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PPM Energy Meets Strong Western Renewables Demand with Klondike III Wind Power Project Sales to Customers Across the Grid

PORTLAND, Ore.--(BUSINESS WIRE)--PPM Energy, Inc. (PPM) has executed long-term power purchase agreements for the majority of its 221-megawatt (MW) Klondike III Wind Power Project with three repeat customers located throughout the West Coast.

Pacific Gas and Electric Company (PG&E) announced today it has entered into a 15-year agreement with PPM Energy to deliver up to 85 MW of renewable energy to PG&E's customers throughout northern and central California.

"Clean, renewable wind power is central to PG&E's commitment to increase the amount of reliable, environmentally responsible energy in California," said Fong Wan, vice president of Energy Procurement, PG&E. "Today's agreement further advances PG&E in meeting our renewable energy goals."

Puget Sound Energy (PSE) last week signed a 20-year power purchase agreement with PPM Energy for 50 MW from the Klondike III project.

"This contract gives our customers more clean, renewable power, and it comes at a very competitive price," said Kimberly Harris, executive vice president and chief resource officer for PSE. "Our Klondike agreement, together with the 380-MW output of our own Hopkins Ridge and Wild Horse wind farms, takes us a considerable way down the path toward our renewable energy goals."

Customers have been buying Klondike III wind power even before the project began construction. The Eugene Water & Electric Board's (EWEB) Board of Commissioners approved a long-term contract for 25 megawatts of wind power from PPM Energy in July 2006.

"The purchase of this power will continue EWEB's commitment to renewable energy and enhance our position as a leader among Northwest public utilities in the acquisition of wind energy," said Dick Helgeson, EWEB's Power Resources Division Director.

"It is gratifying to have these outstanding repeat customers from Washington to California select PPM's newest West Coast project for their clean, renewable energy requirements," said Terry Hudgens, CEO of PPM Energy. "PPM has developed a leading portfolio of projects capable of serving a wide range of customers delivered at flexible points in the grid under a variety of product offerings."

Construction is expected to be complete this fall at the Klondike III project near Wasco, Ore. Klondike III will support the local economy with property tax payments expected to be in the millions of dollars over the life of the project. So far, over 200 jobs, with more than half of them from the region, have been created during construction, and the project has purchased about \$4 million in local construction materials, such as gravel and concrete. The need for local services such as fuel, food and lodging will bring approximately \$1 million more to the rural eastern Oregon community throughout construction.

About PPM Energy

PPM Energy (www.ppmenergy.com), part of the IBERDROLA group of companies, has more than 2,000 megawatts (MW) of wind energy in operation or under construction. The strength of its renewable project pipeline has allowed the company to increase its 2010 target by more than 50 percent to at least 3,500

MW developed or controlled by PPM Energy. PPM Energy balances its supply portfolio with sales to wholesale customers, placing almost all of its output in long-term contracts. Major customers include the cities of Seattle, Sacramento, Eugene, Pasadena and Anaheim, as well as investor-owned utilities such as Xcel Energy and Pacific Gas & Electric Company and the federal Bonneville Power Administration. PPM Energy also creates innovative new products to meet customer needs including operations and maintenance services, and recently announced an expansion of its wind development activities into Canada.