



**Department of Energy**  
Western Area Power Administration  
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## **NEWS FROM WESTERN AREA POWER ADMINISTRATION**

### **CUSTOMERS OFFER ADDED POWER TO OFFSET DROUGHT IMPACT**

LAKESWOOD, Colo.—While the drought continues to draw down hydropower resources in the West, Omaha Public Power District is stepping up by supplying Western an additional 50 megawatts to the grid for the next five years beginning October 1, 2008. Western also negotiated a short term contract for 25 MW from April 1, 2008 to September 30, 2008.

Western Area Power Administration, a Federal agency under the Department of Energy, received 15 proposals—including OPPD's—in response to a request for 200 megawatts of additional power to help offset the shortage of hydropower from dams on the Missouri River.



"Due to the extended drought, Western has been purchasing a considerable amount of power in order to meet its commitments to firm power customers," explained Jody Sundsted, Western's Upper Great Plains Power Marketing manager.

Additionally, Western selected two wind developer proposals for further negotiation, including:

- **Just Wind**—which plans to have its Napoleon, N.D., wind farm in service in 2009
- **Iberdrola Renewables (formerly PPM Energy)**—which plans to have a South Dakota wind farm in service by 2010 and a second one in service by 2010.

"The mid-term purchase of power from OPPD, and potential purchases from Just Wind and PPM Energy, will help mitigate the impact of purchase power costs on our

firm power rate," said Sundsted. "The power purchased through this process makes economic sense for our ratepayers."

Both Just Wind's and PPM Energy's proposals include Renewable Energy Certificates—or "green tags"—the intangible environmental benefits associated with generating one megawatt-hour of electric energy by a renewable resource. Renewable energy producers can sell the credits, as well as the power itself, to offset the difference between the cost of the renewable power and power from fossil energy sources.

"We were pleased to receive competitive proposals from renewable energy developers as part of the process," said Sundsted.

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Western Area Power Administration annually markets and transmits more than 10,000 megawatts of power from hydroelectric powerplants owned and operated by the Bureau of Reclamation and the U.S. Army Corps of Engineers in 15 western and central states. It is part of the Department of Energy.

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