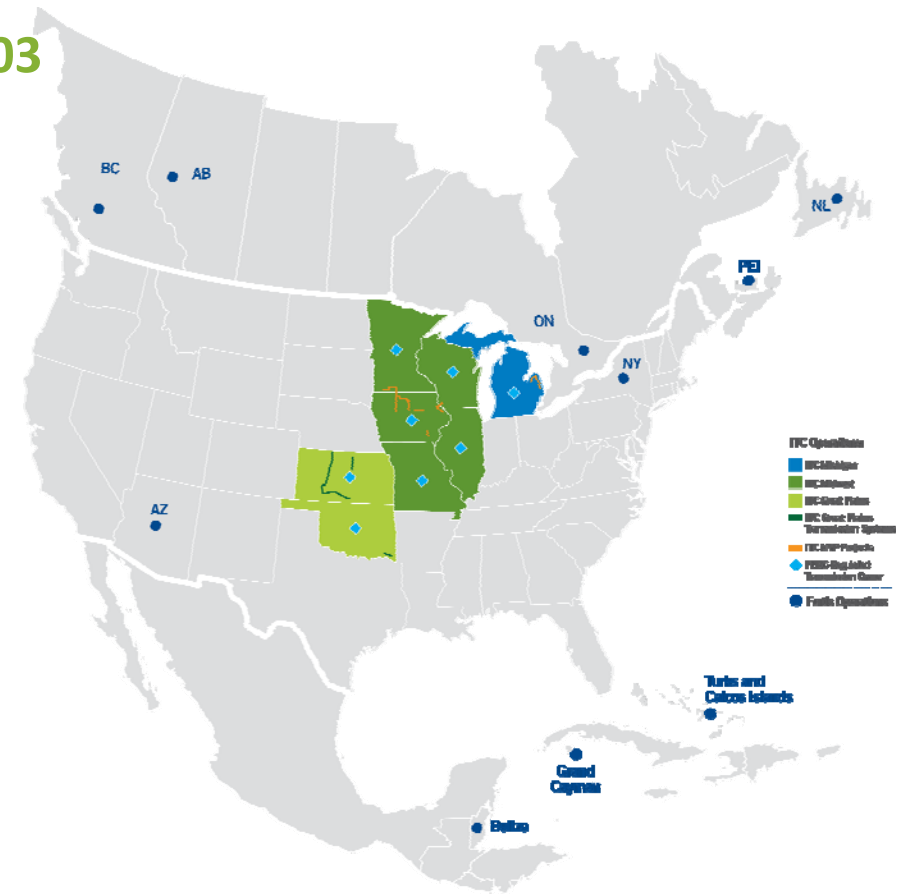
<p>ITC Holdings Corp. becomes first publicly-traded independent transmission company</p>	<p>ITC Midwest formed through acquisition of transmission assets of Interstate Power & Light</p>	<p>MISO releases RGOS study, validating ITC's Green Power Express vision</p>	<p>ITC marks 10th anniversary, with system reliability at top quartile or better performance</p>	<ul style="list-style-type: none"> ITC announces HVDC Lake Erie Connector project ITC completes Michigan Thumb Loop project, largest in company's history 	
2005	2007	2010	2013	2015	
2003	2006	2009	2012	2014	2016
<p>Company established as ITC Transmission with the acquisition of DTE transmission assets</p>	<ul style="list-style-type: none"> Greenfield development activities begin: ITC Great Plains established Company acquires Michigan Electric Transmission Company (METC) from Consumers Energy 	<p>ITC announces Green Power Express wind-energy transmission vision as catalyst to advance regional transmission in upper Midwest</p>	<p>ITC completes KETA transmission line in Kansas</p>	<p>ITC completes Kansas V-Plan project in partnership with Sunflower Electric Power Corp.</p>	<ul style="list-style-type: none"> ITC Holdings Corp. becomes a subsidiary of Fortis Inc. ITC Midwest advances four MISO MVP projects through regulatory and construction phases



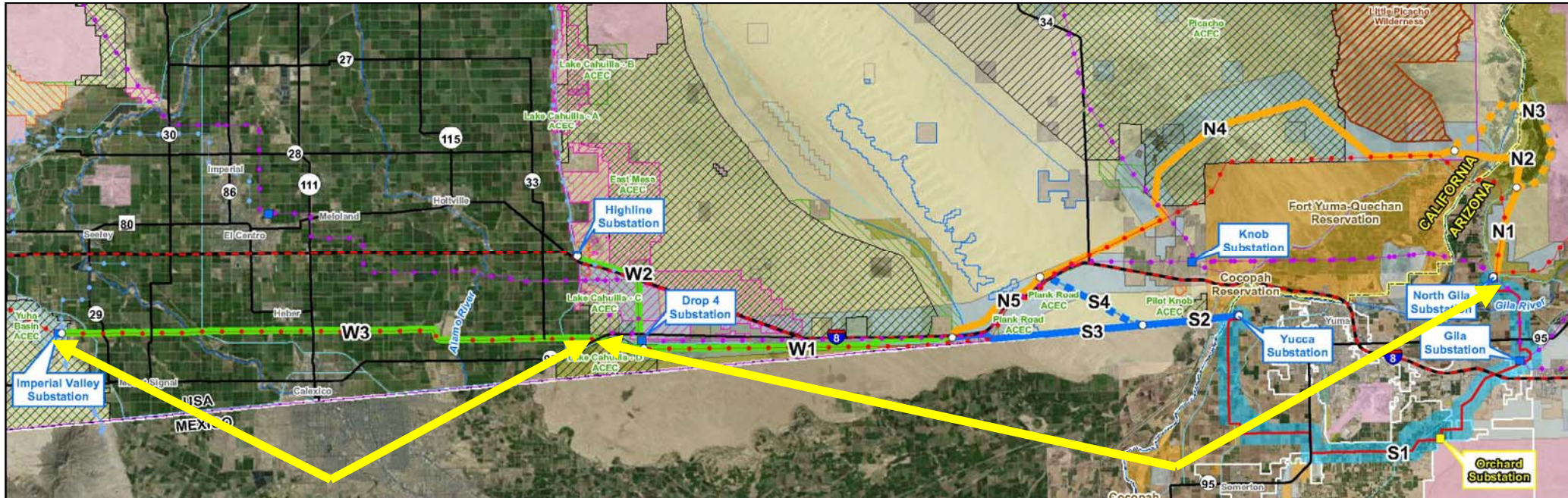
ITC TODAY

\$6.5B INVESTED IN INFRASTRUCTURE SINCE 2003

- 4 Subsidiaries in 8 states
- 15,800 Circuit miles
- 90,000 Square mile service territory
- 600+ Employees
- Member of 4 RTOs:
 - MISO, SPP, PJM, NYISO
- Geographically flexible business model
- A Fortis company



NGIV2 PROJECT ROUTING OVERVIEW



Imperial County

- ~35 miles
- Private / Agricultural lands

BLM Land

- ~55 miles, all within designated corridor (Proposed Route)
- Also at IV Sub

NG-IV#2 PROJECT NEED & BENEFIT

Population growth and increasing energy demands in the Southwest require additional transmission grid capacity.

NG-IV#2 Transmission Line will:

- Provide additional import/export access from generation resource zones where transmission access currently is limited
- Reliable outlet for export up to 1,250 MW of renewables
- Increase transmission diversity, reliability and efficiency of the regional grid, particularly those proposing to interconnect to the IID system
- Resiliency for loss of the existing North Gila – Imperial Valley line
- Enable more energy developers to tap into the regional grid
- Provide support to greenhouse gas (GHG) reduction targets



PERMITTING / ENVIRONMENTAL HISTORY

ROW Grant from BLM

- ROW application submitted and accepted - 2010
- Developed Plan of Development (POD) - 2012
- Pre-NEPA planning for Environmental Impact Statement (EIS) - 2013-2014
- Evaluation of new Route Options – 2015-2017
 - In response to agency comments
- NEPA Process Reinitiated – 2017
 - NOI expected in coming months

California - CEQA Compliance – concurrent with EIS process

- Imperial County contacted regarding CUP / CEQA lead
- CUP application – in process
- BLM / County working together in joint NEPA / CEQA process

Arizona – CEC Compliance – anticipate filing after Draft EIS

REGIONAL TRANSMISSION PLANNING



WECC Three-Phase Rating Process

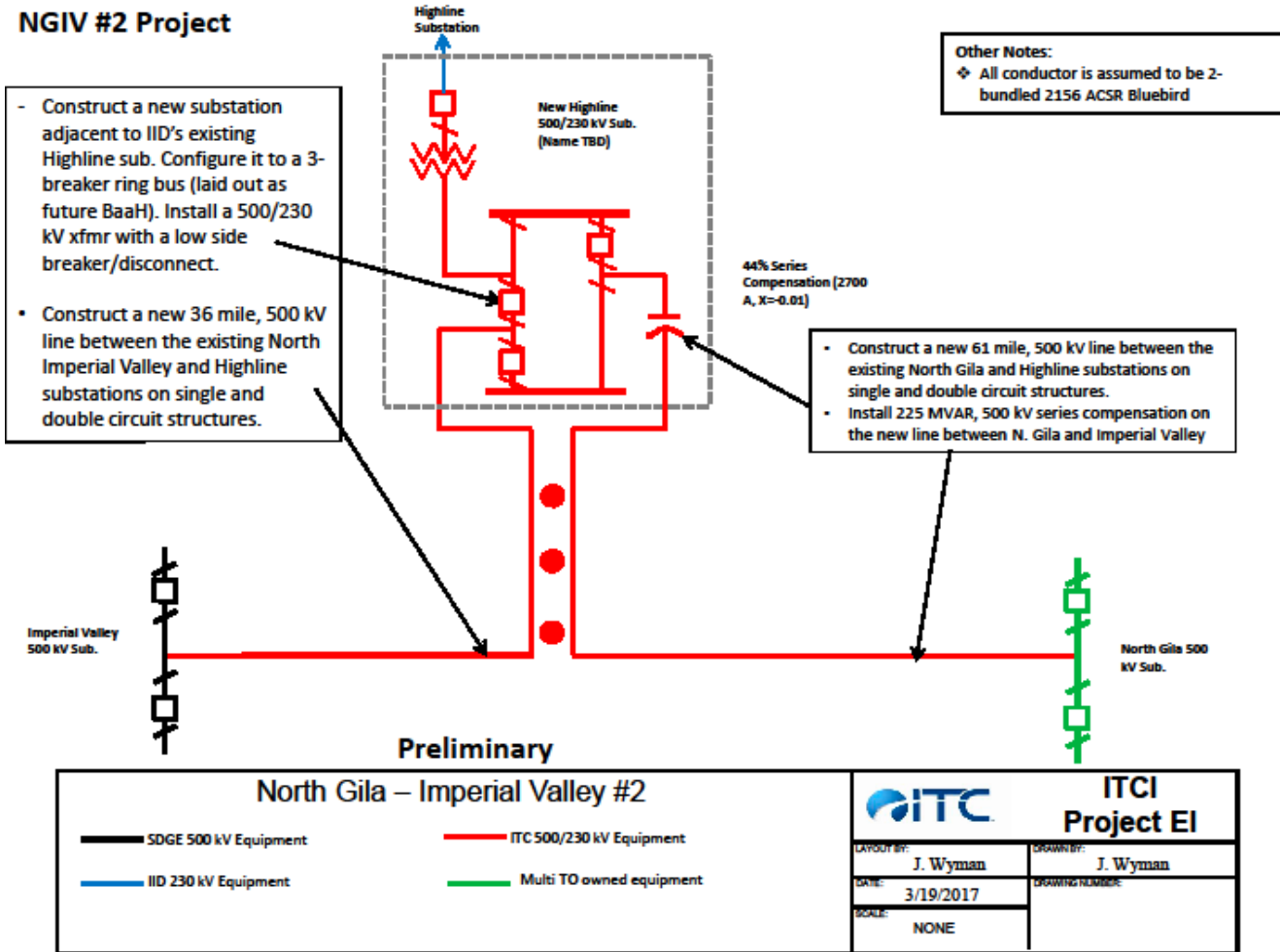
- Granted Phase 1 Status, September 2011
- Issued WECC Phase 1 CPR February 18, 2016
- Granted Phase 2 Status, September 2016
- Targeting to have an Accepted Rating complete in 2018 for 1250MW increase to Path 46

Participative with CAISO, WECC, WestConnect

- WestConnect (TPPL) and CAISO planning efforts
 - Submitted into 2018-2019 Western Interconnection Interregional Transmission Coordination process
 - Anticipating submittal of project into CAISO 2018-2019 Transmission Planning Process
- Joint Planning Study with SDGE for a hybrid analysis of the HVDC (IV to Miguel only) and NGIV2
- Working with IID on multiple benefits for the IID (reliability, increase capacity, O&M services, etc.)
- Synergies with WAPA (Gila – Knob 161kV Upgrade) and APS (North Gila – Orchard – Yucca 230kV)

PROJECT ONE-LINE DIAGRAM (SINGLE CIRCUIT)

NGIV #2 Project



SINGLE VS. DOUBLE-CIRCUIT TOWER DESIGN

- Planned construction using lattice steel structures (public lands) and/or monopole steel structures (private lands)
- Structure type will be determined by suitability for each portion of route (single vs. double, 500kV vs. 230kV) ROW width is the same
- Project estimate: \$250M to \$400M



PROPOSED PROJECT SCHEDULE

PHASE	DESCRIPTION	INITIATE	COMPLETE
Phase 1	Feasibility Activities	2009	2012
Phase 2	Planning and WECC Rating Process	2013	2018
Phase 3	NEPA / CEQA Process	2018	2020
Phase 4	ROW, Construction Permitting, and Engineering	2019	2020
Phase 5	Procurement & Construction	2020	2021
Phase 6	Operation	2022	

CONTACT INFORMATION



Brian Studenka P.E.

Director, Engineering & Policy
Grid Development
ITC Holdings Corp.
A Fortis Company
Novi, MI
Phone: 248-946-3247
bstudenka@itctransco.com

Thomas Wrenbeck, P.E.

Director, Grid Development
ITC Holdings Corp. – a Fortis company
27175 Energy Way
Novi MI 48377
734-812-1808 (cell)
twrenbeck@itctransco.com

Mark Etherton, P.E.

Director, Project Development
Southwest Transmission Partners, LLC
2172 E. Calle de Arcos
Tempe, AZ 85284
602-809-0707 (cell)
mark.Etherton@transco.energy