

Clean Line Energy

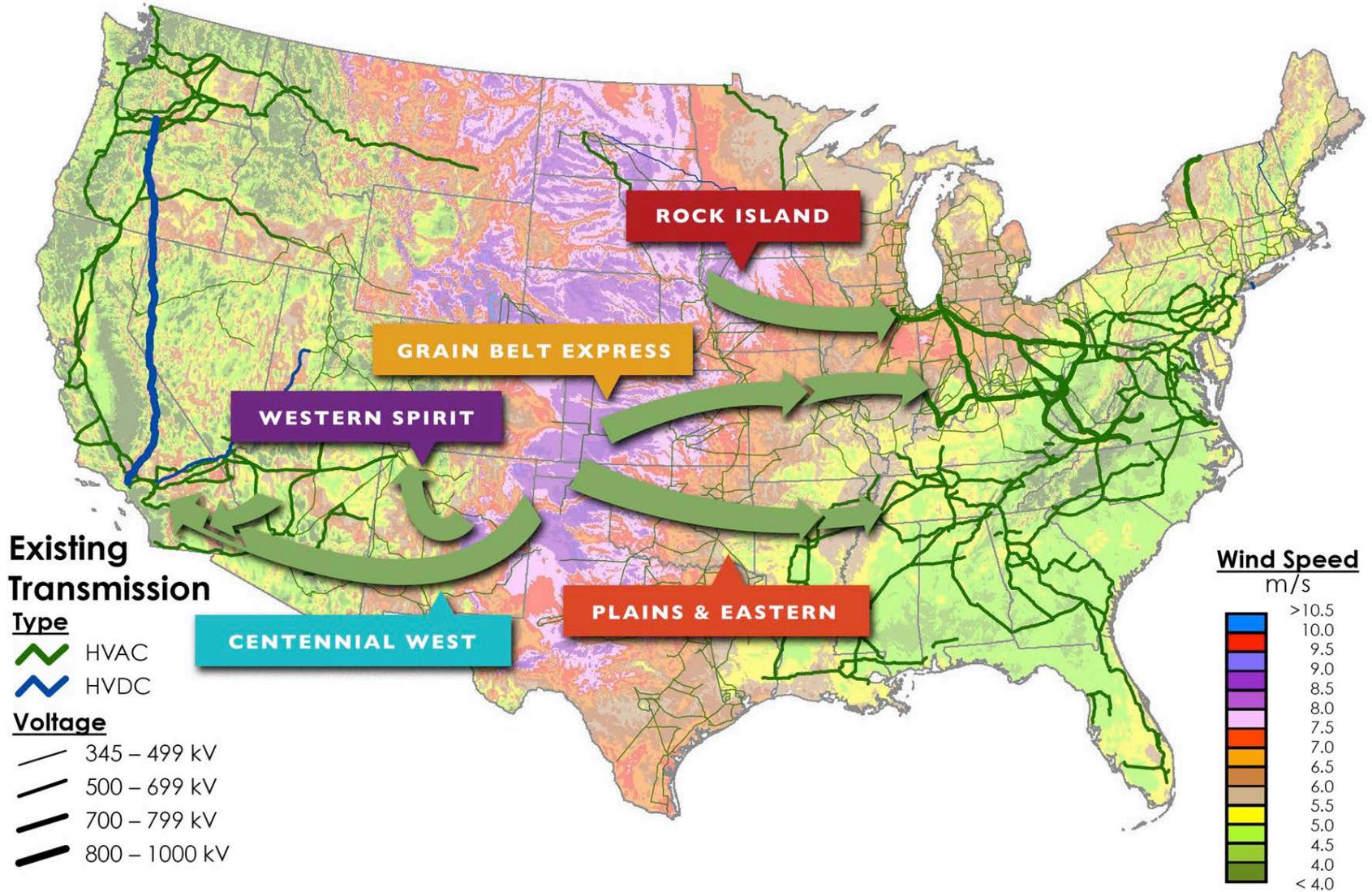
Clean Energy. Delivered.

April 2015

CLEAN LINE
ENERGY PARTNERS



Clean Line develops long distance transmission lines to move low-cost clean energy to market



National Grid shares Clean Line's vision of enabling a cleaner energy future

nationalgrid

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National Grid is a key investor in Clean Line



National Grid brings extensive experience in building, owning, and operating large transmission projects in the United States and overseas



National Grid in the United States

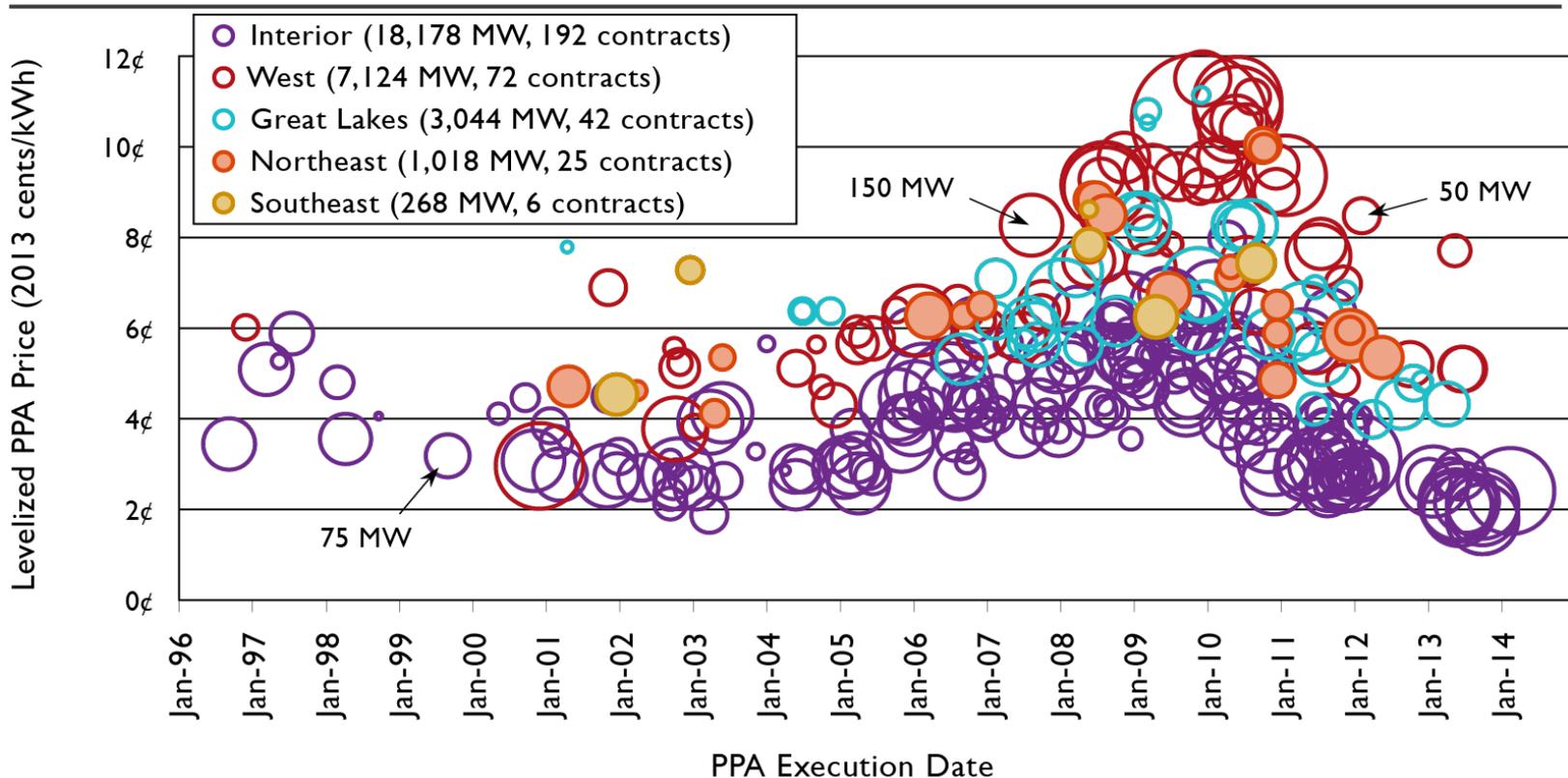
- Owns and operates more than 8,600 miles of transmission
- Serves more than 7 million electricity and natural gas customers



Clean Line's other investors include private equity firm ZBI Ventures and the Houston-based Zilkha family

Wind energy prices continue to decrease, particularly in the windiest part of the country

Levelized PPA prices by PPA execution date
2013 cents/kWh



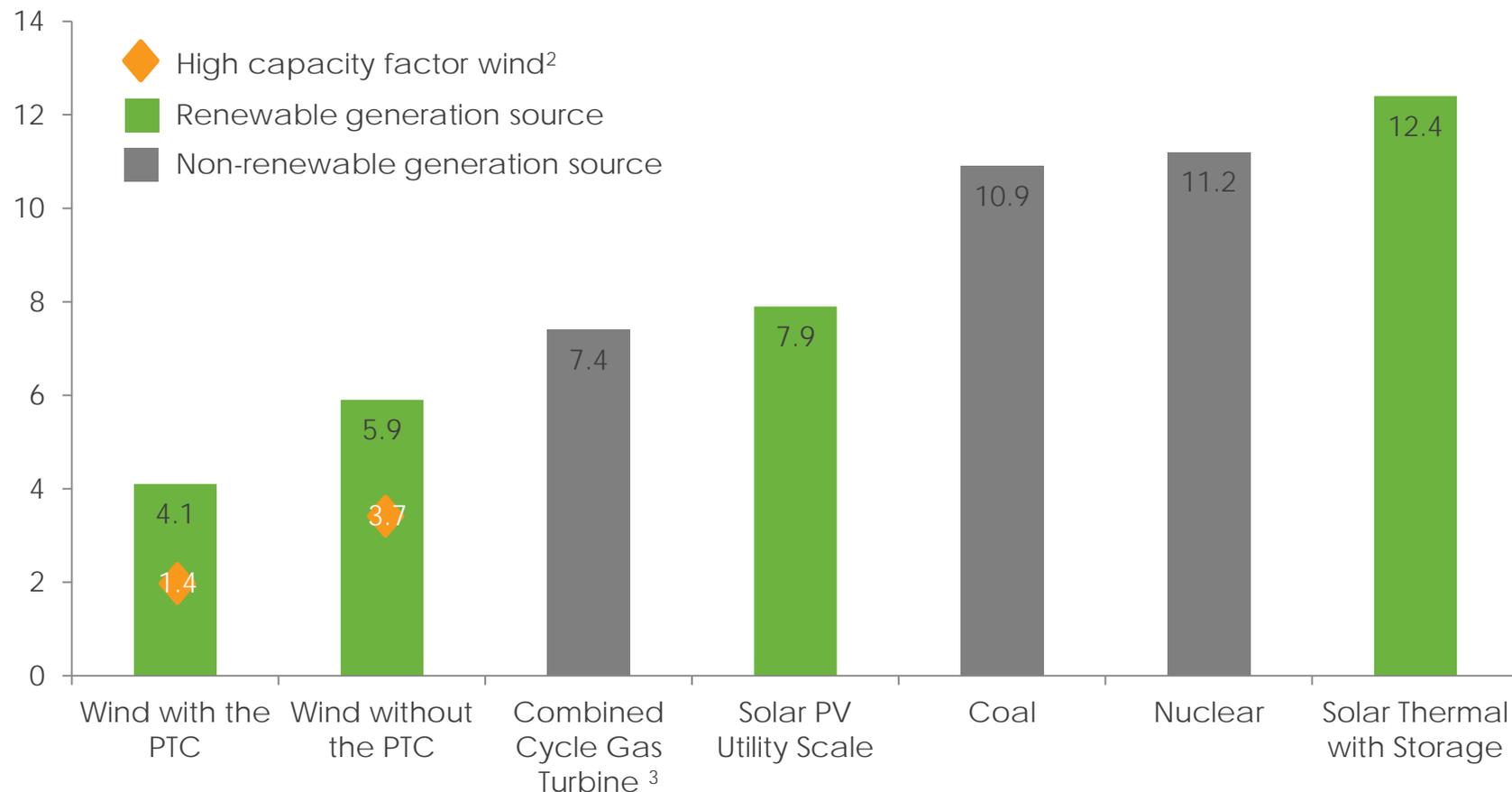
Note: Size of "bubble" is proportional to project nameplate capacity

The "Interior" region consists of the 13 states where the wind resource is the strongest: OK, KS, IA, NM, SD, NE, TX, MN, WY, CO, ND, MT, and MO.

Source: DOE 2013 Wind Technologies Market Report published August 2014

Wind energy cost is very attractive compared with other sources of new generation

Levelized Cost of Energy¹
cents / kWh



1. Cost of generation based on mid-point of Lazard's LCOE estimates. Unless noted, costs shown are unsubsidized.

2. High capacity factor wind cost uses low-end Lazard estimates for which the capacity factor is 52% and capex cost is \$1,400/kW.

3. Assumes \$4.50/MMBtu gas price.

Source: Lazard's 2014 Levelized Cost of Energy Analysis

Western Spirit will move New Mexico's best wind resources to Four Corners



KEY

- Collector system (AC)
- Western Spirit Clean Line (AC)
- Existing utilities' system (AC)
- Substations

This map is intended for illustration purposes only and does not represent a proposed route.

KEY MILESTONES



Western Spirit will increase transfer capacity from New Mexico's best wind resources to Four Corners



KEY

- Collector system (AC)
- Western Spirit Clean Line (AC)
- Existing utilities' system (AC)
- Substations

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KEY MILESTONES

INTERCONNECTION

- Requested New Mexico Public Service transmission service from Four Corners to CAISO
- Requested Arizona Public Service transmission service from Four Corners to CAISO

ENVIRONMENT & ROUTING

- Developed preliminary routes
- Initiated right-of-way acquisition

AGREEMENTS & ALLIANCES

- Signed lease agreement with New Mexico Renewable Energy Transmission Authority (RETA)
- RETA is authorized by statute to acquire right-of-way for the project and own transmission facilities

Centennial West will deliver renewable energy from New Mexico and Arizona to California



KEY	
	Collector system (AC)
	Centennial West Clean Line (HVDC)
	Existing utilities' system (AC)
	AC/DC Converter

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KEY MILESTONES

Interconnection

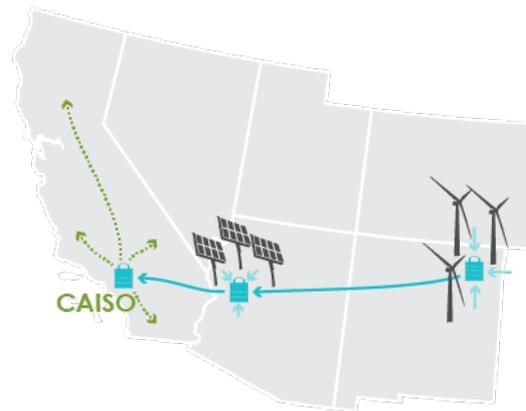
Environment & Routing

Agreements & Alliances

Outreach

Ongoing

Centennial West will deliver renewable energy from New Mexico and Arizona to California



KEY

- Collector system (AC)
- Centennial West Clean Line (HVDC)
- Existing utilities' system (AC)
- AC/DC Converter

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KEY MILESTONES

INTERCONNECTION

- Completed WECC Project Coordination Review

ENVIRONMENT & ROUTING

- Filed SF – 299 right-of-way application with BLM in 2010
- BLM National Project Manager coordinating NEPA process with Western Area Power Administration, BLM and U.S. Forest Service

AGREEMENTS & ALLIANCES

- Executed MOU with New Mexico Renewable Energy Transmission Authority; RETA is authorized by statute to acquire land for the project and own transmission facilities
- Finalized development agreement with Western Area Power Administration

OUTREACH

- Held 18 community leader workshops in four states and two tribal nations to gather information about local routing opportunities and constraints

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