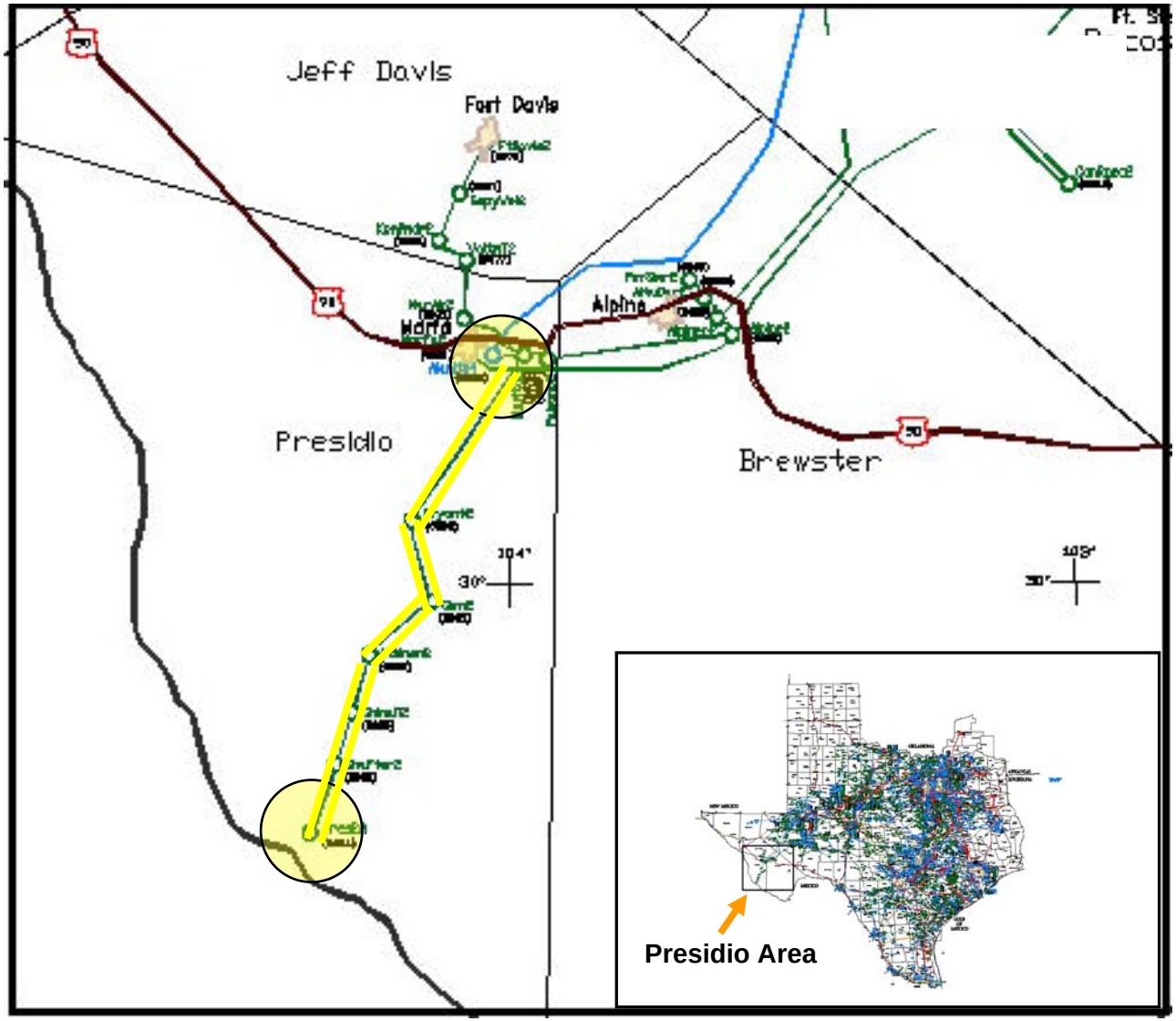
American Electric Power Service Corporation Presidio Area Reliability Improvements Project

Bill Bojorquez
Vice President, Planning

ERCOT Board of Directors

June 15, 2008

Presidio Project Description



- **Install a second 138/69 kV autotransformer at Alamito Creek substation in 2008.**
- **Cost: $4,000,000**
- **Install two 2.4 MW NaS battery units at Presidio in 2009.**
- **Cost: $15,000,000**
- **Replace existing 69 kV line with new 69 kV line designed for 138 kV operation from Alamito Creek to Chinati to Presidio in 2012.**
- **Cost: $48,000,000**
- **TOTAL COST: $67,000,000**

Project is Needed for Reliability

- **Install a second 138/69-kV autotransformer at Alamito Creek Substation**
  - Necessary to meet reliability criteria under maintenance conditions.
- **Install a 4.8 MW NaS battery at Presidio Substation**
  - The battery is a short term solution that allows area voltages to meet NERC/ERCOT pre and post-contingency voltage limits during outages of the existing 69-kV line
- **Construct a new Alamito Creek-Presidio 69-kV line (built for 138-kV service)**
  - Provides long term solution and capacity for expansion.
  - Needed to meet reliability criteria and provide transmission service to rural communities as mandated in PURA §38.005.

Alternatives Considered

- **Installation of a small asynchronous tie with CFE**
- **Installation of 10 MW Diesel Generation**
- **Block load transfer to CFE**
- **Addition of Static Capacitors**

Stakeholder Review

- The Stakeholder review period for this project was held in April 2008
- Comments received and addressed include:
  - High cost for amount of MW benefit
  - Consider Alternatives
  - Precedent for radial load service
- TAC voted in support of this project at their June 26 meeting

ERCOT Support for the Project

- ERCOT supports the Presidio project, as described, and requests that the Board endorses the need for the project.

Questions?