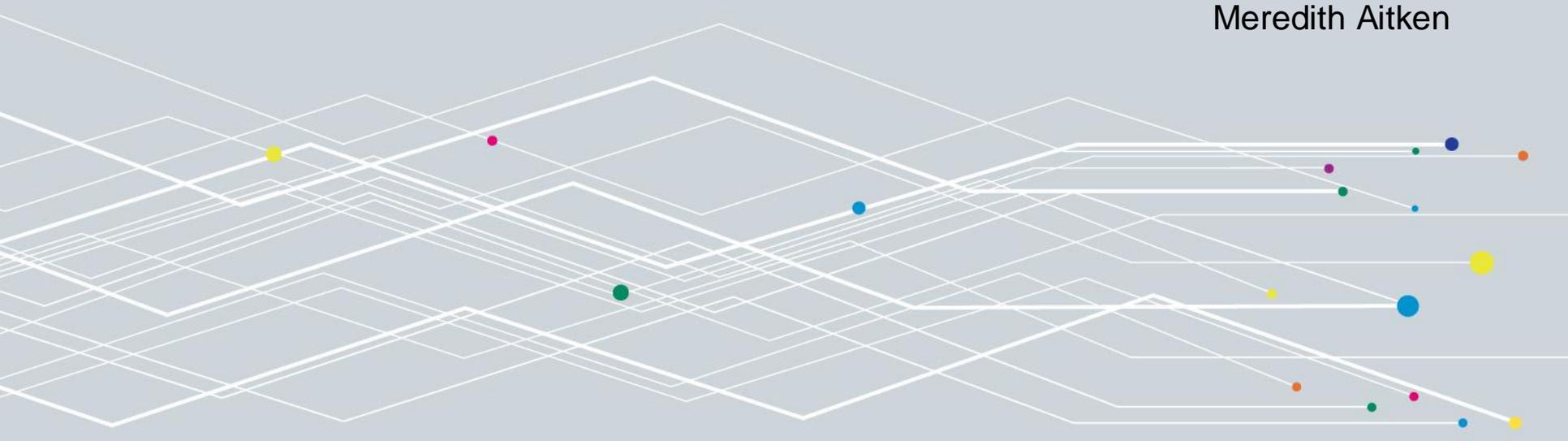


# Powerex Overview

Presented to the Montana Public Service Commission  
August 30, 2012  
Meredith Aitken



# Powerex Overview

- Wholly-owned power marketing subsidiary of BC Hydro, a Crown corporation of the Government of British Columbia and Canada's third largest electric utility
- Incorporated in 1988 and received US Federal Energy Regulatory Commission (FERC) Power Marketing Authorization (PMA) in 1997
- Physical supplier of energy and with contractual access to surplus power generated by BC Hydro's integrated hydroelectric system
- Credit-worthy counterparty through its parent with a Standard and Poor's AAA credit rating

# Market Activity

- Marketer of the energy from the Canadian Entitlement portion of the Columbia River Treaty
- Marketer of energy and capacity from independent power producers, co-generators, utilities and others
- Physical mover of energy with in-depth understanding of WECC transmission system and holder of long term transmission rights throughout the West
- Marketer of environmental products, including RECs, renewable energy, allowances and offsets
- Marketer of natural gas with transportation and storage positions
- Experienced real time desk ready to respond to unexpected outages, curtailments, etc.

# Physical Expertise

- Powerex has substantial expertise in moving energy throughout the Western Electricity Coordinating Council (WECC) region.
- Powerex is among the largest owners of transmission rights on Bonneville Power Administration's (BPA) extensive grid and has a substantial transmission portfolio in the WECC.
- Powerex has extensive experience with moving and shaping renewable energy.
- Powerex is active buying and selling energy and capacity products.
- Powerex has experience delivering dynamic products and regulating reserves.

# Montana Activity

- Powerex has long term firm point-to-point rights on NorthWestern Energy's transmission system.
- Powerex is also a NorthWestern Energy transmission customer for shorter term rights (e.g. monthly or daily).
- Powerex is active in Montana as both a buyer and seller of energy and capacity products.
- Powerex has experience delivering regulating reserves.
  - Supplied regulating reserves to NorthWestern Energy under several agreements resulting from Requests for Proposals (January 2008 – January 2011 deliveries) and delivered short term response in February 2012
- Powerex participated in BPA's Network Open Season.
  - 2 50MW Precedent Transmission Service Agreements (PTSAs) West of Garrison