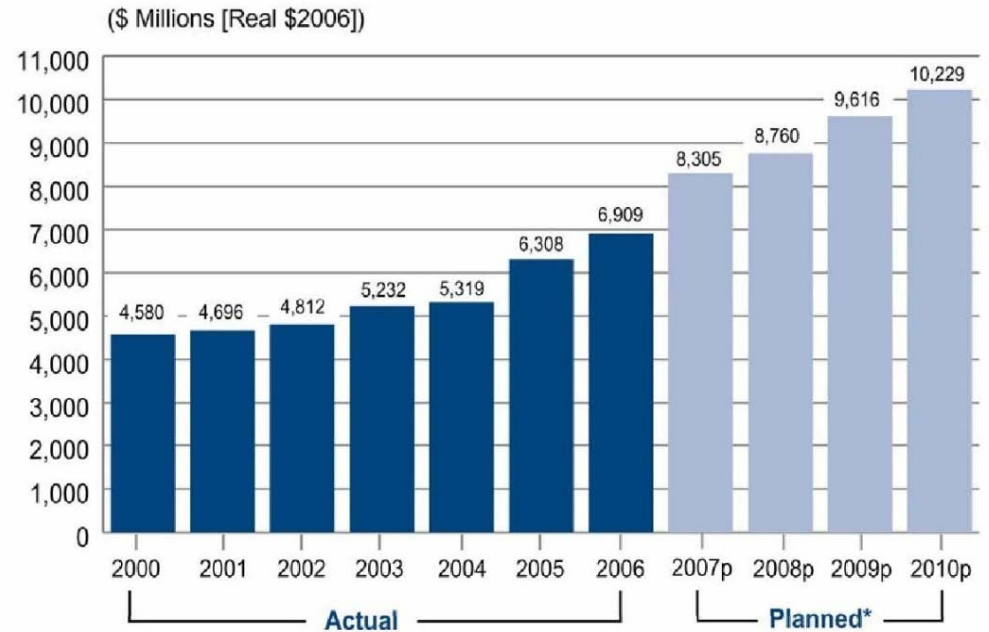


TRANSMISSION INVESTMENT OUTLOOK

- STARTING IN 2000, ANNUAL TRANSMISSION INVESTMENT INCREASING BY AVERAGE 8% / YEAR
- 2007-2010 – UTILITIES PLANNING TO INVEST \$37B IN NEW TRANSMISSION LINE
- 13,020 MILES OF NEW TRANSMISSION LINES PROPOSED TO BE ADDED 2007-2015 (NERC)
- ABOVE INVESTMENT IS ONLY FOR PLANNED HIGH VOLTAGE PROJECTS (230kV AND ABOVE)

Figure 4-1
Actual and Planned Transmission Investment
By Shareholder-Owned Electric Utilities (2000-2010)



p = preliminary

Note: The Handy-Whitman Index of Public Utility Construction Costs used to adjust actual investment for inflation from year to year. The GDP Deflator used to adjust planned investment for inflation from year to year. Data represent both shareholder-owned utilities and stand-alone transmission companies.

*Planned total industry expenditures are estimated from 85% response rate to EEI's Electric Transmission Capital Budget & Forecast Survey. Actual expenditures from EEI's Annual Property & Plant Capital Investment Survey & FERC Form 1s.

Source: Edison Electric Institute, Business Information Group.