



**EDISON ELECTRIC
INSTITUTE**

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Construction

**Q3 2009
FINANCIAL UPDATE**

QUARTERLY REPORT
OF THE U.S. SHAREHOLDER-OWNED
ELECTRIC UTILITY INDUSTRY



About EEI

The Edison Electric Institute is the association of U.S. shareholder-owned electric companies. Our members serve 95% of the ultimate customers in the shareholder-owned segment of the industry, and represent approximately 70% of the U.S. electric power industry. We also have 79 international electric companies as Affiliate members and more than 190 industry suppliers and related organizations as Associate members.

About EEI's Quarterly Financial Updates

EEI's quarterly financial updates present industry trend analyses and financial data covering 69 U.S. shareholder-owned electric utility companies. These 69 companies include 58 electric utility holding companies whose stocks are traded on major U.S. stock exchanges and eleven electric utilities who are subsidiaries of non-utility or foreign companies. Financial updates are published for the following topics:

Dividends	Rate Case Summary
Stock Performance	SEC Financial Statements (Holding Companies)
Credit Ratings	FERC Financial Statements (Regulated Utilities)
Construction	Fuel

For EEI Member Companies

The EEI Finance and Accounting Division is developing current year and historical data sets that cover a wide range of industry financial and operating metrics. We look forward to serving as a resource for member companies who wish to produce customized industry financial data and trend analyses for use in:

- Investor relations studies and presentations
- Internal company presentations
- Performance benchmarking
- Peer group analyses
- Annual and quarterly reports to shareholders

We Welcome Your Feedback

EEI is interested in ensuring that our financial publications and industry data sets best address the needs of member companies and the financial community. We welcome your comments, suggestions and inquiries.

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Future EEI Finance Meetings

44th EEI Financial Conference
November 1-4, 2009
Westin Diplomat Resort & Spa
Hollywood, Florida

EEI International Utility Conference
March 14-16, 2010
London Hilton on Park Lane
London, United Kingdom

For more information about EEI Finance Meetings, please contact Debra Henry, (202) 508-5496, dhenry@eei.org

The 69 U.S. Shareholder-Owned Electric Utilities

The companies listed below all serve a regulated distribution territory. Other utilities, such as transmission provider ITC Holdings, are not shown below because they do not serve a regulated distribution territory. However, their financial information is included in relevant EEI data sets, such as transmission-related construction spending.

Allegheny Energy, Inc. (AYE)
ALLETE, Inc. (ALE)
Alliant Energy Corporation (LNT)
Ameren Corporation (AEE)
American Electric Power Company, Inc. (AEP)
Avista Corporation (AVA)
Black Hills Corporation (BKH)
CenterPoint Energy, Inc. (CNP)
Central Vermont Public Service Corporation (CV)
CH Energy Group, Inc. (CHG)
Cleco Corporation (CNL)
CMS Energy Corporation (CMS)
Consolidated Edison, Inc. (ED)
Constellation Energy Group, Inc. (CEG)
Dominion Resources, Inc. (D)
DPL, Inc. (DPL)
DTE Energy Company (DTE)
Duke Energy Corporation (DUK)
Duquesne Light Holdings, Inc.
Edison International (EIX)
El Paso Electric Company (EE)
Empire District Electric Company (EDE)
Energy East Corporation
Energy Future Holdings Corp. (formerly TXU Corp.)
Energy Corporation (ETR)
Exelon Corporation (EXC)
FirstEnergy Corp. (FE)
FPL Group, Inc. (FPL)

Great Plains Energy Incorporated (GXP)
Green Mountain Power Corporation
Hawaiian Electric Industries, Inc. (HE)
IDACORP, Inc. (IDA)
Integrus Energy Group, Inc. (TEG)
IPALCO Enterprises, Inc.
Kentucky Utilities
KeySpan Corporation
Louisville Gas and Electric
Maine & Maritimes Corporation (MAM)
MDU Resources Group, Inc. (MDU)
MGE Energy, Inc. (MGEE)
MidAmerican Energy Holdings Company
Niagra Mohawk Power Corporation
NiSource Inc. (NI)
Northeast Utilities (NU)
NorthWestern Corporation (NWE)
NSTAR (NST)
NV Energy, Inc. (NVE)
OGE Energy Corp. (OGE)
Otter Tail Corporation (OTTR)
Pepco Holdings, Inc. (POM)
PG&E Corporation (PCG)
Pinnacle West Capital Corporation (PNW)
PNM Resources, Inc. (PNM)
Portland General Electric Company (POR)
PPL Corporation (PPL)
Progress Energy (PGN)
Public Service Enterprise Group Inc. (PEG)

*Puget Energy, Inc.**
SCANA Corporation (SCG)
Sempra Energy (SRE)
Southern Company (SO)
TECO Energy, Inc. (TE)
UIL Holdings Corporation (UIL)
UniSource Energy Corporation (UNS)
Unitil Corporation (UTL)
Vectren Corporation (VVC)
Westar Energy, Inc. (WR)
Wisconsin Energy Corporation (WEC)
Xcel Energy, Inc. (XEL)

* Puget Energy was acquired by Puget Energy LLC on February 6, 2009. Puget Energy LLC was formed by a group of infrastructure investors led by the Macquarie Group.

Companies Listed by Category

(as of 12/31/08)

Please refer to the Quarterly Financial Updates webpage for previous years' lists.

Given the diversity of utility holding company corporate strategies, no single company categorization approach will be useful for all EEI members and utility industry analysts. Nevertheless, we believe the following classification provides an informative framework for tracking financial trends and the capital markets' response to business strategies as companies depart from the traditional regulated utility model.

Regulated	80%+ of total assets are regulated
Mostly Regulated	50% to 80% of total assets are regulated
Diversified	Less than 50% of total assets are regulated

Categorization of the 58 publicly traded utility holding companies is based on year-end business segmentation data presented in 10Ks, supplemented by discussions with company IR departments. Categorization of the 11 non-publicly traded companies (*shown in italics*) is based on estimates derived from FERC Form 1 data and information provided by parent company IR departments.

The EEI Finance and Accounting Division continues to evaluate our approach to company categorization and business segmentation. In addition, we can produce customized categorization and peer group analyses in response to member company requests. We welcome comments, suggestions and feedback from EEI member companies and the financial community.

Regulated (44 of 69)

ALLETE, Inc.
Alliant Energy Corporation
Ameren Corporation
American Electric Power Company, Inc.
Avista Corporation
Central Vermont Public Service Corporation
CH Energy Group, Inc.
Cleco Corporation
CMS Energy Corporation
Consolidated Edison, Inc.
DPL, Inc.
DTE Energy Company
Duquesne Light Holdings, Inc.
El Paso Electric Company
Empire District Electric Company
Energy East Corporation
Great Plains Energy Incorporated
Green Mountain Power Corporation
IDACORP, Inc.
IPALCO Enterprises, Inc.
Kentucky Utilities
KeySpan Corporation
Louisville Gas and Electric
Maine & Maritimes Corporation
Niagara Mohawk Power Corporation
Northeast Utilities

NorthWestern Energy
NSTAR
NV Energy, Inc.
PG&E Corporation
Pinnacle West Capital Corporation
PNM Resources, Inc.
Portland General Electric Company
Progress Energy
Puget Energy, Inc.
Southern Company
TECO Energy, Inc.
UIL Holdings Corporation
UniSource Energy Corporation
Unitil Corporation
Vectren Corporation
Westar Energy, Inc.
Wisconsin Energy Corporation
Xcel Energy, Inc.

Mostly Regulated (19 of 69)

Black Hills Corporation
CenterPoint Energy, Inc.
Dominion Resources, Inc.
Duke Energy Corporation
Edison International
Entergy Corporation
Exelon Corporation
First Energy Corp.

FPL Group, Inc.
Integrus Energy Group
MGE Energy, Inc.
MidAmerican Energy Holdings
NiSource Inc.
OGE Energy Corp.
Otter Tail Corporation
Pepco Holdings, Inc.
Public Service Enterprise Group, Inc.
SCANA Corporation
Sempra Energy

Diversified (6 of 69)

Allegheny Energy, Inc.
Constellation Energy Group, Inc.
Energy Future Holdings
Hawaiian Electric Industries, Inc.
MDU Resources Group, Inc.
PPL Corporation

Note: Based on assets at 12/31/08

Construction

HIGHLIGHTS

- Shareholder-owned electric utilities brought 5,991 megawatts (MW) of new capacity online during the first three quarters of 2009. Over half was natural gas-fired.
- Of the 10,957 MW cancelled or postponed in 2009 through Q3, 42% (4,600 MW) was accounted for by two nuclear projects postponed during Q2 (Ameren's Callaway plant and Exelon's Victoria Country Station). Both companies cited financing concerns as the primary reason.
- Coal-fired facilities accounted for one-third of total cancellations/postponements, burdened by increasing construction costs and uncertainty over federal carbon legislation.
- The pace of announcements by the entire power sector slowed in 2009 due to a substantial reduction in new gas-fired and renewable projects, victims of lower power demand and financing difficulties.

COMMENTARY

Generation

New Capacity Online

Shareholder-owned electric utilities brought 5,991 megawatts (MW) of new capacity online during the first three quarters of 2009. Over half was natural gas-fired, comprised of one new unit and several expansions of existing facilities. The remaining additions were mostly at wind-powered facilities (1,361 MW), but also included coal-fired units (817 MW).

At 15,150 MW, the total capacity added by the entire power sector to the grid during the first nine months of the

I. Capital Expenditures

Period	U.S. Shareholder-Owned Electric Utilities	\$ Billions
2009 6 mo.		38.5
2008		84.2
2007		74.1
2006		59.9
2005		48.4
2004		41.1
2003		43.0
2002		49.0
2001		57.2

Source: EEI Finance Department, SNL Financial

II. New Capacity Online (MW)

9mo. 2009	U.S. Shareholder-Owned Electric Utilities	All Capacity*
New plant	2,005	8,149
Plant expansions	<u>3,986</u>	<u>7,001</u>
Total	5,991	15,150
2008		
New plant	3,263	11,005
Plant expansions	<u>5,590</u>	<u>8,619</u>
Total	8,852	19,624
2007		
New plant	2,003	11,517
Plant expansions	<u>3,201</u>	<u>5,290</u>
Total	5,204	16,807
2006		
New plant	2,642	6,901
Plant expansions	<u>3,049</u>	<u>6,274</u>
Total	5,691	13,175
2005		
New plant	3,976	9,396
Plant expansions	<u>6,309</u>	<u>11,131</u>
Total	10,284	20,526

P = Projection / r = revised

* Includes all new capacity placed on the grid by investor-owned utilities, independent power producers, municipals, co-ops, government authorities and corporations.

Source: Ventyx, Inc., The Velocity Suite and EEI Finance Department

Totals may reflect rounding. Historical data subject to revision.

III. New Generation Capacity Online by Fuel Type (MW)

Fuel Type	U.S. Shareholder-Owned Electric Utilities							Entire Industry*						
	2003	2004	2005	2006	2007	2008	9 mo. 2009	2003	2004	2005	2006	2007	2008	9 mo. 2009
Coal	91	0	0	110	479	790	817	190	670	329	534	2,091	1,390	1,956
Natural Gas	28,960	8,054	9,255	4,126	3,843	4,687	3,610	51,988	25,057	17,774	9,459	7,506	8,946	7,211
Nuclear	109	79	247	350	0	422	75	109	79	247	350	1,199	434	89
Wind	658	306	781	1,051	1,240	2,857	1,361	1,498	484	1,924	2,405	5,022	8,319	5,045
Solar	0	0	0	0	0	0	12	0	0	0	0	0	0	29
Other	3	3	2	54	2	96	12	600	581	252	427	989	535	820
Total	29,821	8,441	10,284	5,691	5,204	8,852	116	54,386	26,871	20,526	13,175	16,807	19,624	15,150

r = revised

* Includes all new plants placed on the grid by investor-owned utilities, independent power producers, municipals, co-ops, government authorities and corporations. Note: Data includes expansions and new plants. / Other = diesel, fuel oil, landfill gas, pet coke, solar/PV, waste heat, water, wood, biomass and fuel cells.

Source: Ventyx, Inc., The Velocity Suite and EEI Finance Department

IV. New vs. Cancelled Capacity by Fuel Type (MW)

U.S. Shareholder-Owned Electric Utilities

Fuel Type	Online 2004	Cancelled 2004	Online 2005	Cancelled 2005	Online 2006	Cancelled 2006	Online 2007	Cancelled 2007	Online 2008	Cancelled 2008	Online 9 mo. 2009	Cancelled 9 mo. 2009
Coal	0	750	0	4,585	110	2,575	479	13,880	790	2,759	817	3,499
Natural Gas	8,054	14,527	9,255	15,054	4,126	7,584	3,483	2,177	4,687	1,810	3,610	2,670
Nuclear	79	0	247	0	350	0	0	0	422	0	75	4,600
Solar/Photovoltaic	0	0	1	5	1	3	0	0	0	0	12	0
Wind	306	120	781	408	1,051	110	1,240	390	2,857	262	1,361	148
Other	3	0	1	157	53	41	2	130	96	125	104	40
Total	8,441	15,397	10,284	20,209	5,691	10,313	5,204	16,577	8,852	4,956	5,979	10,957

Note: Totals may reflect rounding. Data includes new plants and expansions of existing plants, including nuclear uprates.

Other = diesel, fuel oil, landfill gas, pet coke, solar/PV, waste heat, water, wood, biomass and fuel cells.

Source: Ventyx, Inc., The Velocity Suite and EEI Finance Department

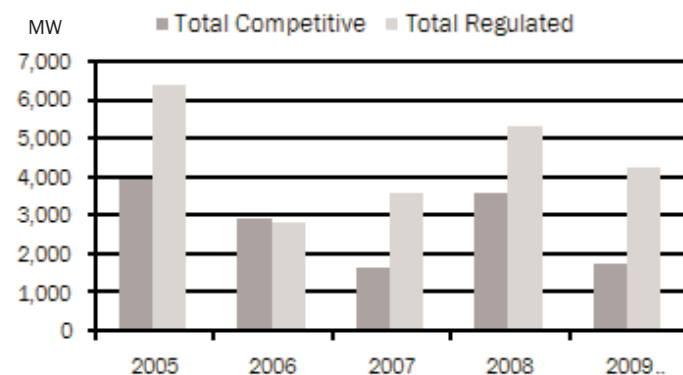
year was higher than that added during the same period in 2008. Wind and natural gas dominated the new additions, extending the trend seen since 2007. The relative share of each of these two fuels, however, has changed. Whereas wind dominated new additions in recent quarters, natural gas represented the largest share of new additions in Q3, both for the shareholder-owned segment of the industry and the power sector as a whole.

Cancellations

Nearly 90% of the projects cancelled or postponed by shareholder-owned utilities during the first nine months of 2009 were postponements, and most happened during the first half of the year. Of the 10,957 MW cancelled or postponed, 42% (4,600 MW) was accounted for by two nuclear projects postponed during Q2 (Ameren's Callaway plant and Exelon's Victoria Country Station). Both companies cited financing concerns as the main reason and neither was able to benefit from the \$18.5 billion in government loan guarantees for new nuclear construction. Coal-fired facilities accounted for one-third of total cancellations/postponements — particularly Sierra Pacific's Ely Energy project in Nevada, postponed due to increasing construction costs and uncertainty over federal

V. New Capacity Online by Category (MW)

U.S. Shareholder-Owned Electric Utilities



	2004	2005	2006	2007	2008	9 mo. 2009
Competitive	3,148	3,909	2,904	1,612	3,558	1,743
Regulated	5,293	6,375	2,787	3,592	5,294	4,248
Total	8,441	10,284	5,691	5,204	8,852	5,991

Note: Plant category based on designated operating company owner. Data includes expansions and new plants.

Source: Source: Ventyx, Inc., The Velocity Suite and EEI Finance Department

VI. New Capacity Online by Region (MW)

U.S. Shareholder-Owned Electric Utilities

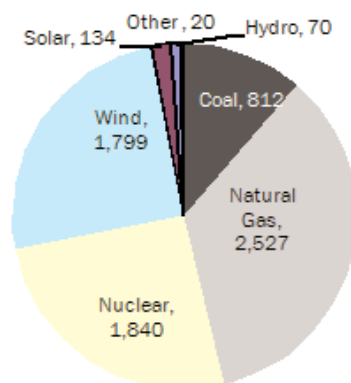
Region	2004		2005		2006		2007		2008		9 mo. 2009	
	Online	Cancelled	Online	Cancelled	Online	Cancelled	Online	Cancelled	Online	Cancelled	Online	Cancelled
ECAR	1934	2,054	0	1,736	0	0	0	0	0	0	0	0
ERCOT	0	500	324	1,100	381	500	551	6,575	1,095	729	1,497	3,090
FRCC	1,118	0	2,874	2,493	0	188	2,040	2,977	0	0	1,580	298
MAAC	1,369	0	750	1,161	0	0	0	0	0	0	0	0
MAIN	621	3,098	1,329	1,627	0	0	0	0	0	0	0	0
MRO	780	0	681	1,049	199	175	561	1,050	2,531	300	274	417
NPCC	284	2,885	1,211	635	259	80	0	690	92	0	6	0
RFC**	-	-	-	-	1,330	1,403	0	0	775	867	188	180
SERC	1,762	2,440	1,691	5,104	0	3,940	84	2,217	1,134	0	437	2,498
SPP	0	2,000	107	650	141	640	776	874	670	150	620	0
WECC	575	2,420	1,318	4,654	3,380	3,387	1,192	2,194	2,556	2,910	1,389	4,474
Total	8,441	15,397	10,284	20,209	5,691	10,313	5,204	16,577	8,852	4,956	5,991	10,957

Note: Data includes expansions and new plants. Totals may reflect rounding. ** Reliability First Corporation (RFC) is the successor organization to ECAR, MAAC and MAIN. RFC began operations on 1/1/06. Source: Ventyx, Inc., The Velocity Suite and EEI Finance Department

VII. Announced New Capacity by Fuel Type (MW)

U.S. Shareholder-Owned Electric Utilities

9 mo. 2009



Notes: In general, Other = biomass, diesel/fuel oil, landfill gas, pet coke, solar/PV, waste heat, water, wood. Note: totals may reflect rounding.

Source: Ventyx Inc., The Velocity Suite and EEI Finance Department

carbon legislation. Remaining cancellations/postponements were almost exclusively natural gas-fired plants.

Announcements

New project announcements continue to be heavily influenced by the regulatory, economic and financial environment in the country. The pace of announcements by the entire power sector slowed in 2009 due to a substantial reduction in new gas-fired and renewable projects, victims of lower power demand and financing difficulties. The shareholder-owned segment of the industry announced 7,202 MW of new capacity during the first nine months of the year, around 20% less than during the same period in 2008. However, contrary to the trend in the rest of the industry, almost 75% of these announcements were fossil-fueled projects, led by natural gas.

VIII. Announced New Capacity by Fuel Type (MW)

U.S. Shareholder-Owned Electric Utilities

Announcements by Year

	2004	2005	2006	2007	2008	9 mo. 2009
Coal	5,050	7,170	17,242	2,462	630	812
Natural Gas	6,923	2,174	7,929	5,988	3,670	2,527
Nuclear	0	5,180	10,217	11,277	1,793	1,840
Wind	869	898	1,773	4,900	6,164	1,799
Solar						134
Hydro					2,409	70
Other	5	669	1,146	322	401	20
Total	12,847	16,091	38,307	24,949	15,065	7,202

The remainder was dominated by wind announcements by FPL, E.On, Duke and MGE.

Transmission

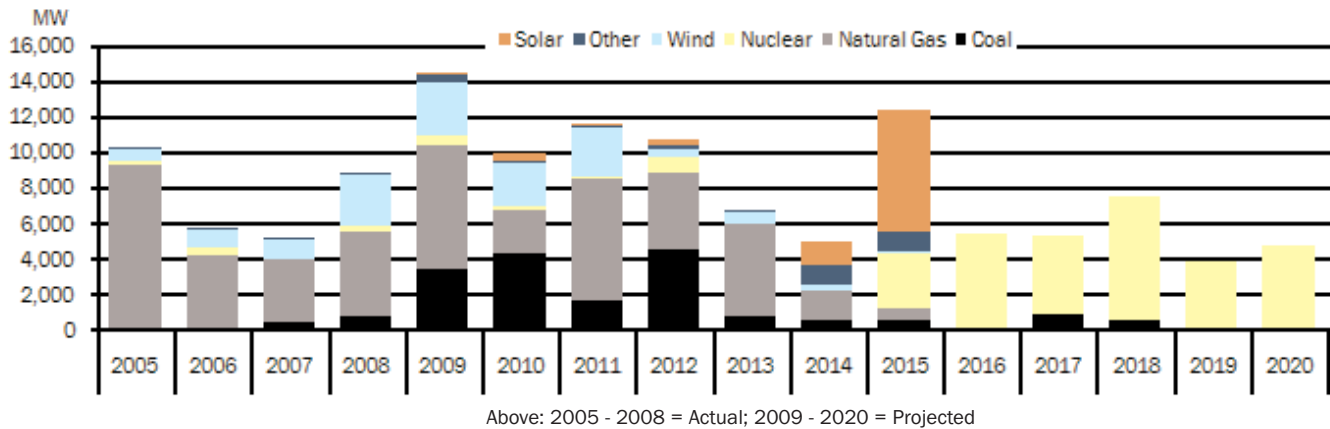
During the second and third quarters of 2009, stimulus funding approved under the American Recovery and Reinvestment Act (ARRA) began to slowly make its way into the economy. As of October 2, 2009, the U.S. Department of Energy (DOE) had awarded \$17.5 billion of their \$32.7 billion appropriation (excluding loan guarantees and bonding authority), although only 5% of the awarded funds had actually been spent.

Smart Grid

Several ARRA provisions are directly aimed at improving the transmission system. Approximately \$4.5 billion was appropriated for smart grid and transmission modernization projects, including nearly \$3.4 billion for the Smart Grid Investment Grant (SGIG) Program, \$615 million for Smart Grid

IX. Actual and Projected Capacity Additions (MW)

U.S. Shareholder-Owned Electric Utilities (based on projects announced as of 9/30/09)



	Actual								Projected										Total Proj.
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Coal	91	0	0	110	479	790	3,433	4,268	1,689	4,484	784	600	550	0	930	500	0	0	17,238
Nat'l Gas	28,960	8,054	9,255	4,126	3,483	4,687	6,933	2,409	6,949	4,325	5,157	1,579	640	0	0	0	0	0	27,992
Nuclear	109	79	247	350	0	422	526	238	21	888	0	0	3,100	5,434	4,317	7,025	3,892	4,700	30,141
Wind	658	306	780	1,051	1,240	2,857	2,966	2,431	2,657	478	651	349	100	0	0	0	0	0	9,632
Solar							38	517	48	325	0	1,300	6,820	0	0	0	0	0	9,048
Other	3	3	2	54	2	96	524	122	260	239	85	1,140	1,140	0	0	0	0	0	3,510
Total	29,821	8,442	10,284	5,691	5,204	8,852	14,419	9,985	11,625	10,739	6,677	4,968	12,350	5,434	5,247	7,525	3,892	4,700	97,561

Note: Includes new plants and plant expansions. / Source: Source: Global Energy Decisions, The Velocity Suite; EEI Finance Department
Other = diesel, fuel oil, landfill gas, pet coke, solar/PV, waste heat, water, wood, biomass and fuel cells.

X. Stage of Projected Capacity Additions (MW)

U.S. Shareholder-Owned Electric Utilities (based on projects announced as of 9/30/09)

Fuel	Proposed	Feasibility	Application Pending	Permitted	Site Prep	Under Construction	Testing	Total
Coal	2,626	500	1,598	1,334	0	9,122	1,241	16,421
Natural Gas	2,706	0	8,370	3,250	556	9,500	0	24,382
Nuclear	1,729	0	27,316	1,021	0	0	0	30,066
Wind	5,462	60	527	1,006	37	842	99	8,032
Solar	2,760	0	6,250	0	0	36	0	9,046
Other	743	2,298	96	147	0	2	110	3,396
Total	16,026	2,858	44,157	6,757	593	19,502	1,450	91,343

Note: Includes new plants and plant expansions. Other = diesel, fuel oil, landfill gas, pet coke, solar/PV, waste heat, water, wood, biomass and fuel cells.
Source: Ventyx Inc., The Velocity Suite, Nuclear Energy Institute, EEI Finance Department

Demonstrations (SGD), and \$60 million for regional assessment and planning.

After issuing draft funding opportunity announcements and receiving public comments for the SGIG and SGD programs, DOE increased the initial proposed project funding limits from \$20 million for the SGIG and \$40 million for the SGD to \$200 million for the SGIG and \$100 million for the SGD. It also broadened project categories to include integrated and/or

cross-cutting proposals. These modifications resulted in widespread interest across the industry as demonstrated by the more than 400 proposals submitted to the SGIG program and 165 proposals submitted to the SGD program, with total funds requested exceeding the \$4 billion available. Consequently, DOE has canceled round three of the SGIG program and is considering canceling round two. Awards under these two programs are expected to be announced before the end of 2009.

XI. Proposed New Nuclear Plants (at September 30, 2009)

U.S. Shareholder-Owned Electric Utilities

Company	Site (State)	Early Site Permit	Design (# of Units)	Construction & Operating License Submittal
DTE Energy	Fermi (MI)	TBD	ESBWR (1)	September 2008
Dominion Resources Inc.	North Anna (VA)	Approved November 2007	ESBWR (1)	November 2007
Duke Energy Corp.	Davie County (NC)	Under Consideration	TBD	TBD
Duke Energy Corp.	Oconee (SC)	Under Consideration	TBD	TBD
Duke Energy Corp.	William States Lee (SC)	-	AP1000 (2)	December 2007
Entergy Corp.	River Bend (LA)	-	TBD	September 2008
Exelon Corp.	Clinton (IL)	Approved March 2007	TBD	TBD
Exelon Corp.	Victoria County (TX)	To submit Spring 2010	TBD	TBD
Florida Power & Light	Turkey Point (FL)	TBD	AP1000 (2)	June 2009
NuStart (Consortium) - TVA Site	Bellefonte (AL)	-	AP1000 (2)	October 2007
NuStart (Consortium) - Entergy Site	Grand Gulf (MS)	Approved April 2007	TBD	February 2008
PPL Corp./Unistar	Susquehanna (PA)	-	EPR (1)	October 2008
Progress Energy	Shearon Harris (NC)	-	AP1000 (2)	February 2008
Progress Energy	Levy County (FL)	-	AP1000 (2)	July 2008
PSEG	Lower Alloways Creek (NJ)	To submit Spring 2010	TBD	TBD
SCANA Corp.	V.C. Summer (SC)	-	AP1000 (2)	March 2008
Southern Co.	Vogtle (GA)	Approved August 2009	AP1000 (2)	March 2008
Southern Co.	TBD	TBD	TBD	TBD
Energy Future Holdings (Luminant)	Comanche Peak (TX)	-	APWR (2)	September 2008
UniStar (Constellation & Areva)	Calvert Cliffs (MD)	-	EPR (1)	July 2007 & March 2008
UniStar (Constellation & Areva)	Nine Mile Point (NY)	-	EPR (1)	September 2008

TBD: To Be Determined

ESBWR: Economic Simplified Boiling Water Reactor

EPR: Pressurized Water Reactor designed by Framatome

AP1000: Reactor designed by Westinghouse

APWR: Advanced Pressurized Water Reactor

Italics = COL applications have been submitted.

Source: Source: Nuclear Energy Institute, Nuclear Regulatory Commission, EEI

Recognizing that the competitive application process for smart grid funding will take time, and under pressure to quickly spend ARRA funding to provide economic stimulus, DOE announced approximately \$47 million in awards in July 2009 to support eight smart grid demonstration projects that had received funding in 2008. The ARRA funds were provided to accelerate project completions. The projects are being pursued by a variety of private organizations and universities, with one led by Consolidated Edison (ConEd). ConEd received \$5.6 million to demonstrate the interoperability and use of demand response resources to improve the reliability and efficiency of the distribution system.

DOE also announced awards for four projects investigating

the use of synchrophasors to improve transmission system reliability and efficiency. Award recipients include Pacific Gas and Electric, Southern California Edison and San Diego Gas and Electric, who are working with the University of California on a group project to analyze the use of synchrophasor measurements to reduce the likelihood of blackouts. The project is receiving \$1.1 million from DOE. Dominion Virginia Power, in partnership with Virginia Polytechnic Institute and Quanta Technology, received \$1.5 million from DOE under the same program to implement a synchrophasor-based tracking system to monitor the state of the electric grid.

In addition, DOE announced \$11 million in funding (\$5 million from the ARRA) for the Solar Energy Grid Integration

XII. Selected Renewable High Voltage Transmission Projects (at September 30, 2009)

U.S. Shareholder-Owned Electric Utilities

Please refer to the associated Excel file posted alongside this PDF file for this table.

Systems (SEGIS) program. Of that total, Portland General Electric is part of a team receiving \$3 million to optimize interconnections for photovoltaic technologies. A second project, led by Petra Solar, is receiving \$2.9 million and includes 15 unnamed electric utilities in the mid-Atlantic region.

Interconnect-Wide Planning

In addition to funding for the smart grid programs, DOE's ARRA grid modernization funding included \$60 million for a "Regional Transmission Assessment and Interconnection-Level Transmission Analysis and Planning." The initiative's objective is to enhance the capabilities in each of the three interconnections to conduct analyses of transmission requirements and develop long-term interconnection-wide transmission plans. DOE issued a solicitation for proposals in August 2009, outlining two funding categories:

- Topic A - Interconnection-Level Analysis and Planning
- Topic B - Cooperation Among States on Electric Resource Planning and Priorities

DOE will make one award in each interconnection under each topic. The Western Electricity Coordination Council (WECC) has submitted a proposal to be the planning entity in the Western Interconnect. Several newly formed collaboratives — with membership consisting of RTOs, ISOs, state utility commissions and other entities from the 40 states in the Eastern Interconnect — have submitted proposals to be the planning entity in the Eastern Interconnect. Selection is expected in November with a final contract to be signed by the end of the year.

Loan Guarantees and Bonding Authority

The ARRA provides approximately \$4 billion in additional funding for DOE's federal loan guarantee program. This program was initially established by the Energy Policy Act of 2005 to provide loan guarantees for energy efficiency, renewable energy, and advanced transmission and distribution projects that utilize new or significantly improved technologies. The fiscal year 2009 appropriation for the program was \$8.5 billion. The ARRA created new authorization for DOE to provide loan guarantees for conventional renewable energy and electricity transmission, distribution and storage projects, and provided \$4 billion for this purpose. Projects must begin construction by September 30, 2011 to be eligible and guarantees may not exceed 80% of the maximum aggregate principal and interest during the loan term. DOE began accepting applications in September and will continue on a rolling basis through December 2010.

The Western Area Power Administration (WAPA) and Bonneville Power Administration (BPA) each received \$3.25 billion in bonding authority under the ARRA to build new transmission. While the BPA authority is focused on upgrading the BPA transmission system, the WAPA authority is to provide funds for partnerships with public and private entities to build transmission lines with at least one terminus in the WAPA service territory. WAPA issued an initial request for proposals to build such lines and received over 200 proposals in response. In September, the first award was announced. WAPA will draw on \$161 million of borrowing authority to partner with Tonbridge Power to build the 214-mile Montana-Alberta Tie Limited (MATL) transmission project. Total project cost is estimated at \$213 million. ■