Montana Alberta Tie Ltd.

Presentation to
Montana Energy Summit

October 18, 2005

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MONTANA ALBERTA TIE LTD

OUTLINE

- Business Concept
- MATL Project Overview
- Policy Issues
- MATL Benefits

Merchant Line Concept

- New approach for transmission
- Power pipeline
- User pay – no burden on regulated rate payers
- Funded by private investors
- Shippers rent capacity on take or pay basis

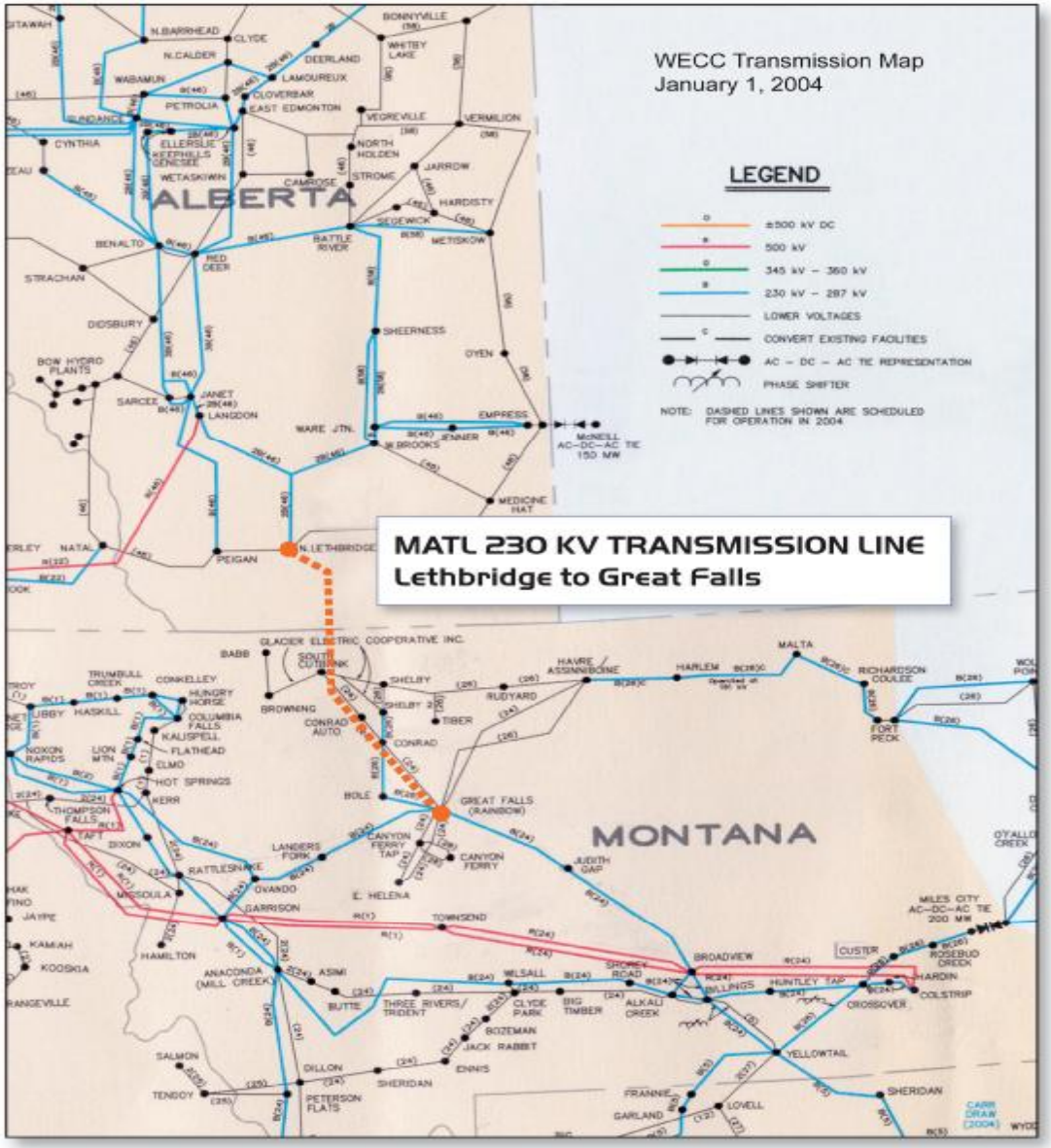

Fig. 1
Transmission
Map

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MATL Overview

- AC Transmission line between Lethbridge, Alberta and Great Falls, Montana
  - Length 203 miles (326 km)
  - Voltage 230 kV
- Transfer Capability 300 MW
- Bi-directional flow controlled by phase shifting transformer
- In service date – Q1 2007
- Approximate cost: $85 Million ($100 Million CAD)

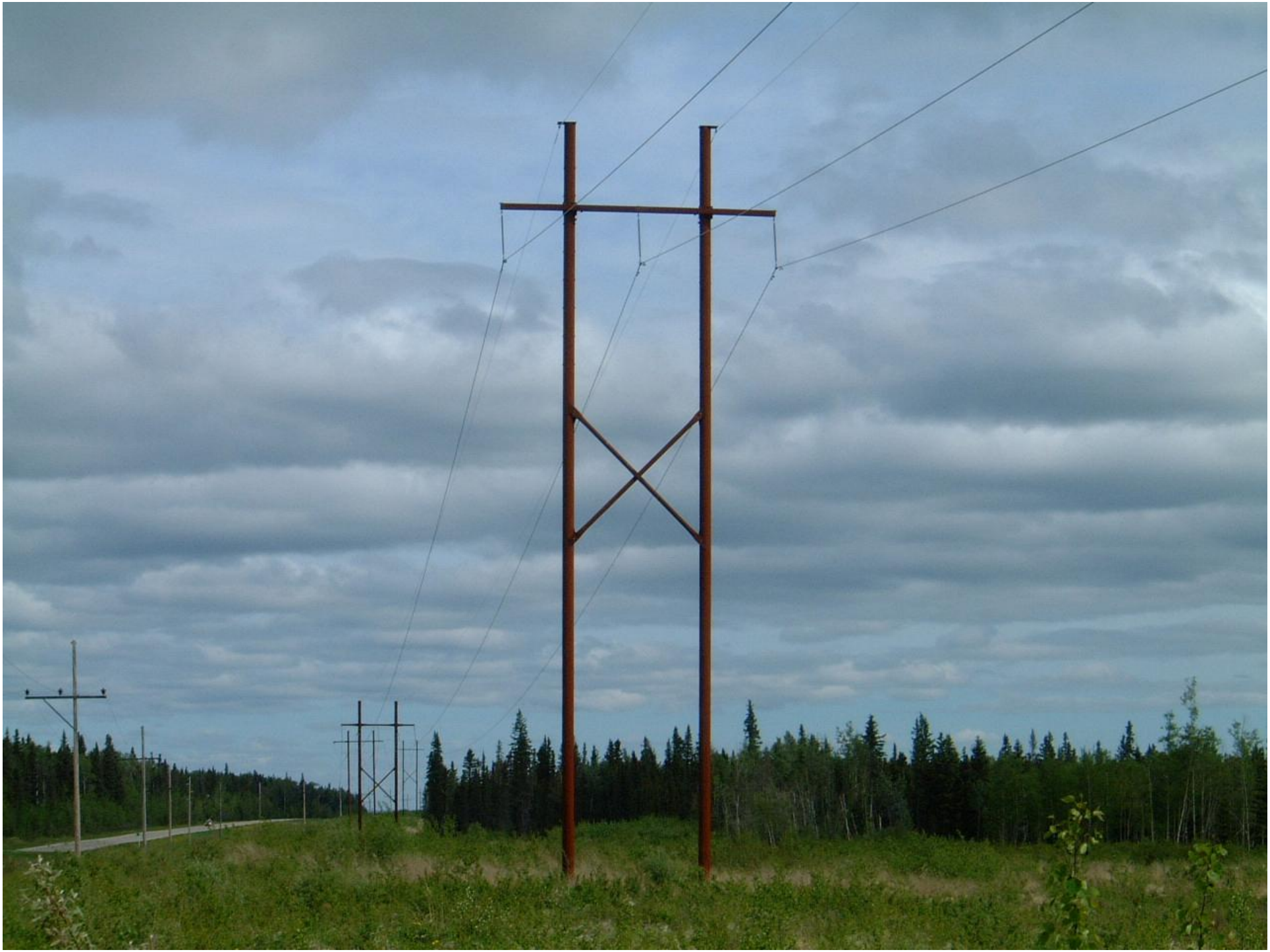
Construction

- ABB – Stations and Transformer
- SNC Lavalin - Transmission

Environmental & ROW

- Environmental - AMEC
- ROW – Martin Geomatics, Scott Land & Compton Signatures

Right of Way – Typical Terrain



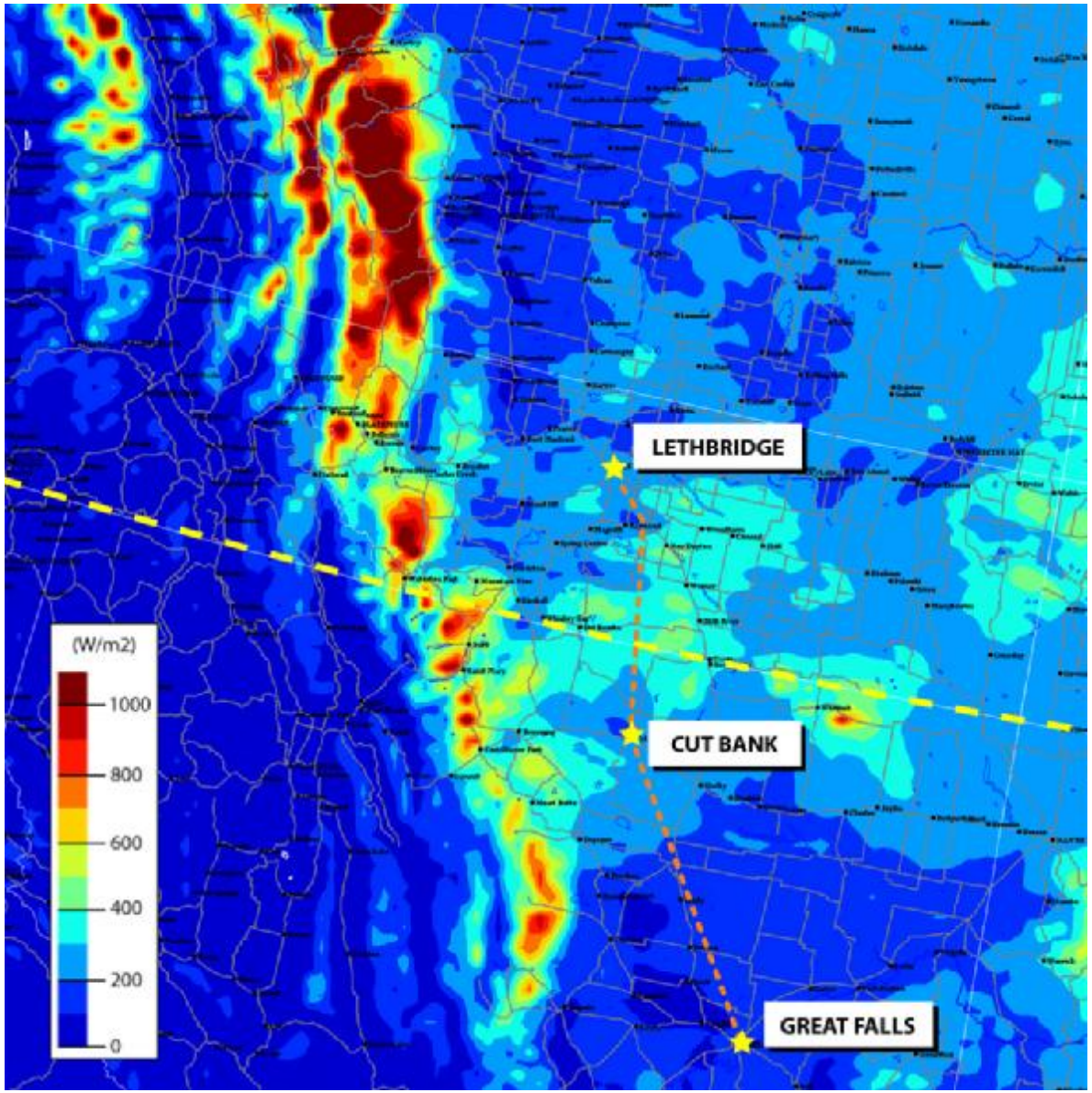


Fig. 2 Wind Atlas

Canada Wind Energy Atlas Southern Alberta Mean Wind Energy at Height of 50m. www.windatlas.ca

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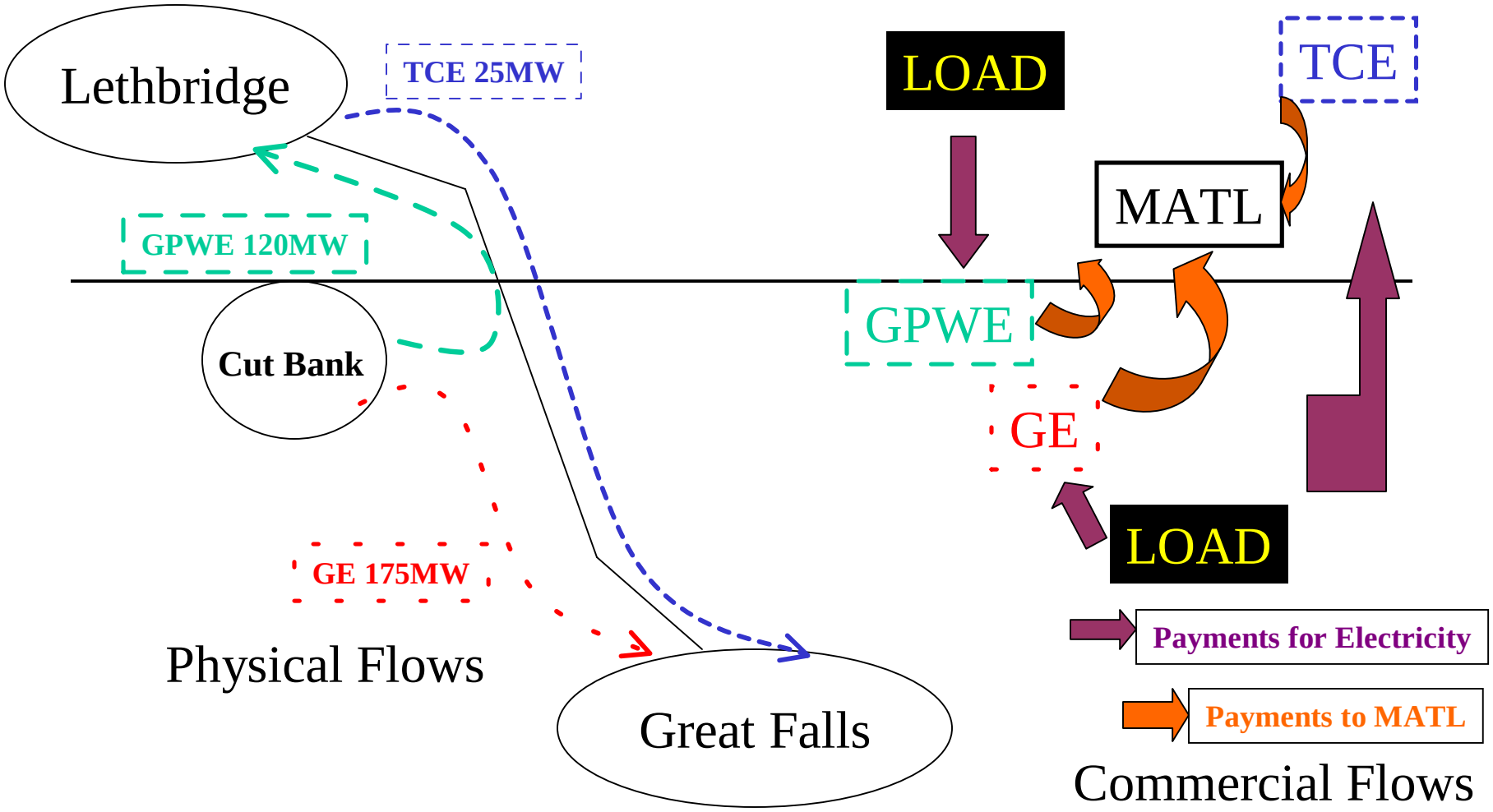
Project Status

- Open Season - April 2005
- Tariff filed with FERC – April 2005
- Open Season approved - July 2005
- Environmental studies 90% complete
- Major Facilities Siting Act Montana DEQ – October 2005

Project Status (cont.)

- Presidential Permit application U.S. Department of Energy – October 2005
- Equivalent Canadian applications – November 2005
- Interconnection requests with Northwestern, Alberta Electric System Operator & Glacier – July

Open Season Results



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Project Status - Construction

- Memorandums of Understanding & pre-engineering agreements signed
  - SNC Lavalin - power line
  - ABB – transformer and substations
- Construction start – July 2006
- Completion date - December 2006
- In-service date – January 2007

Policy Issues

- Merchant transmission classification for property tax
- Extended time frame for regulatory approval
- Rate pancaking for transmission
- Transmission bottlenecks

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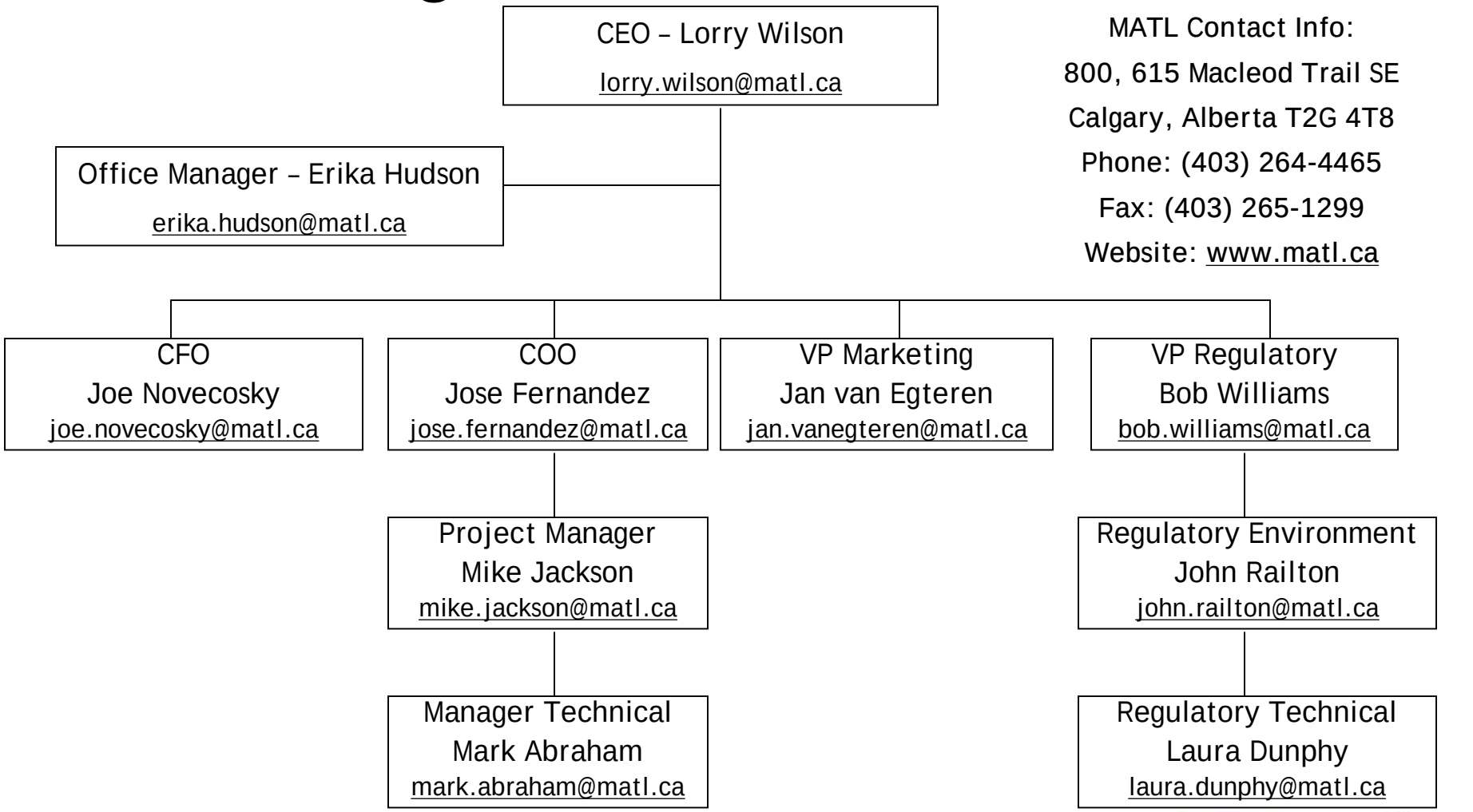
MATL Benefits

- Material and services procurement
- Construction jobs
- Increase power market competition
- Increased power trade & arbitrage opportunities
  - Alberta, Mid-C and MISO

MATL Benefits (cont.)

- Increased utilization of transmission assets
- Increased power system reliability
- Enables the development of green energy wind projects

Organizational Chart



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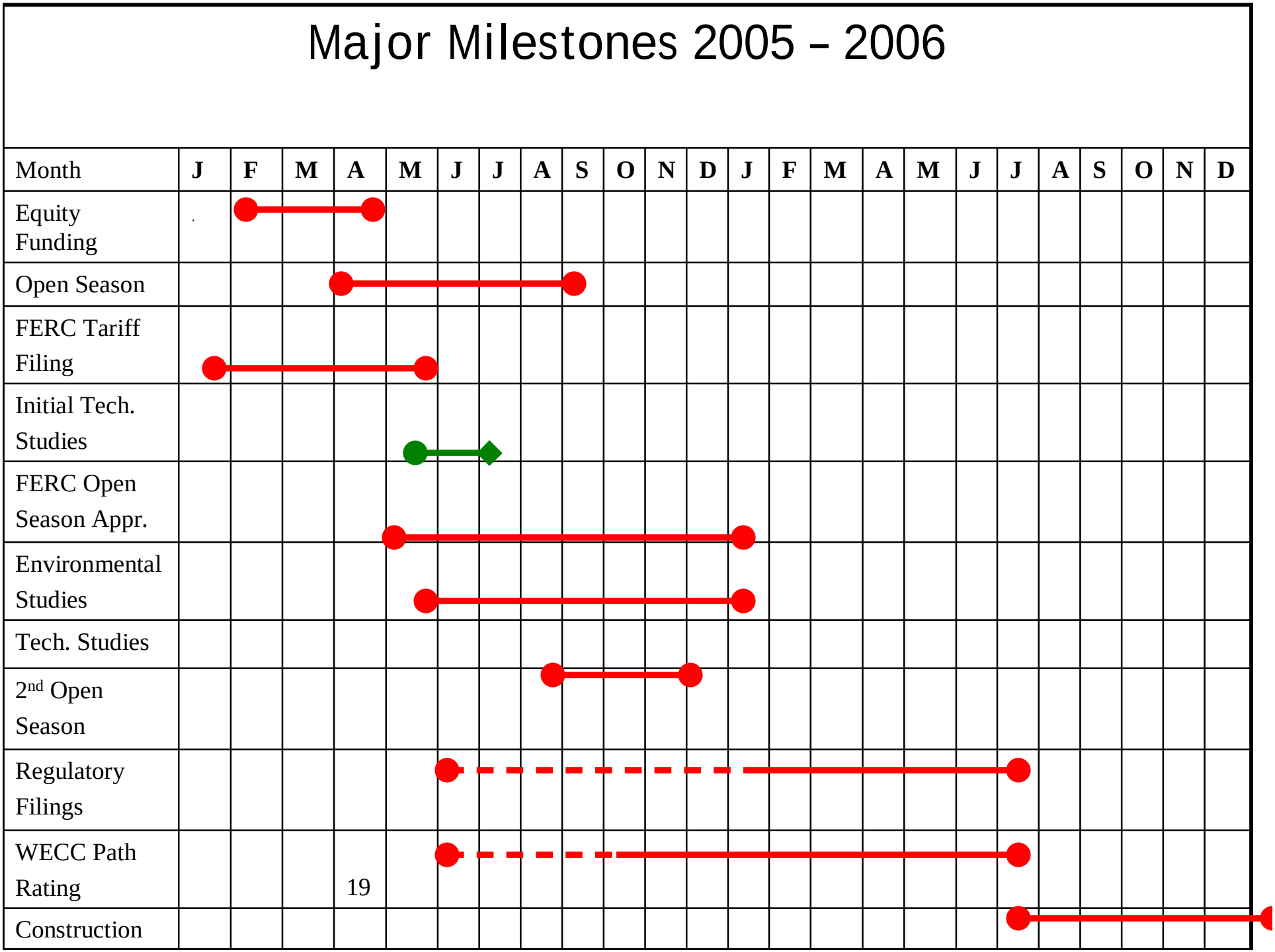
Questions?

Major Milestones 2005 – 2006



OASIS Auction Module

- Purchase Open Access Technology Inc. WesTTrans system (Regional Open Access Same Time Information System "OASIS")
  - Post MATL hourly capacity on WesTTrans OASIS
  - Bidders can buy one hour blocks up to one year
  - Time limited auctions where highest valued and longest term bids win capacity
  - Close date for 2007 annual capacity – Sept. 30, 2006. Close dates for shorter time periods fall after close date for annual capacity
  - MATL accepts requests for periods > one year in writing or via OASIS site
  - Publish such requests and provide a notice period for competitive responses (mini open season upon request)