



CONTACT:

Jan Johnson, PPM, (503) 796-7070

November 9, 2006

FOR IMMEDIATE RELEASE

PPM Announces 221 MW Klondike III Wind Project
Largest Wind Farm in Oregon goes into Construction

PORTLAND, Ore. – PPM Energy, ScottishPower’s (NYSE: SPI) competitive U.S. energy business, today announced the construction of the Klondike III Wind Project near Wasco, Ore. Klondike III is expected to be commercially operational in 2007.

Located in Sherman County adjacent to PPM’s existing Klondike I and Klondike II Wind Power Plants, Klondike III is expected to generate 221 megawatts (MW) of electricity. Typically, a wind farm of this size can provide clean, renewable electricity to more than 56,000 homes, according to the American Wind Energy Association’s calculation.

Klondike III will use 44 Siemens 2.3 MW wind turbines and 80 GE 1.5 MW wind turbines. PPM Energy is in discussions with a number of entities for the sale of energy and renewable energy credits from the project. Nationwide, customer demand for wind power is surging as utilities and municipalities add clean, renewable power to their supplies. Wind power can serve as a hedge against volatile fossil fuel prices and has proven to be a reliable, low-cost source of energy.

“PPM Energy is delighted to bring online the biggest wind farm in Oregon and our sixth wind project here in the Northwest where we are based,” said Terry Hudgens, PPM Energy’s CEO. “Whether you measure it from a commercial, environmental or community standpoint, Klondike I was a phenomenal success. So we built Klondike II and repeated the success story. Now we’re building Klondike III and going for a hat trick.”

Klondike III, combined with the recently completed 100 MW Leaning Juniper project, which was subsequently sold to PacifiCorp, brings the total to 321.7 MW of Oregon wind projects completed or under construction by PPM this year.

Local Economic Impact

The Klondike III project will support the local economy with property tax payments expected to be in the millions of dollars over the life of the project.

This project brings Sherman County closer to being financially viable,” said Sherman County Judge Gary Thompson. “Klondike III adds one more part to our vision of a renewable cluster for the Mid-Columbia Region.”

More

Up to 135 jobs, with approximately half of them from the region will be created during the ten month construction period. The project is expected to purchase about \$4 million in local construction materials, such as gravel and concrete, and create approximately \$1 million of demand for local services, such as fuel, food and lodging.

"Today's announcement is a giant step for Oregon's leadership in clean energy," said U.S. Senator Ron Wyden. "The Klondike III wind project will help reduce our nation's reliance on foreign sources of energy, clean the air and provide a much-needed source of jobs and revenue for Sherman County. I intend to continue to use my positions on the Senate Finance and Energy Committees to encourage the development of additional renewable energy projects, such as Klondike III."

The Future of Wind Power in the Northwest

"The Klondike III project represents the first installment in what we expect to be an active year for wind project construction in 2007," said Elliot Mainzer of BPA's Transmission Planning Division. "Not only is PPM Energy bringing more wind online, the company is a valuable participant in the regional development of the Northwest Wind Integration Action Plan, which aims to integrate the region's growing number of wind projects at the lowest overall cost to BPA, our customers, and other regional ratepayers."

"Klondike III builds on our generous endowment of renewable energy potential in the region," said Rachel Shimshak, Director, Renewable Northwest Project. "This is another homegrown project that will move the west toward a cleaner, more diverse portfolio of energy resources."

About PPM Energy

PPM Energy now has more than 2,000 megawatts 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 megawatts 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, such as operations and maintenance services and build-to-sell.

###