

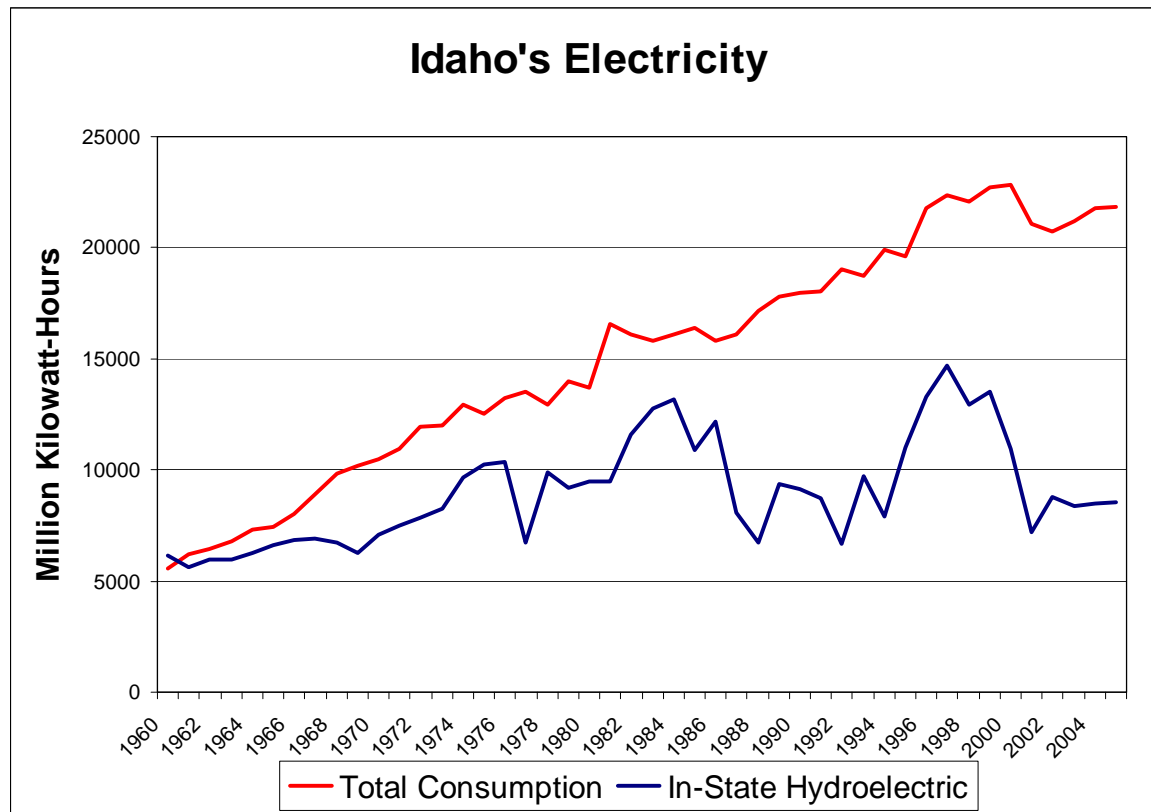
Overview of the Idaho Strategic Energy Alliance

Presentation to the Yellowstone Business
Partnership

May 19, 2009

Why was the ISEA established?

For starters, to help improve understanding of the need to confront Idaho's energy issues...



Idaho's Energy Imports



**Gasoline/
Diesel** → **100%**



**Natural
Gas** → **100%**



Electricity → **~50%**

TOTAL

 ~80%

U.S. avg. ~ 30-35%

Despite our heavy reliance on imports, Idaho's energy prices are generally quite low...

We're number one in lowest electricity prices!



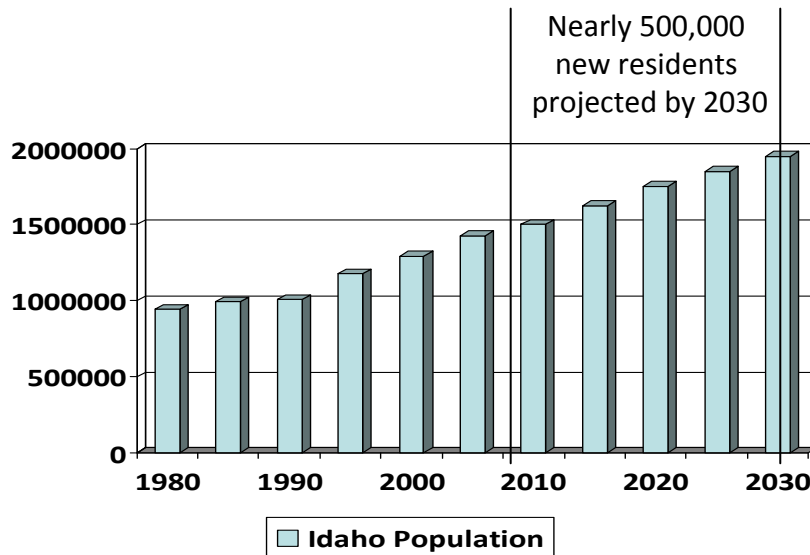
Rank	State	Cents per kWh
1.	Idaho	7.41
2.	West Virginia	7.57
3.	Nebraska	7.94
4.	North Dakota	8.24
5.	Missouri	8.25
6.	Utah	8.31
7.	Oregon	8.59
8.	Kentucky	8.60
9.	Wyoming	8.95
10.	South Dakota	9.01
11.	Kansas	9.02
12.	Montana	9.32
13.	Arkansas	9.92
14.	Indiana	9.97
15.	Oklahoma	10.02
16.	Minnesota	10.07
17.	Tennessee	10.13
51.	Hawaii	35.74
U.S. Average		11.86

SOURCE: U.S. Department of Energy

Average Price of Natural Gas Delivered to Residential Consumers by State, 2007

Rank	State	Average Price \$/Thou Cu Ft
1	Hawaii	34.05
2	Florida	20.61
3	Alabama	18.13
20	Oregon	14.65
24	Nevada	14.17
25	Washington	13.86
36	New Mexico	11.99
38	California	11.57
39	Idaho	11.47
46	Montana	9.91
47	Utah	9.44
48	North Dakota	9.13
49	Colorado	8.84
50	Wyoming	8.84
51	Alaska	8.68

...but our energy future could be in jeopardy



- Population Growth
- Increases in Energy Use per Capita
- National Climate Change Policies
- Aging Energy Infrastructure
- Who will benefit from investment?



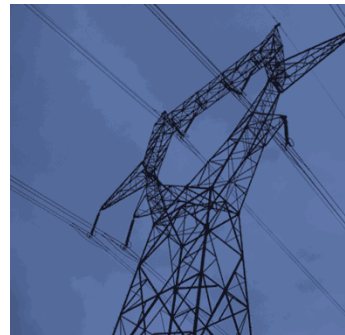
What can Idahoans do to manage through this inevitable change?

- Inform and educate ourselves
- Meet the challenges
 - Conserve our Resources
 - Accommodate Climate Regulation
 - Invest in new Resources here in Idaho
 - Carefully manage the high costs of these new resources



What can Idahoans do to manage through this inevitable change?

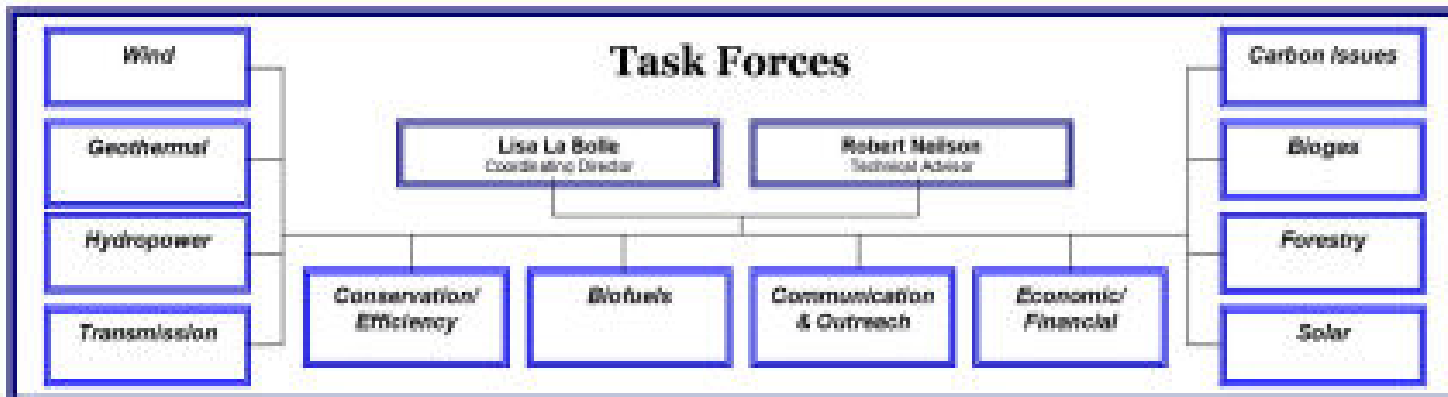
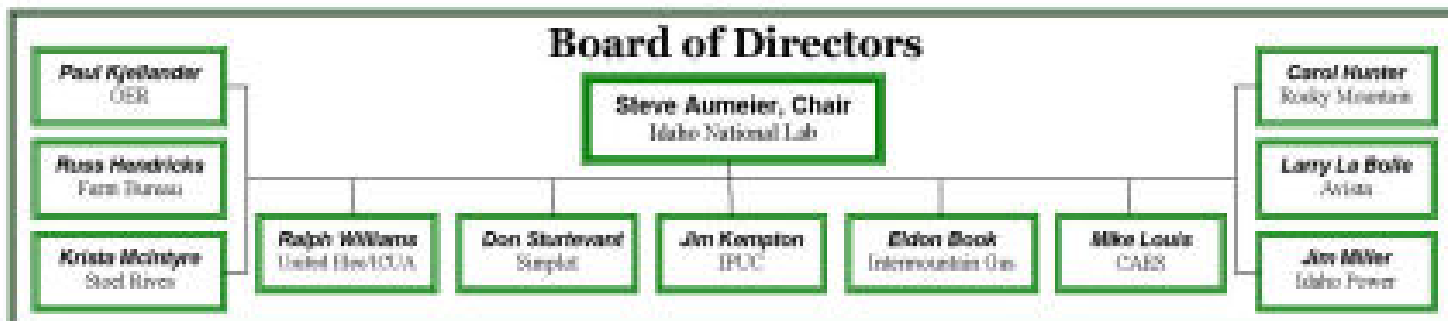
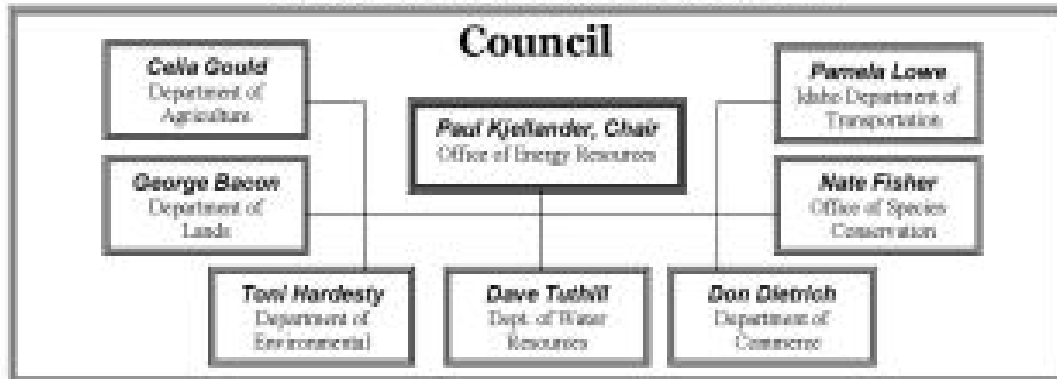
- Capitalize on the opportunities for new investment
 - Optimize the benefits of new energy investment for all Idahoans



The ISEA was formed to address these energy challenges and help the state capitalize on the opportunities they present

The ISEA builds on the Legislature's 2007 Idaho Energy Plan

Idaho Strategic Energy Alliance



How Does the ISEA Work?

The main work of the ISEA is performed by small teams with expertise in specific fields

These teams analyze and make recommendations on energy options based upon credible data which are presented to the Board

If approved by the Board, options are presented to the Council for recommendation to the Governor and/or Legislature as appropriate

Work is transparent, posted on Web site as a public and decision-maker resource

The Mission

- Analyze, inform and educate
- Help position the state to capitalize on opportunities
 - Jobs
 - Exports
 - Partnerships
- Anticipate challenges

The Bottom Line

The ways we produce and consume energy in this country are headed for fundamental changes

Idaho can take advantage of the changing national and global energy landscape to help our state prosper

The vision of a clean, smart and secure energy future for Idaho, and the economic development and diversification that goes with it, can be realized – but we've got a lot of work to do today to make it happen. Idaho's destiny is in our hands.