

Navajo Transmission Project

Dine' Power Authority

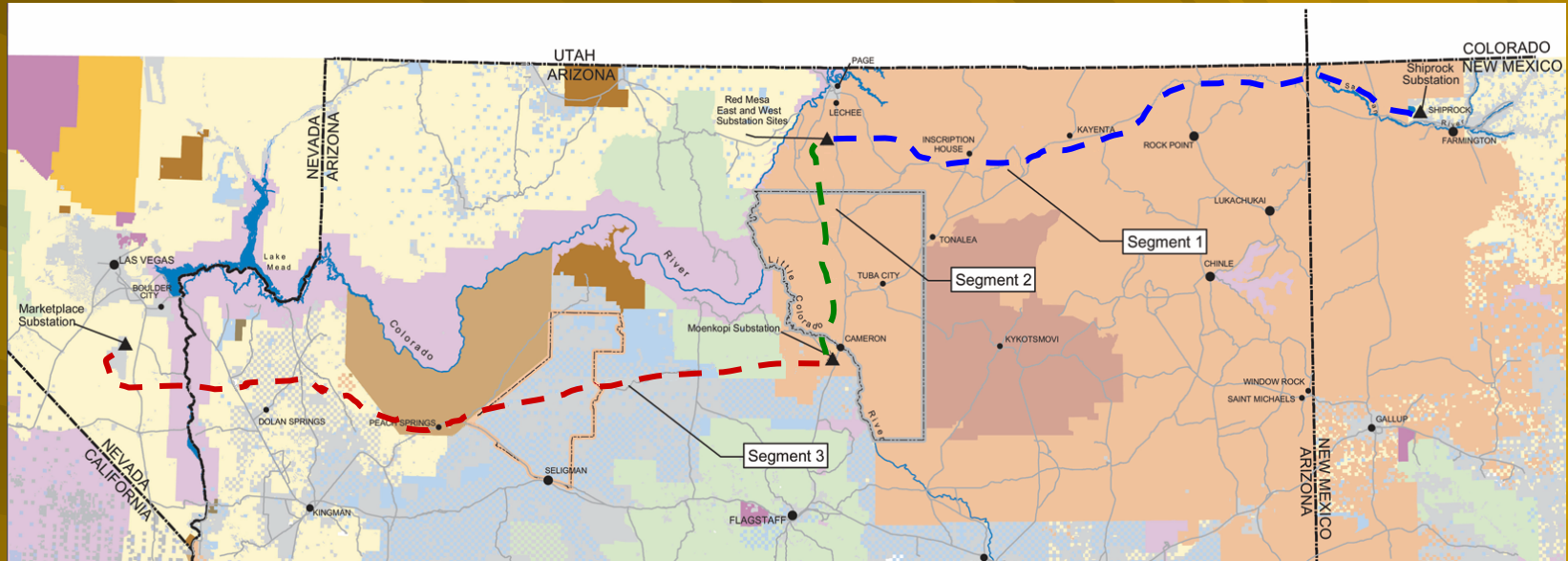
Window Rock, AZ

August 16, 2006

NTP Project Description

- 500 kilovolt, alternating current project
- Expansion of three existing 500kV substations and possible construction of 1-2 new 500kV substations
- 470 miles in total length
- Use of steel lattice structures to match the height and appearance of existing transmission line

Navajo Transmission Project (NTP) Proposed 470 miles Right-of-Way



Segment 3:

218 miles, crossing Navajo Reservation, Hualapai Reservation, U.S. Forest Service – Kaibab National Forest (USFS), State of AZ, BLM (Kingman & LV field office), National Park Service - Lake Mead National Recreation Area (NPS), Bureau of Reclamation, Boulder City, and private lands.

Segment 2:

62 miles, crossing 23.66 miles of Bennett Freeze area & 0.44 miles of Navajo Indian Allotment Land within the Navajo Reservation

Segment 1:

189 miles, crossing BLM (Farmington Field Office), State of NM and Navajo Reservation

Navajo Transmission Project (NTP) Status

- Western Area Power Administration (WAPA) Record of Decision (ROD), 1997.
- Arizona Corporation Commission CEC approval, 2000.
- System Impact Study completed.
- Path Rating Study in process.
- New Federal Lead Agency for EIS - BLM
- New Record of Decision anticipated in 2006.
- NN Archeology Department completed archeological surveys in Segment I of NTP
- MOA with Hualapai Tribe

NTP Phases Status

2006-2016

- Phase I: Development Underway DPA/Sithe Global Power
 - Construction to begin 2007-2008
 - In-Service date 2010
- Phase II: Option for Development DPA/Sithe Global Power
 - Option dependent on final purchasers of Desert Rock Energy Project output and ownership
- Phase III: Planned development during approximate ten year term of permits

WECC Path Rating Studies

- WECC path rating process ongoing
- Expected path rating 1,200 MW
- Anticipated flow capacity to the Phoenix Market 800-1000 MW
- Anticipated flow capacity to the Las Vegas and California Market 200-400 MW

Purpose and Need for the NTP

- Relieve current transmission constraints west of the Four Corners area
- Improve the operation, flexibility and reliability of the extra high-voltage transmission system in the region
- Allow increased economical power transfers, sales and purchases in the region
- Improve the economic condition for the Navajo Nation and region
- Facilitate the development of the Navajo Nation energy resources and its participation in the electric utility industry

WECC Existing System Map

