

LS Power



Transmission Overview

May 2009

Bringing Energy Forward



LS Power

- LS Power is a power generation and transmission group

Power Generation

- Over 20,000 MW of development, construction, or operations experience
- Active development of renewable and fossil generation resources

Transmission

- Advanced development of Southwest Intertie Project and Wyoming-Colorado Intertie Project
- Designated to build 200+ miles of 2-345 kV in Texas to support renewable resources
- Active development of transmission infrastructure

Acquisition

- Over \$4 billion in private equity capital dedicated to energy sector
- Acquired ~ 12,000 MW of power generation

Functional Expertise

Project Development

Licensing & Environmental

Regulatory & Transmission

Power Marketing

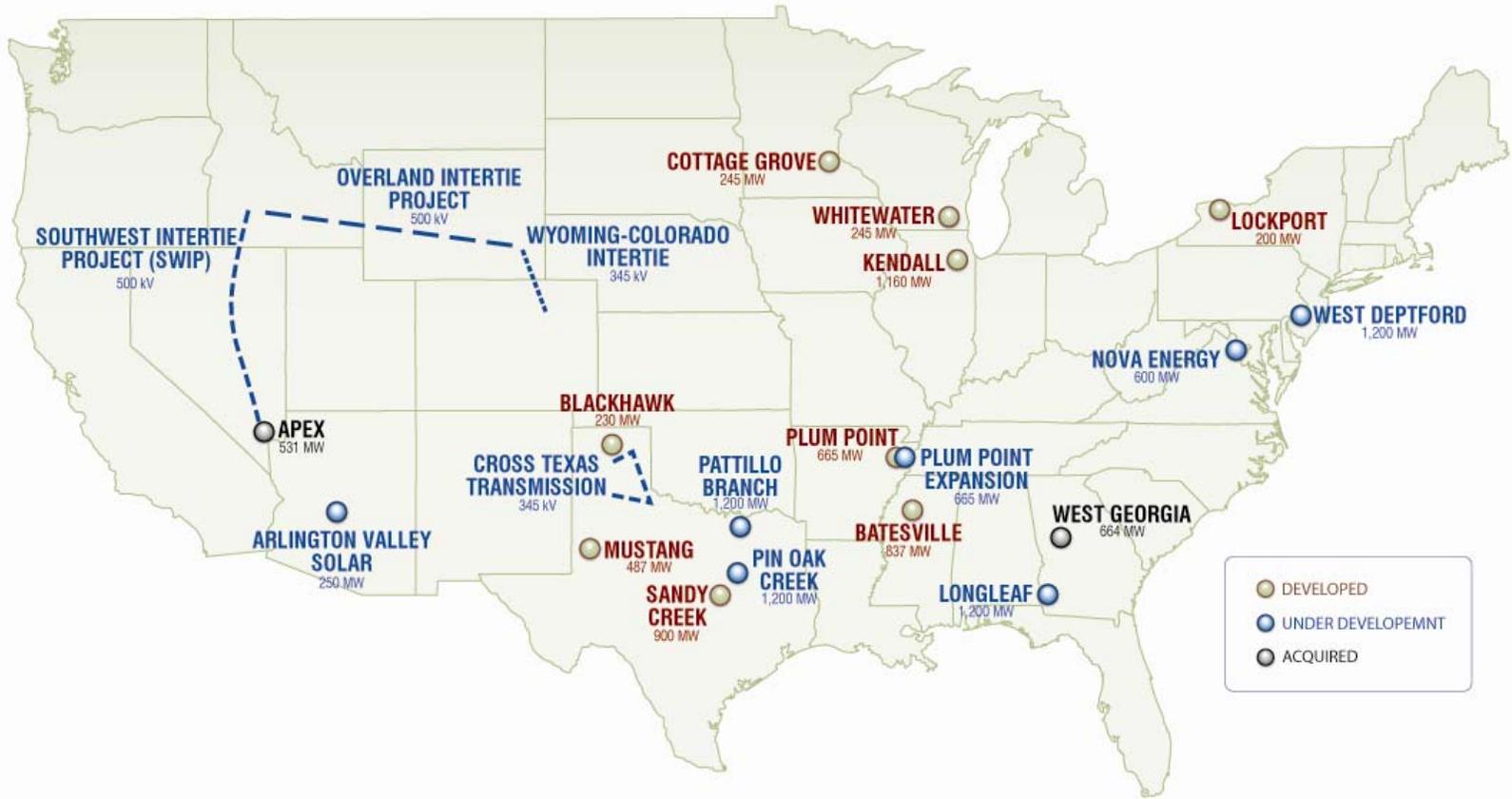
Project Finance

Construction & Operations

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Project Portfolio



- DEVELOPED
- UNDER DEVELOPEMNT
- ACQUIRED

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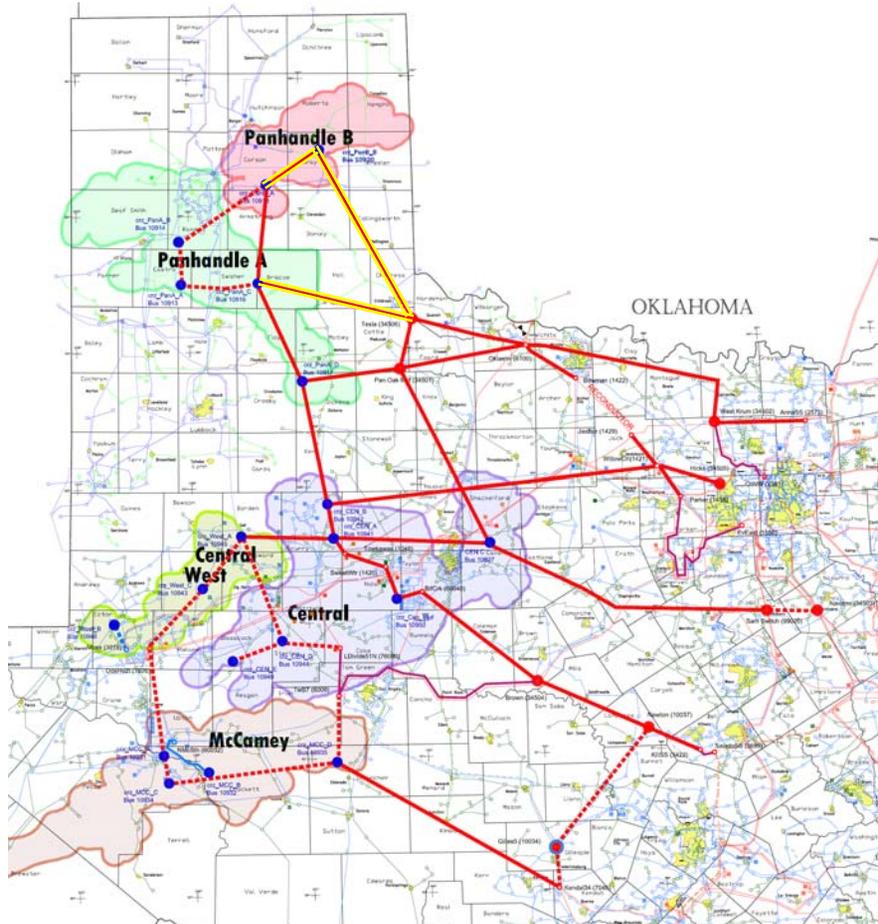
Transmission Development

- Success in power generation market
 - Functional expertise translates well to transmission infrastructure
 - Track record of execution developing 10 projects totaling over \$6 billion in invested capital
- Low-cost approach
 - Recognize considerable variation in costs due to routing, variation in design features, and contracting parameters
- Long-term market view
 - Market analysis based upon fundamentals
- Flexibility in project structure
 - Creative arrangements (partnerships, marketing excess capacity)
 - Cost recovery mechanisms

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Cross Texas Transmission



Project Description

- CREZ Process administered by Texas PUC
- Approved 2,300+ miles of new 345 kV transmission to deliver ~ 18,500 MW of renewable generation
- Selected Cross Texas Transmission to construct, operate and maintain 200+ miles of 2-345 kV transmission lines

Benefits

- Deliver renewable energy to customers in ERCOT from competitive renewable energy zones

Status

- Permitting and compliance filings 2009/2010

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Southwest Intertie Project (SWIP)

Project Description

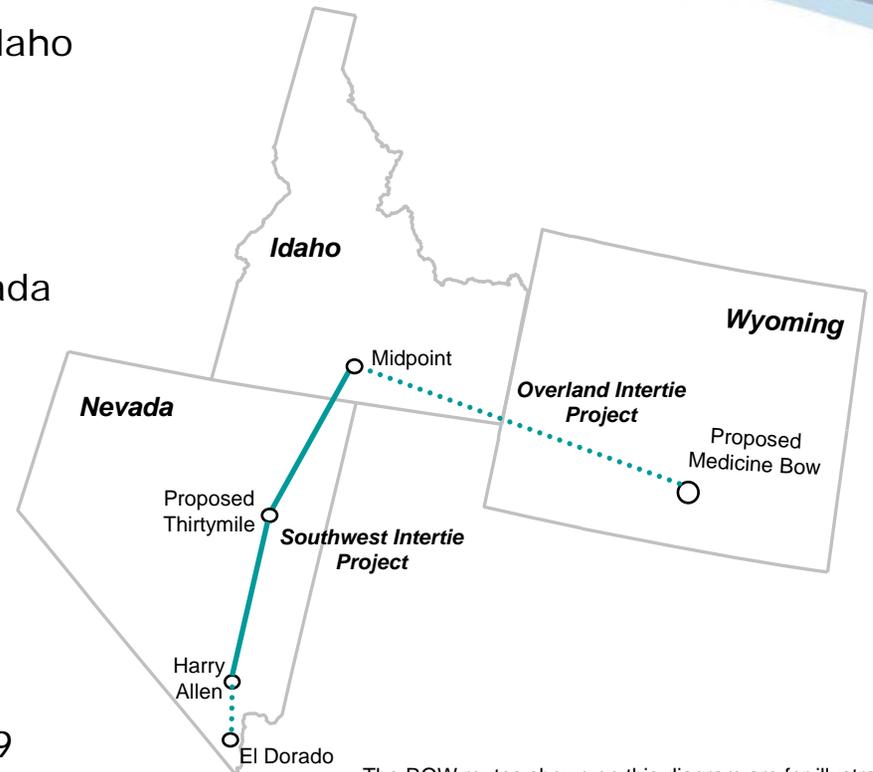
- 515-mile long 500 kV line between southern Idaho and southern Nevada
- ~ 2,000 MW of transfer capability

Benefits

- First connection between north and south Nevada
- Delivery of high capacity factor renewable generation
- Improves system reliability

Status

- SWIP
 - Final stages of permitting and real estate acquisition
 - Construction targeted to begin in late 2009
- Extensions
 - Overland Intertie Project
 - El Dorado Extension



The ROW routes shown on this diagram are for illustrative purposes only and may not depict the actual route that could eventually be selected. The substation locations may also be modified.

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Wyoming-Colorado Intertie (WCI) Project

Project Description

- 180-mile 345 kV line between Wyoming and Colorado
- ~ 850 MW of transfer capability
- Public-Private Partnership involving Wyoming Infrastructure Authority, Western Area Power Administration and LS Power with Trans-Elect continuing as development lead

Benefits

- Delivery of high capacity factor wind generation
- Geographic diversity
- Integrated line adds to reliability
- Participating in High Plains Express

Status

- LS Power acquired interest previously held by AES
- Open Season Phase I Approved by FERC
 - 585 MW awarded
- Phase 2 of the WECC Path Rating process ongoing
- Targeted commercial operations 2013



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