

UPDATE: Obama Administration Says It Will Speed Approval Of Transmission Lines

--Obama administration says it will speed approval for seven transmission projects in 12 states

--Together, projects seen costing more than \$8.5 billion

--Projects to boost grid capacity seen creating more than 10,000 construction jobs

(Adds total cost estimate for the projects in first paragraph, comments from PSEG executive in fifth paragraph, Agriculture Secretary in seventh paragraph and details about each project throughout.)

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WASHINGTON (Dow Jones)--The Obama administration said Wednesday it would speed federal approval of seven proposed electric transmission projects in 12 states-- together estimated to cost more than \$8.5 billion--in an effort to spur infrastructure spending and modernize the U.S. grid.

The administration announced a pilot effort involving nine federal agencies, saying it would look to coordinate permits and more quickly resolve disputes that can hold up the process.

Developers say the projects will increase grid capacity and together would create more than 10,000 construction jobs in Arizona, Colorado, Idaho, Minnesota, New Mexico, Nevada, Wyoming, Utah, New Jersey, Pennsylvania, Oregon and Wisconsin, according to the Interior Department, which is the lead federal agency for approving projects proposed for public land.

The projects that will be fast-tracked for permitting include the \$1.2 billion, 145-mile Susquehanna-Roseland transmission project, being developed by Public Service Enterprise Group Inc. ([PEG](#)) and [PPL](#) Corp. ([PPL](#)). The companies aim to complete the eastern portion of the line in 2014 and the western part in 2015, a spokeswoman with PSEG's New Jersey utility said.

"It's clear the administration recognizes the importance of this transmission system upgrade that will maintain electric reliability for millions of people in our region," Ralph LaRossa, president of Public Service Electric & Gas Co. said in a statement.

Officials said that project was the farthest along and could be approved within a year. Other lines are in more preliminary stages and could take five years or longer before getting federal approval. But administration officials were upbeat about the prospects for moving the projects to construction.

"We are serious about getting transmission up and going," Tom Vilsack, Secretary of Agriculture, said during a conference call with reporters.

Out West, a \$3 billion, 600-kilovolt transmission line called TransWest Express is being developed by billionaire Phillip Anschutz that would stretch 725 miles between south-central Wyoming, Colorado, Utah and Las Vegas. A unit of privately held Anschutz Corp. plans to build a 2,500-megawatt wind farm on

land that it owns in Carbon County, Wyo. The electricity from the facility would be shipped over the TransWest line to markets in southern California, Nevada and Arizona, according to the unit, Power Company of Wyoming LLC.

A second Wyoming transmission project, Gateway West project, being developed by Idacorp Inc.'s ([IDA](#)) Idaho Power unit and Berkshire Hathaway Inc. ([BRKA](#), [BRKB](#)) unit Rocky Mountain Power, would install 1,100 miles of transmission lines between Glenrock, Wyo., and Melba, Idaho. An Idaho Power spokeswoman said that project is estimated to cost about \$1.7 billion. The project is part of a much larger, \$6 billion network of lines called Energy Gateway, that has been proposed by Berkshire unit PacifiCorp.

The administration plans to fast-track approval for a second Idaho Power transmission line, the \$450 million, 300-mile Boardman-Hemingway transmission line, that would ship power between Boardman, Ore., and Melba, Idaho. The line would ship hydropower, wind power and electricity generated from coal and natural gas-fired power plants, according to a web site for the project.

A second Oregon line in the pilot permitting effort, the \$825 million, 500- kilovolt Cascade Crossing project being developed by Portland General Electric Co. ([POR](#)), would stretch 200 miles across Oregon. The line would ship power to populated areas in western Oregon from wind farms in the eastern part of the state and from gas-fired power plants that might be built to replace power from the Boardman coal plant, which Portland General plans to shut down in 2020.

Another western transmission line, the 460-mile SunZia project, estimated to cost up to \$920 million, would ship solar, wind and geothermal power from remote areas of New Mexico and Arizona to Tucson, where it could be transported to other cities in Arizona and southern California. That project is being developed by UniSource Energy Corp.'s ([UNS](#)) Tucson Electric Power unit, Tri-State Generation and Transmission Association, Royal Dutch Shell PLC's ([RDSA.LN](#), [RDSB.LN](#), [RDSA](#), [RDSB](#)) WindEnergy unit and Salt River Project, an Arizona public utility district.

The administration also plans to speed approval for the \$490 million, 150-mile Hampton-Rochester-La Crosse transmission project that will run between Hampton, Minn. and La Cross, Wis. The project will consist of a series of transmission lines being developed by 11 utilities including Allete Inc.'s ([ALE](#)) Minnesota Power unit and Xcel Energy Inc. ([XEL](#)), which is the project manager. The companies expect to start construction in early 2013, a spokesman for the project said.

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