



FEDERAL ENERGY REGULATORY COMMISSION

NEWS

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FERC Approves Stimulus Financing Arrangement for Montana-Alberta Tie

The Federal Energy Regulatory Commission (FERC) today approved a transaction that will help finance construction of a transmission line linking consumers with electricity generated by renewable energy. The financing arrangement was made possible by the American Reinvestment and Recovery Act of 2009 (Recovery Act).

Today's order approves a plan under which Western Area Power Administration (Western) will help finance construction of the 214-mile, 230 kilovolt Montana-Alberta Tie Ltd. Project (Montana-Alberta) from Great Falls, Mont., to Lethbridge, Alberta, through a \$161 million loan made available through the Recovery Act.

"This transmission line will be an important link for consumers to get access to renewable energy, and it represents a solid, real-world example of how stimulus funds can and will help improve Americans' lives," FERC Chairman Jon Wellinghoff said.

The financing arrangement, which closed on Oct. 27, 2009, represents the first project financed by Western under authority of the Recovery Act. Under the arrangement, Western will have a one-twelfth ownership interest in the line, comprising approximately 18 miles of the line, and a conditional right to 50 megawatts of southbound capacity. The right to the 50 megawatts of capacity is subject to pre-existing arrangements for the southbound capacity with current interconnection customers.

Western's use or sale of its transmission rights is subject to its open access tariff. Any capacity not used or sold by Western will be released back to Montana-Alberta to be marketed under Montana-Alberta's tariff, with Western getting 75 percent of the revenues.

The project is expected to begin commercial operation by the fourth quarter of 2010.

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