



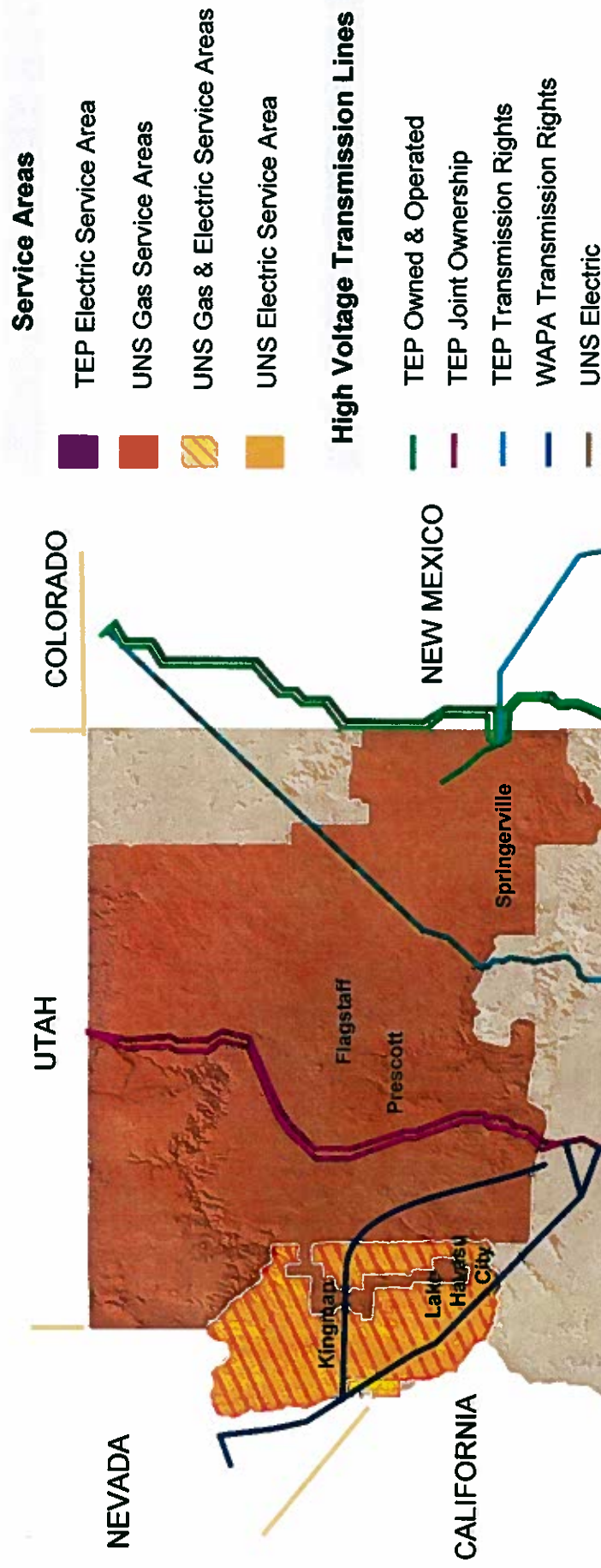
BRIGHT SOLUTIONSSM

Renewable Transmission Projects



November 23, 2009

TEP and UNS Electric Service Areas



Renewable Transmission Projects (RTPs)

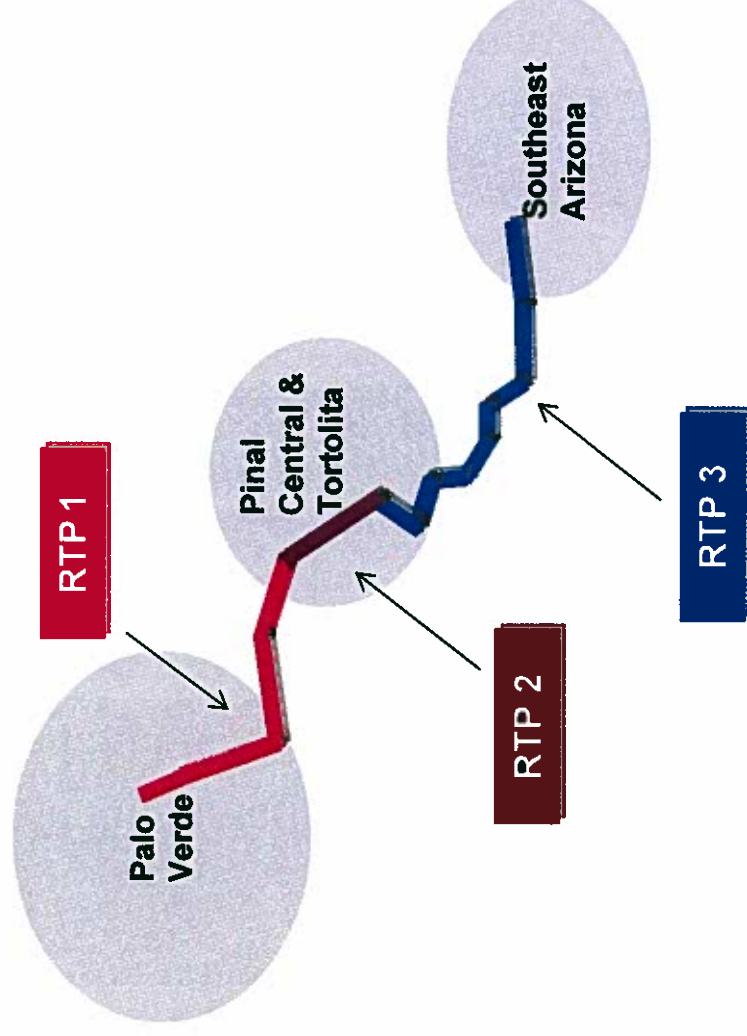
- The proposed RTPs comply with Decision No 70635.
- The RTPs are consistent with Transmission Plans designed to serve customers reliably.
 - Flexibility to support Renewable Resource development.
 - Meet NERC Planning Standards.
 - Cost Effective.
- RTPs promote Regional Benefits.
 - Coordinated with other Arizona Transmission Providers.
 - Provide Arizona developers access to regional markets.
 - Increases capacity for regional renewable energy projects.
 - Provide connectivity to future SunZia RTP.

Key RTP Decision Factors

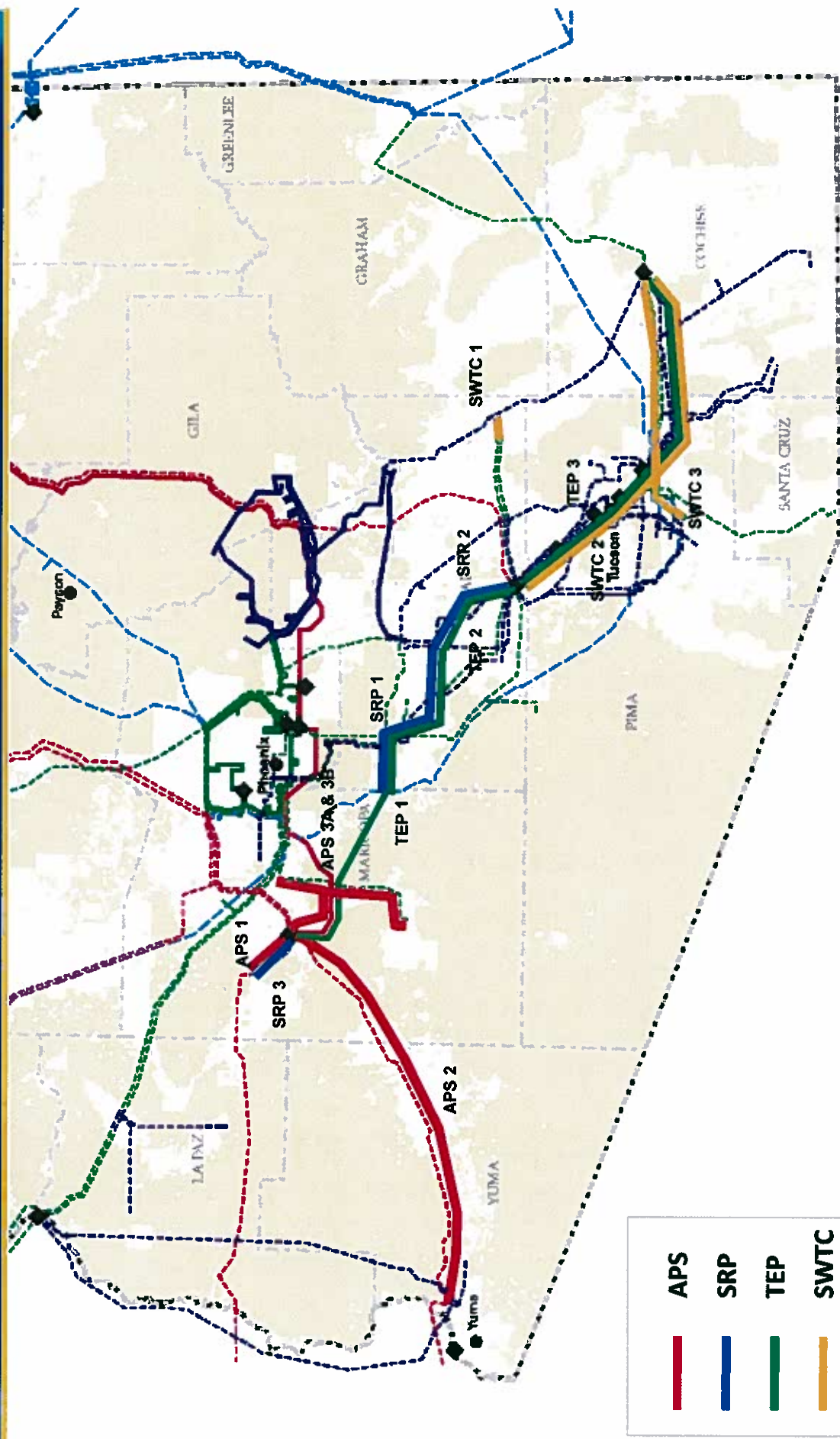
- Support multiple renewable energy markets.
- Enhance import and export capacity.
- Joint participation.
- Multiple uses.
- Ratepayer impact.

Proposed RTPs

1. Palo Verde to Pinal West to Pinal Central (500 kV)
2. Pinal Central to Tortolita (500 kV)
3. Western Apache to Tortolita (230 kV Line Upgrade)



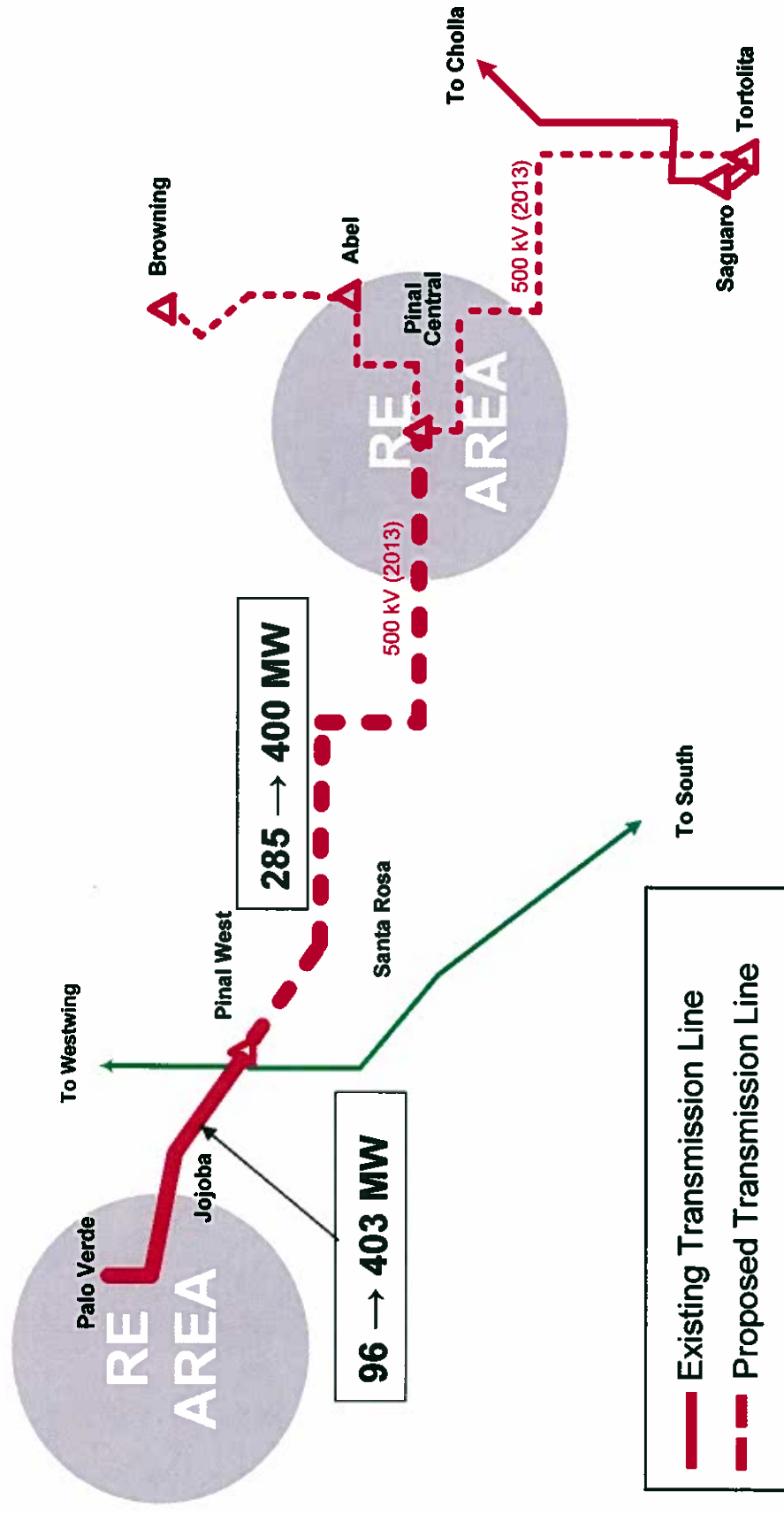
Arizona Proposed RTPs



Western Region Proposed Transmission Lines

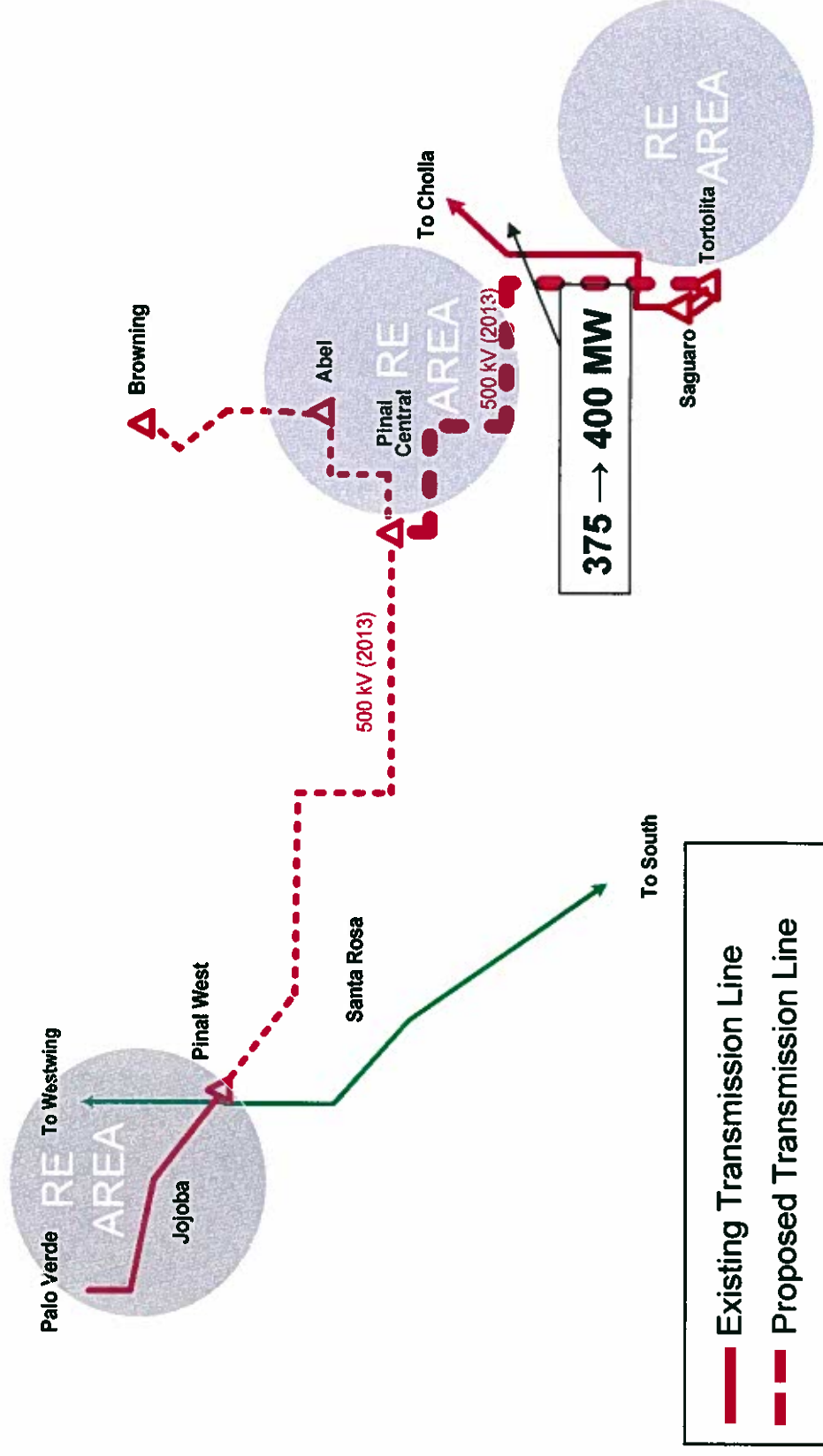


RTP 1: Palo Verde to Pinal Central (500 kV)



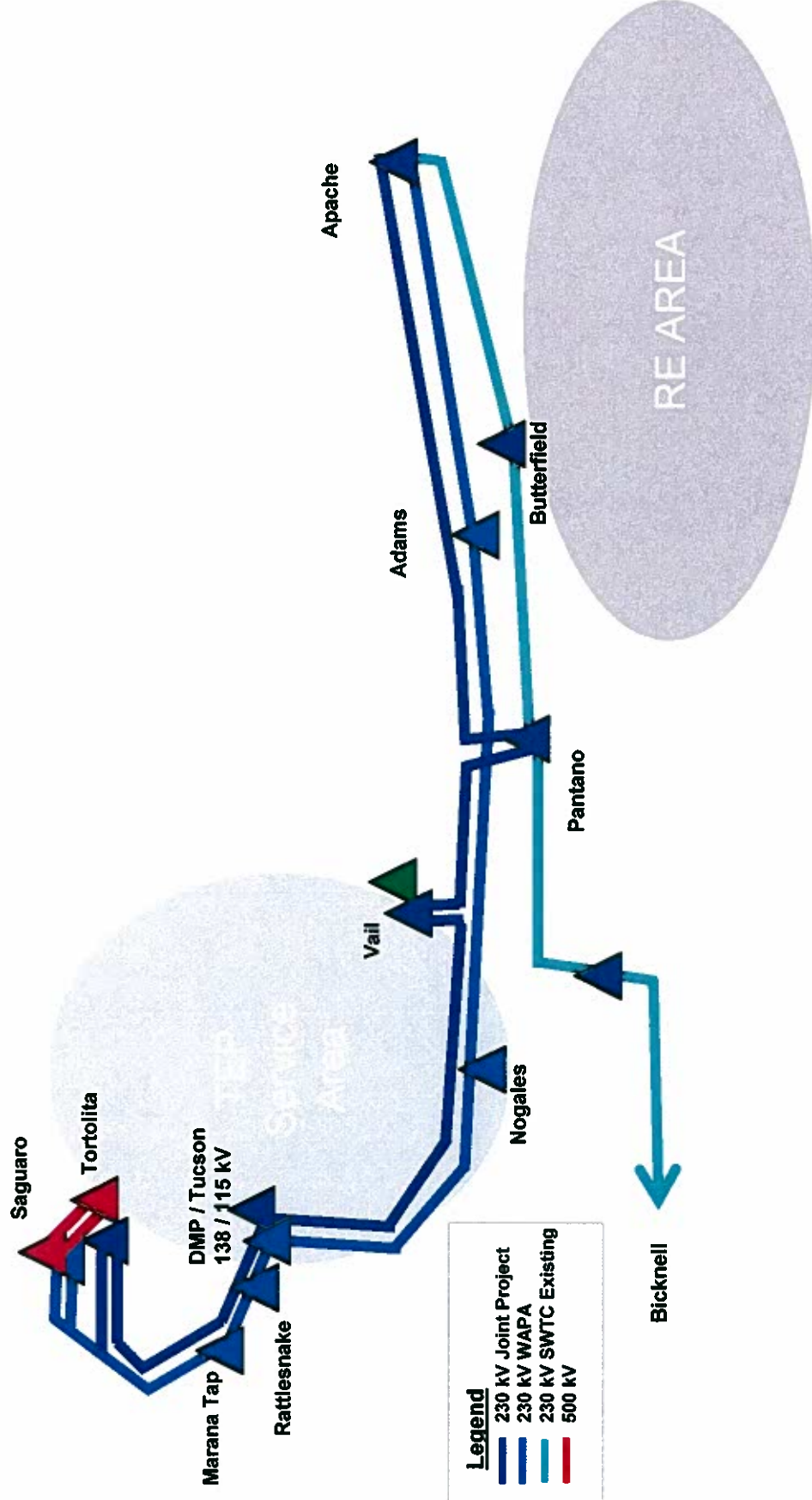
Proposed RTP will increase transmission capacity to import renewables.

RTP 2: Central to Tortolita (500 kV)



Proposed RTP will increase transmission capacity to import renewables.

RTP 3: Western Apache – Tortolita 115 kV to 230 kV Upgrade Concept



Proposed RTP will increase transmission capacity to import renewables.
Increased access to NM renewables with SunZia interconnection.

Summary

- The proposed RTPs comply with Decision No 70635.
- The RTPs are consistent with Transmission Plans designed to serve customers reliably.
 - Flexibility to support Renewable Resource development.
 - Meet NERC Planning Standards.
 - Cost Effective.
- RTPs promote Regional Benefits.
 - Coordinated with other Arizona Transmission Providers.
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