

Energy Gateway

Bringing new transmission to the West

Customer benefits

This investment is a fundamental part of PacifiCorp's plans to ensure long-term supply of reliable and affordable energy for existing and future customers.

- Long-term rate stability through increased protection from market price volatility into the future.
- More flexibility and stronger connections across the region to move energy resources from where they are located to where they are needed by customers.
- Provides necessary and required transmission infrastructure, ensuring safe, reliable, efficient and adequate levels of service customers need and expect.
- Access to diverse energy resource areas to support customer needs.
- More efficient use of existing generating resources while encouraging development of needed new generation, including renewable energy resources, to serve customers.
- Supports economic development of communities and cities.



Facts about this transmission expansion

The need for a robust transmission system has been identified by federal and state policymakers and industry experts as critical to meeting the growing needs of consumers as well as evolving energy policies. Yet, for a number of reasons, there has been very little regional investment in new transmission infrastructure for more than three decades. PacifiCorp is taking the lead and is moving forward with its multi-billion dollar transmission expansion plan to construct approximately 2,000 miles of new high-voltage transmission line. The new transmission lines will help the company meet the growing electrical needs of customers while improving the flow of electricity throughout the region.

PacifiCorp's transmission expansion plan was first announced in May 2007. The first major segment of Energy Gateway, Populus to Terminal, was placed into service in November 2010. The second major segment, Mona to Oquirrh, was placed into service in mid-May 2013. In May 2015, the third segment Sigurd to Red Butte was placed into service. Outreach, siting and permitting processes continue for several other segments.

Why PacifiCorp?

PacifiCorp is uniquely positioned to make these essential investments in the regional transmission system.

- Through Rocky Mountain Power and Pacific Power, PacifiCorp serves almost 1.8 million retail electric customers in Utah, Oregon, Wyoming, Washington, Idaho and northern California, and is one of the largest owners of transmission infrastructure in the West. In addition to serving its retail customers, PacifiCorp is required by federal regulation to provide transmission service to other utilities, municipalities, public agencies and independent generators that use PacifiCorp lines to serve their own customers. Network service revenues reduce overall costs for PacifiCorp's retail customers.



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- The Energy Gateway transmission expansion will position PacifiCorp to serve the long-term needs of its retail customers and network customers while improving the reliability of its overall transmission system.
- PacifiCorp already owns and operates approximately 16,400 miles of transmission line from southeast Utah to central Washington, and from northeast Wyoming across to Oregon and into California.
- The transmission expansion will help PacifiCorp ensure its system is capable of meeting future customer load growth. The new lines will move power to customer load centers across the system and support the needs of customers seeking a more diverse resource mix.
- The new transmission segments are a natural expansion of the transmission investment commitments MidAmerican Energy Holdings Company made when it acquired PacifiCorp in 2006.

Energy Gateway benefits

These are just some benefits of the Energy Gateway transmission investment:

- Strengthens the connections between PacifiCorp's east and west control areas, providing more flexibility to move energy resources where they are needed and maintaining low-cost delivery and service reliability for customers in the six-state service area.
- Provides substantial long-term benefits to the company's service area through an electric system backbone supporting cost-efficient, flexible and diverse resource development in resource-rich areas.
- Improves access to resources throughout the West, helping to provide long-term rate stability and protection from future market price volatility.
- Provides essential new electric transmission infrastructure in resource-rich areas, including those areas where no new wind generation can be accommodated until transmission capacity is increased.
- Provides necessary reliability and capacity to improve the delivery of electricity throughout the region.
- New transmission is necessary for development of new energy resources of all types.
- Allows more efficient use of existing resources – a critical step in addressing carbon/climate change issues.

Design features

- Energy Gateway's design significantly improves the connection between PacifiCorp's east and west control areas. Its major segments – Gateway Central, Gateway West and Gateway South – connect at key points throughout the company's service area to optimize each line's transfer capability.
- This design opens up improved access to customer load centers, existing generation and geographic areas rich with new resource potential. It provides flexibility and encourages new resource development. It also will help resolve an ongoing regional challenge where potential development of new resources is hindered by lack of transmission access.
- A map on the facing page shows the general corridors within which routes are being selected. For the most current information, go to pacificorp.com/energygateway.

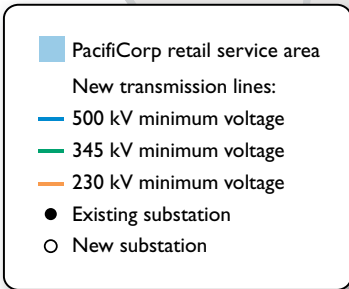
Energy Gateway Update

Nine years since the announcement of Energy Gateway, approximately 405 miles of new transmission line is already completed and serving the needs of customers. Populus to Terminal was the first segment to be completed. This 135-mile double circuit line began serving customers in November 2010. The second segment to be completed was 100 miles of line from Mona to Oquirrh, which was placed into service in May 2013. Placed into service in May 2015, the most recently completed segment is the 170-mile Sigurd to Red Butte transmission line.

Outreach, siting and permitting processes continue for several other segments. While permitting delays have played a significant role in the adjusted timing of some segments, such as Gateway West and Gateway South, the company also has deferred some in-service dates to adapt to changing customer needs, slower load growth, changes in generation resource planning and annual system reliability assessments. Some near-term needs are also being met through a limited number of smaller-scale investments that maximize efficient use of the current transmission system and have helped to delay the need to make the larger Energy Gateway investments.

While PacifiCorp's priority in building Energy Gateway is to meet the needs of customers, the company encouraged third-party participation. Regional commitments for many of the segments have not materialized at this time, however, and

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This map is for general reference only and reflects current plans. It may not reflect the final routes, construction sequence or exact line configuration.

April 2015

Energy Gateway Transmission Expansion

These planned in-service dates are subject to change based on customer and regional needs.

- (A) Walla Walla to McNary:** Wallula to McNary portion projected in-service date of 2017 is sponsor driven.
- (B) Populus to Terminal:** Part of Gateway Central. Completed and in service November 2010.
- (C) Mona to Oquirrh:** Part of Gateway Central. Completed and in service May 2013. **Oquirrh to Terminal:** Part of Gateway Central. Projected in-service date of 2021.
- (D) Windstar to Populus:** Part of Gateway West. Projected in-service date of 2019-2024.
- (E) Populus to Hemingway:** Part of Gateway West. Projected in-service date of 2019-2024.
- (F) Aeolus to Mona:** Part of Gateway South. Projected in-service date of 2020-2024.
- (G) Sigurd to Red Butte:** Part of Gateway South. Completed and in-service May 2015.
- (H) Boardman to Hemingway:** Projected in-service date subject to project sponsor.



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the company is moving ahead with the appropriate investments necessary to serve our customers.

The company is pursuing joint development opportunities on alternatives to help better integrate its East and West control areas. As a potential option to its original proposal to build a line from southwest Idaho toward Klamath Falls, Oregon, PacifiCorp is discussing alternative options with Idaho Power on the proposed Boardman to Hemingway line. The original Hemingway to Captain Jack line route remains under consideration as development alternatives mature. The project, or its alternatives, will be brought into service as soon as appropriate or PacifiCorp customers.

PacifiCorp will continue to review and periodically adjust the timing of these investments based on the system's ability to meet customer needs and compliance with mandatory reliability standards. One thing that hasn't changed is that additional transmission infrastructure is still necessary. And, because of the long periods of time necessary to site, permit and construct major new transmission lines, these projects need to be planned well in advance so they can be in place in time to meet customer need.

For additional information, please visit pacificorp.com/energygateway.

Public outreach

- PacifiCorp continues discussions with landowners, the public and local, state and federal entities in the siting and permitting of Energy Gateway segments.
- Recognizing that collaboration is crucial in any project of this scale, open communication with customers and affected communities has been, and continues to be, a priority throughout the planning and construction of this project.
- Through Rocky Mountain Power and Pacific Power as local utilities, PacifiCorp will continue to keep the public informed through a variety of avenues, including meetings, newsletters and Web updates.

PacifiCorp remains committed to making this investment to meet the long-term energy needs of customers, but it will be made carefully and responsibly, to manage the eventual financial impacts.

Energy Gateway is a significant expansion of the region's electricity infrastructure, not an easy process to navigate to completion, but the end result is critical to meeting the long-term energy needs of our customers.



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