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Northwest Regional Transmission Entity Completes Essential Steps to Offer Services - President/CEO is Announced and Planning and Expansion Functional Agreement is Completed

Portland, Oregon ColumbiaGrid, a newly formed non-profit regional transmission entity, achieved a number of significant milestones this week.

The Board of Directors announced the selection of Jon Kaake as President and Chief Executive Officer effective December 11, 2006. Mr. Kaake has extensive experience in all phases of transmission operations and wholesale energy sales. He worked for PacifiCorp for 27 years in a number of capacities. His most recent experience in the company was to oversee the operation of the company's multi-state transmission system. As part of his responsibilities, Mr. Kaake participated in PacifiCorp's development of policies and procedures to comply with the Federal Energy Regulatory Commission's restructuring of the transmission industry. Since 1999, Mr. Kaake has acted as an independent utility industry consultant, primarily on transmission issues, including providing expert witness testimony to state regulators. Mr. Kaake has served on the Boards of the Northwest Power Pool (as Chair) and the Pacific Northwest Security Coordinator, and also served as President of the Western Systems Power Pool.

"We are thrilled to have someone with proven leadership in the industry to head ColumbiaGrid" said Lloyd Meyers, Chairman of the Board of Directors of ColumbiaGrid. "With Jon's leadership we are confident that a more coordinated approach to planning and operating the transmission system can be developed for the Northwest."

Yesterday, the Board also reached agreement with a number of Pacific Northwest electric utilities on a Planning and Expansion Functional Agreement under which ColumbiaGrid will produce a regional transmission expansion plan.

ColumbiaGrid kicked off an intensive education and outreach effort concerning the Agreement with nearly twenty visits to federal legislators and their staff, the Department of Energy, and the Federal Energy Regulatory Commission. As part of this outreach, ColumbiaGrid is attempting to confer with state regulatory commissions, regional transmission owners, and other parties interested in transmission planning and expansion, and will entertain modifications to the Agreement finalized yesterday if they would result in additional participation in and support for the Agreement. The Agreement will be offered for signature at the Board's next meeting, January 17, 2007, in Portland. At the Board meeting yesterday, Avista Corporation, Bonneville Power Administration, Chelan County PUD, Grant County PUD, Puget Sound Energy, Seattle City Light, Snohomish County PUD, and Tacoma Power expressed an intent to sign the Agreement when it is offered in January.

“This draft Planning and Expansion Functional Agreement is a large stride forward for needed regional transmission development” said Jon Kaake, the new President and Chief Executive Officer. “ColumbiaGrid will identify and advocate for the construction of transmission projects that are necessary to provide reliable power delivery in the Northwest. Because it is an independent entity, ColumbiaGrid's participation in the planning process can bring assurance that these projects will have been thoroughly studied and alternatives considered.”

ColumbiaGrid was formed to improve the operational efficiency, reliability, and planned expansion of the transmission grid.