



## ***PRESS RELEASE***

### **GRID WEST ADOPTS BYLAWS**

*Transmission owners participating in regional process reach milestone in development of independent electric transmission entity*

**December 9, 2004. Portland, Ore.** – Owners of the vast majority of the regional high voltage transmission grid adopted bylaws today that will govern Grid West, the successor to RTO West. Grid West will be a non-profit membership corporation to further develop a new, regionally focused, independent transmission provider. The area covered by Grid West potentially includes Washington, Oregon, Idaho, Montana, Nevada, Utah, and Wyoming and encompasses the transmission systems of Avista Corporation, the Bonneville Power Administration, Idaho Power Company, Nevada Power Company, NorthWestern Energy, PacifiCorp, Portland General Electric Company, Puget Sound Energy, Inc., and Sierra Pacific Power Company. Grid West is also designed to facilitate participation of British Columbia transmission providers including the British Columbia Transmission Corporation.

The decision today launches a new phase in continuing efforts to determine the best means for resolving persistent problems with regional transmission services. “Development of Grid West has been a tremendous regional effort,” said Egil (Bud) Krogh, Grid West coordinating team member. “A broad cross-section of stakeholders has come together to help shape an entity that can better plan and manage key operational and commercial functions of the regional transmission grid.”

The first stage establishes the Grid West interim board, initiates a search for candidates to be elected as independent trustees on a new five-person developmental board of directors, and opens a process for interested parties to become members of the new organization. Assuming sufficient funding is provided by transmission owners, Grid West’s members will be entitled to elect representatives who vote for the developmental board of trustees in mid 2005.

The Grid West interim board (initially), and subsequently the developmental board, will be charged with building on regional efforts to date. The corporate goal is to develop an independent transmission provider that will garner support needed to become operational in 2007. In a consensus document, the regional stakeholders identified several problems with regional transmission services today, including:

- ◆ rules and practices that prevent full utilization of transmission infrastructure;
- ◆ impediments to efficient, region-wide transactions;
- ◆ congestion management by curtailment;
- ◆ absence of organized market structures that produce efficient use of the system; and
- ◆ inability to plan and construct needed transmission infrastructure in the region
- ◆ lack of an independent market monitor

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