

## TransAlta U.S.A. Centralia Operations

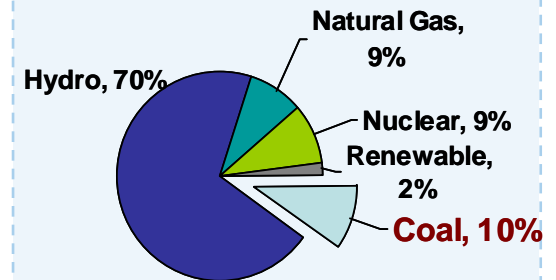
Doug Jackson  
President  
April 3, 2009

# Why the Centralia plant matters

## Generates 10% of Washington's power

- Required to keep the state's energy grid reliable as largest base-load generator
- Renewable power development and transmission depends on our base-load to be efficient and reliable
- A wholesale provider of power, not retailer
  - We help keep power prices affordable through competition
  - We are not a rate-based utility and cannot pass costs onto rate base consumers

Electricity Generation by Washington Based Plants (2004)



Source: CTED

# Environmental commitment

## Centralia is one of the cleanest coal plants in North America

- Over \$300 million invested in new pollution controls, efficiency improvements since 2000; reductions today:
  - 99 percent of Particulate Matter
  - 98 percent of SOx
  - 40-50 percent of NOx already
- Piloting the largest commercial carbon capture and storage project in North America
- Over the next five years we plan to invest hundreds of millions in green energy projects
- Nearly 50% of our growth projects in construction and under development are renewable
- Actively restoring mine lands to return to public use

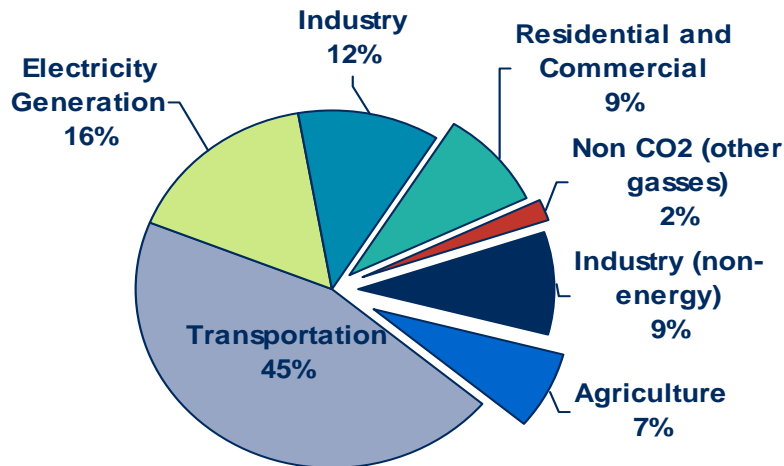


Centralia Plant

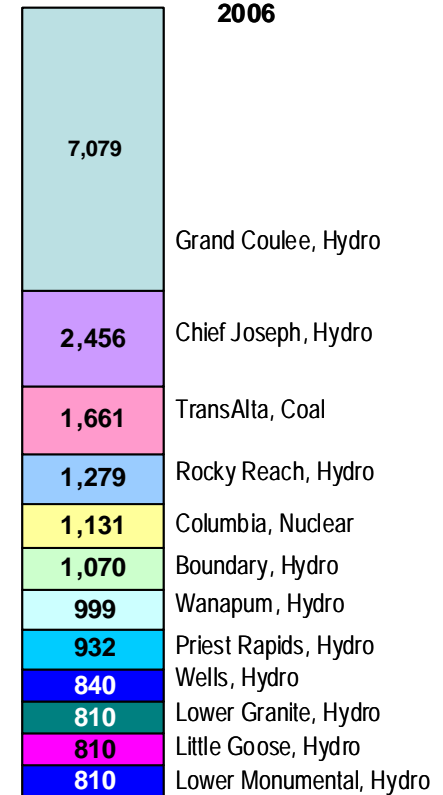
# Energy economy

## Washington's energy economy depends on Centralia

Washington State Carbon Emissions by Sector  
CTED (2006)



Ten Largest Plants by  
Generation Capacity (MW)  
2006



Source: EIA – Washington State

# TransAlta – powering generations

- 100 years of experience and Canada's largest investor-owned power generator
- Own and operate 8,000 megawatts of energy generation in three countries
- Came to Washington in 2000, with purchase of Centralia Plant and Mine
- Built Centralia Gas in 2002
- Future focused – portfolio is 16% renewables
- Canada's premier wind developer and operator
- 9% of U.S. generation from renewables, geothermal and hydro; near term expansion of geothermal planned



McBride Lake

## TransAlta

GENERATION FACILITIES	CAPACITY OWNED
Coal-fired plants	4,914 MW
Coal-fired plant (IN DEVELOPMENT)	324 MW
Hydro plants	807 MW
Gas-fired plants	1,843 MW
Wind-powered plants	248 MW
Wind-powered plant (IN DEVELOPMENT)	132 MW
Geothermal plants	164 MW