



Zephyr and Chinook Projects

SWAT Oversight Committee – Albuquerque, New Mexico

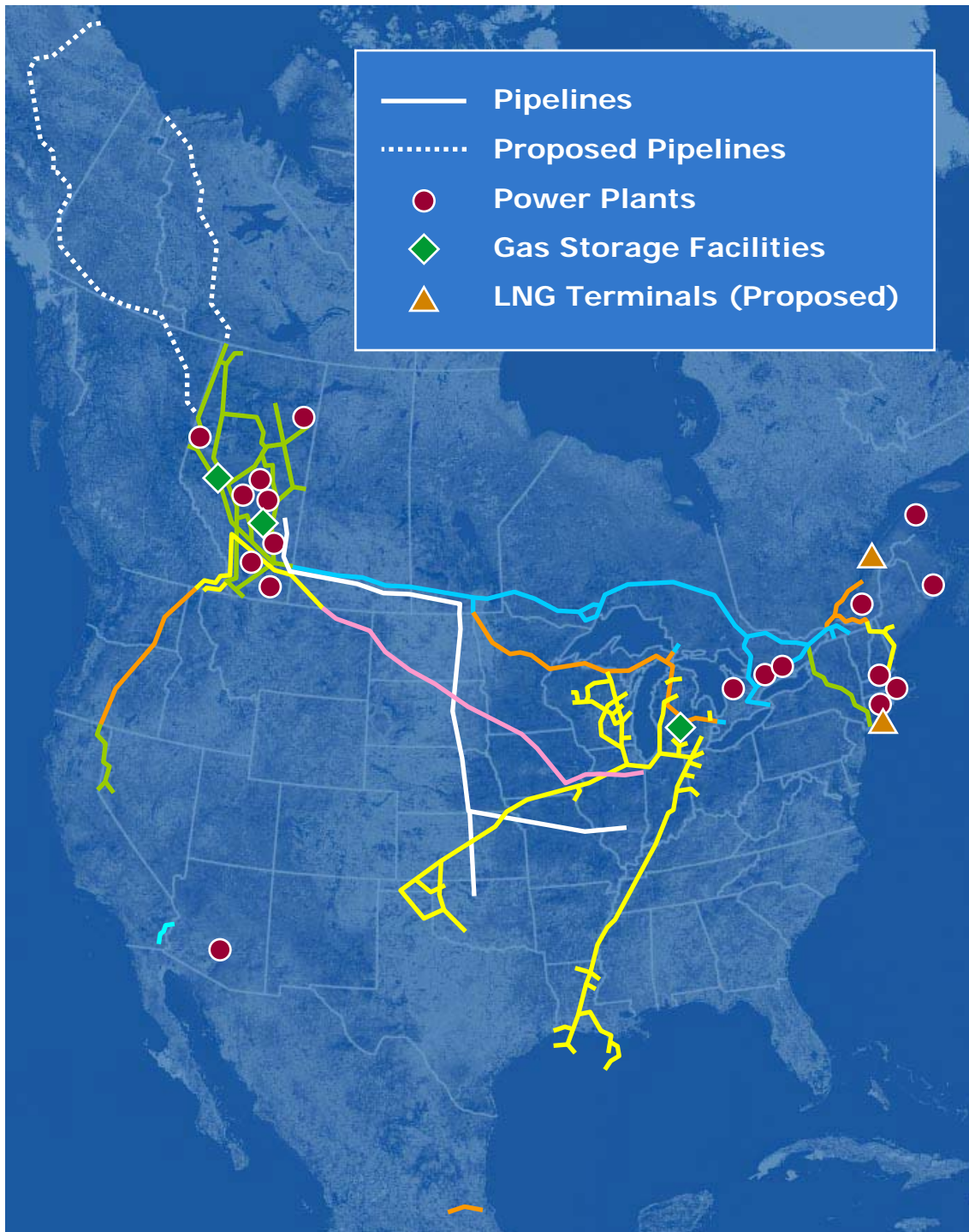
Bill Hosie
May 20, 2009



TransCanada Corporation (TSX/NYSE: TRP)

Portfolio of Quality Assets

- 59,000 km (36,500 mi) of wholly owned pipeline
- Interests in an additional 7,800 km (4,800 mi) of pipeline
- 15 Bcf/d
- 355 Bcf of natural gas storage capacity
- 18 power plants
- 10,800 megawatts
- Crude oil pipeline project and two proposed LNG terminals



TransCanada's Western U.S. Transmission Initiatives



Each Merchant Line:

- +/- 500 kV DC bi-poles
- About 1000 miles long bi-directional
- 3000 MW line capacity
- About \$2.5 to 3 billion
- Three terminals each
- 7.5% line losses at 2000 MW
 - 10% at 3000 MW
- 200 ft ROW
- Load control:
 - fast for emergency response
 - intermediate for regulation
 - slower for arbitrage
- Improve system reliability

NorthernLights



- Completed WECC Phase 1 comprehensive progress report in Dec/08
- Participant in the TCWG (Coordinated project planning and path rating)
- Enhanced market opportunities - tie between two complementary markets
- Provides opportunity for large scale project development – wind, nuclear, hydro
- Cross regional wind regimes are complementary
- ISD 2015



Zephyr and Chinook

- Two, separate, but complementary 500 kV HVDC, 3000 MW lines
- Focus on connecting wind resources in Wyoming and Montana to growing loads in U.S. Southwest
- Converter stations (750 MW) on each line at Borah, Idaho to connect to Pacific NW and Idaho wind resources
- Preliminary BLM application – July 2006
- Cost borne by shippers
- ISD 2014



Zephyr and Chinook



- Anchor Shipper agreement executed for 1500 MW each
- Section 205 application approved by FERC (Feb. 2008)
 - Negotiated rate authority
 - Anchor shipper concept
- Utility, regulator, generator discussions ongoing
 - **Spring/Summer 2009**
- WECC Regional Planning meeting April 22 – Las Vegas
- Binding open season
- Phase One Path Rating start

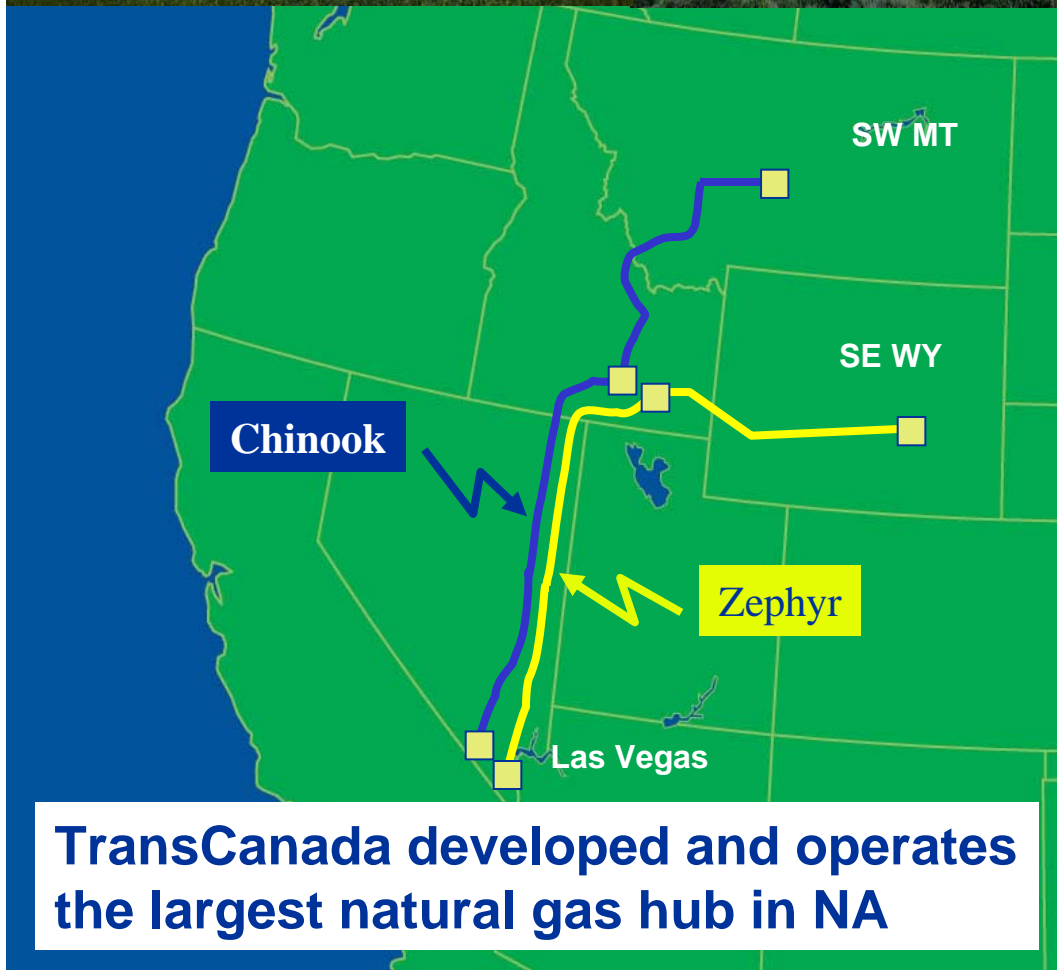
Eldorado Valley

Vision

- Strengthened electrical interconnections
- Liquid market hub
- Real time intermittent energy balancing and control hub

How

- Coordinated planning, path rating, implementation and operations



Questions?

Thank You!



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http://www.transcanada.com/company/zephyr_chinook.html