

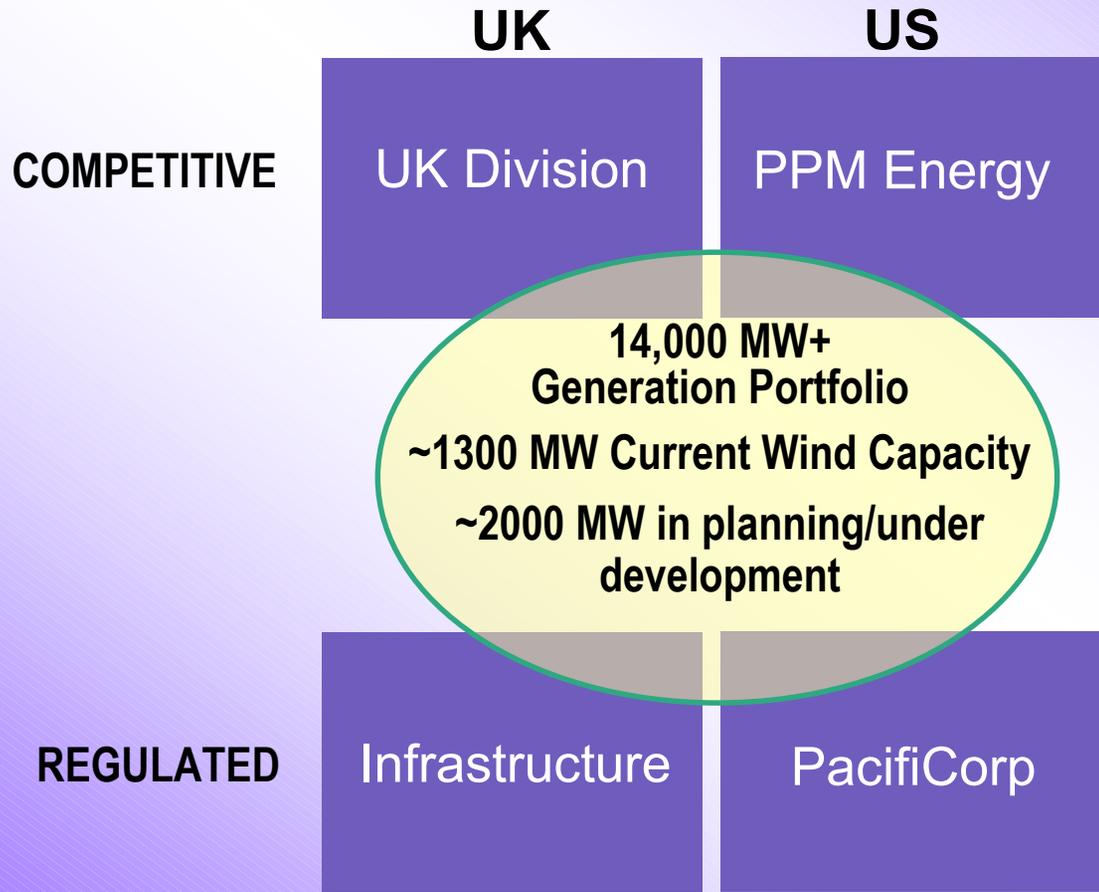


Wind Powering America Annual State Summit

May 19, 2005

PPM Energy

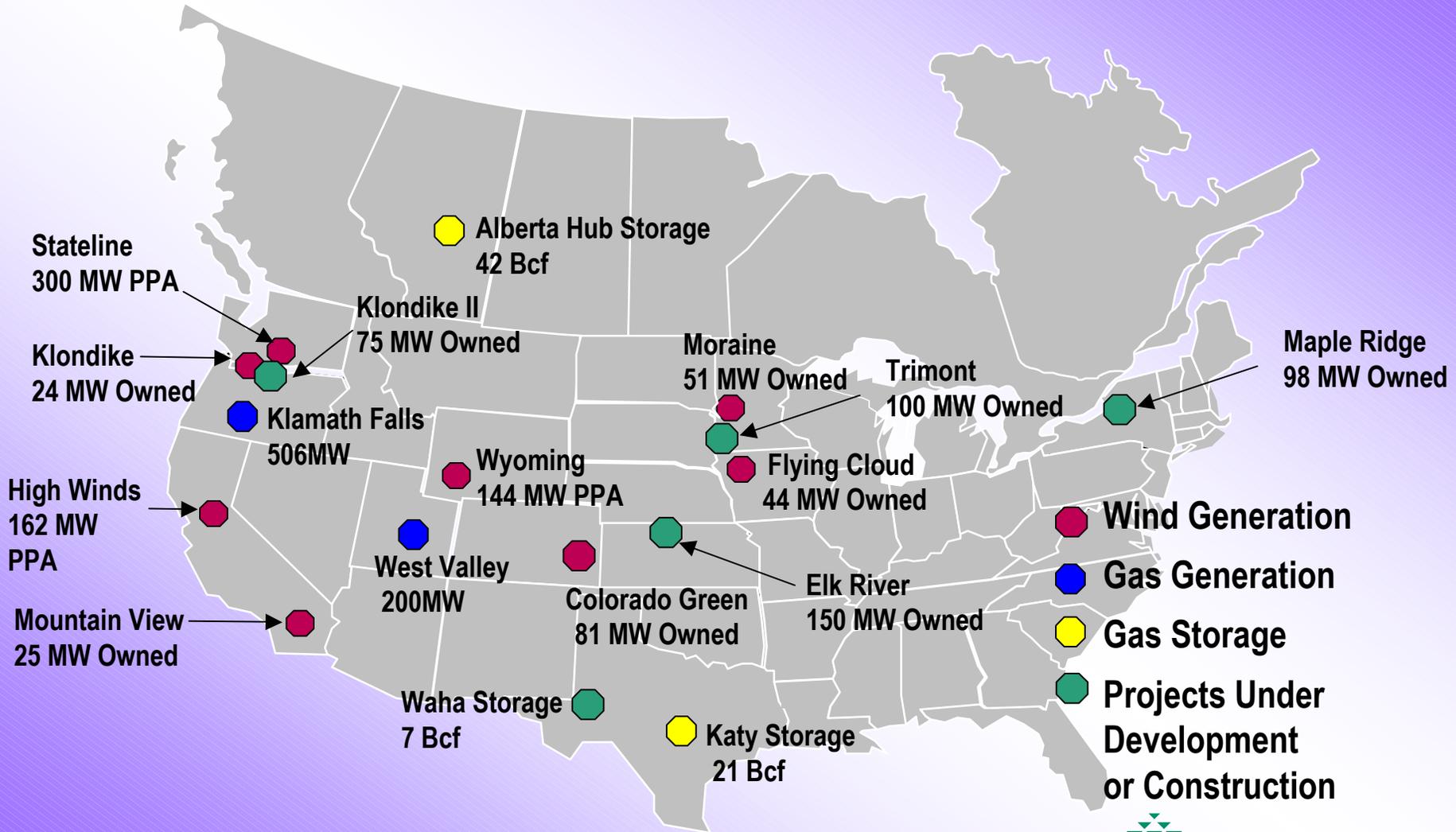
Part of the ScottishPower Group



Who is PPM Energy?

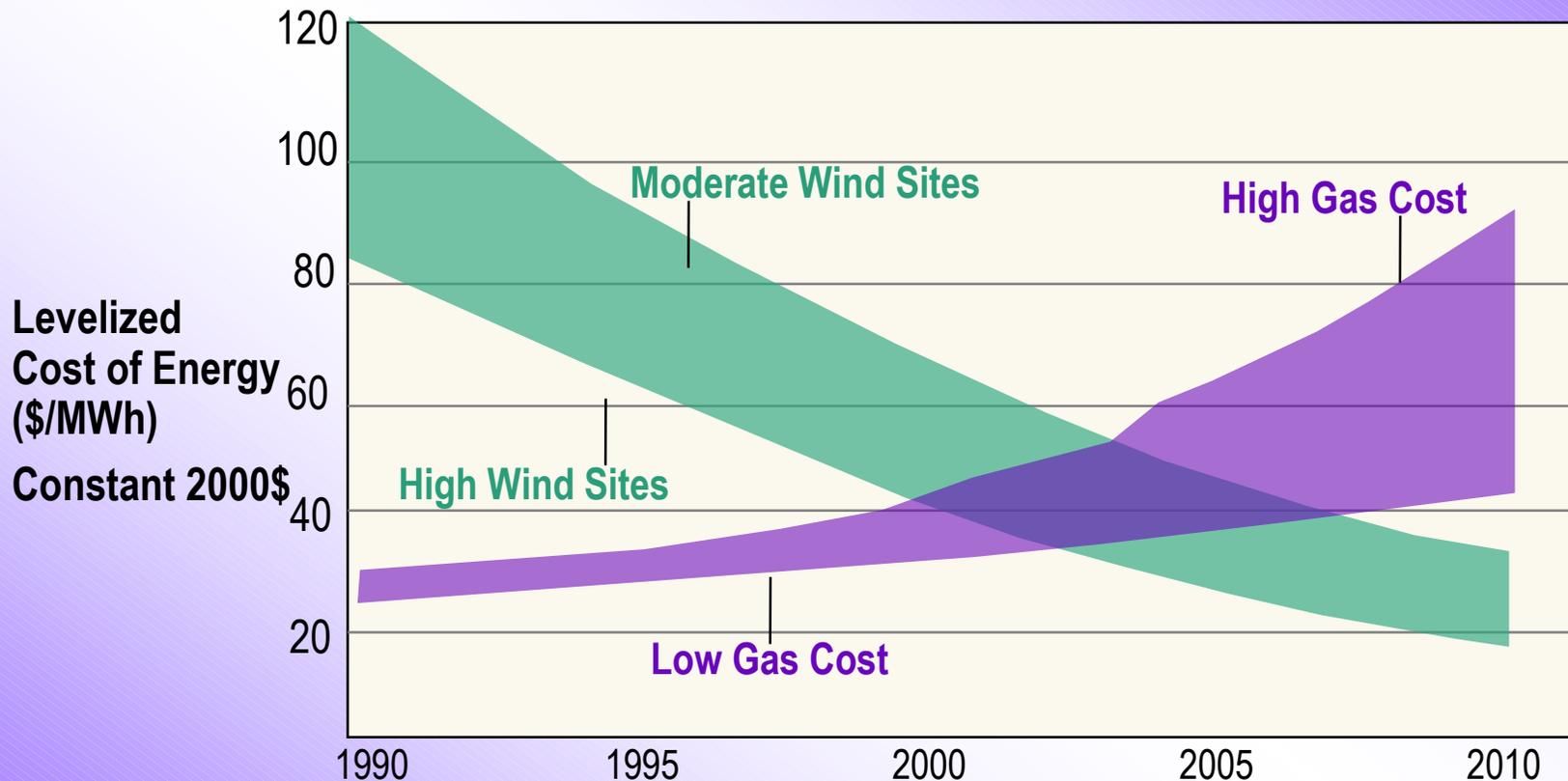
- Competitive power and gas storage subsidiary of ScottishPower.
- Almost 300 employees in US and Canada, headquartered in Portland, Oregon with offices in Houston, Texas and Calgary, Alberta.
- The #2 provider of wind energy in the U.S. with control of ~1,250 MW of wind power (including announced for 2005 build).
- Acquisition of Atlantic Renewable Energy (AREC) adds portfolio of projects in development in the Northeast.
- Implement both PPAs (supply) and PSAs (sales).
- More than 8,000 MW of wind in our development pipeline.
- Goal of more than 2,300 operating megawatts by 2010.
- **FUNDAMENTALLY BELIEVE IN THE WIND VALUE PROPOSITION.**

Current PPM Assets



Wind Cost Continues to Decline with Technology

Gas-Fired Generation Cost Increases with Price of Gas



Wind cost include \$18/MWh PTC

US Market Overview

- US installed wind
 - 1,700 MW in 2001
 - 410 MW in 2002
 - 1,687 MW in 2003
 - 389 MW in 2004
- 2005 record year with over est. 2,000 MW
- 6,740 MW total today
- Est. 20,000 MW total by 2010
- Est. 100,000 MW of wind power by 2020



Building Markets

■ Siting

1. USFWS - multi-stake holder guidance process
2. BLM - Programmatic EIS and NEPA policies
3. AWEA - Creating a national siting tool kit
4. BWEC - Proactive research agenda



Building Markets

■ Communications

1. NIMBY
2. Proactive strategy
3. Coordinate with allies

■ Legislation

1. Short-term Strategy -
Extend Wind PTC
2. Mid-term - Transition to
Federal RPS – 10% by
2020
3. Mid-term - Clean Air and
Carbon Credits



Building Markets

■ Transmission

1. FERC market rules – imbalance, grid code, interconnection standards, ancillary services costs, etc.
2. Efficient use of existing transmission – (interruptible firm)
3. Upgrade congested paths – (cost)
4. Wind pipelines to market



Building Markets

■ Community Wind

1. Expand farmer/local community participation
2. Variety of business models available to meet different risk profiles
3. Growing grassroots support
4. Company partnerships

■ Small Wind

1. Federal Investment Tax Credit with no cap
2. Consistent local incentives
3. Local permitting support
4. Interconnection support



Contact Information



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