

Southwest Area Transmission Subregional Planning Group

Meeting Notes

November 15, 2011

10:00 AM to 5:00 PM

SRP PERA Club: 1 E Continental Dr. Tempe, AZ 85281

1. Morning prep informal gathering

2. Introductions, Agenda Review & Opening Comments

SWAT members participating in the meeting either in-person or by webinar identified themselves to the group. The attendee list is found at the end of these notes.

The presentations from the meeting are posted on the [WestConnect website](#).

3. Brief Project Reports & Updates, Projects Map

- a. LeeAnn Torkelson reviewed the [SWAT Transmission Projects Spreadsheet](#) and the associated [Projects Map](#) that was created by SWCA. The group did not have any changes to either document.
- b. Tom Wray provided an update on the SunZia Southwest Transmission Project ([view presentation](#)). SunZia initiated compliance with the National Environmental Policy Act (“NEPA”) during May 2009 and the Bureau of Land Management (“BLM”) has reviewed 2400 miles of alternate routes. An application for an Arizona Certificate of Environmental Compatibility is expected to be submitted to the Arizona Corporation Commission after the BLM has concluded the public review period on the draft environmental impact statement (“EIS”). The draft EIS will be released during January 2012 and the public review period will end during April 2012.

SunZia was included in the Rapid Response Team for Transmission program along with four other transmission projects in the western interconnect. Tom Wray described the program as an effort by the Obama Administration to expedite the federal review process of the selected transmission projects. This program is not intended to circumvent requisite environmental review and approvals.

- c. Doug Patterson provided an update on the Southline Transmission Project ([view presentation](#)). The Southline project is scheduled to be in-service during 2015. The project consists of a new double-circuit 345 kV line and the upgrade of existing lines to 230 kV that

will interconnect with at least 10 substations in southeastern Arizona and southwestern New Mexico.

The WECC Project Coordination Review Process concluded during March 2011 and the WECC Phase 1 Comprehensive Progress Report will be released during December 2011.

The BLM and Western Area Power Administration (“Western”) are preparing an EIS. Southline conducted a pre-NEPA outreach effort during July through November 2011 that consisted of public open houses, routing workshops and community meetings with important stakeholders. Initiation of the NEPA process is scheduled to occur by the end of the year and public scoping meetings will be held during early 2012.

4. Western Electricity Coordinating Council (“WECC”) Regional Planning Activities Update [\(view presentation\)](#)

LeeAnn Torkelson provided an overview of on-going activities at WECC, Subregional Coordination Group (“SCG”), Environmental Data Task Force (“EDTF”), Scenario Planning Steering Group (“SPSG”), and Transmission Expansion Planning Policy Committee (“TEPPC”).

The WECC Ten Year Plan was approved by the board of directors on 9/22/2011 [\(view Plan Summary\)](#). This is the first plan issued using funds from the American Recovery and Reinvestment Act. LeeAnn Torkelson reviewed the plan’s key findings, observations and recommendations. The next report will include 10 and 20 year plans and will be submitted to the Department of Energy during September 2013.

The SCG issued a draft report titled [2022 Common Case Transmission Assumptions](#). The draft report identified 29 common case transmission projects that were likely to be in-service by 2022 and met the SCG’s criteria. SCG’s criteria were based on regional significance, construction status, financial and implementation status indicators. The common case projects were selected from the 90 transmission projects found in the WECC Project Information Portal. Comments on the draft report were due on 11/14/2011. The next SCG meeting is scheduled for 12/7/2011 in San Francisco.

Carl Zichella from Natural Resources Defense Council was selected as the new chair of the EDTF. The next webinar of this group is scheduled for 12/9/2011. Gary Graham noted that the EDTF report is part of the WECC Ten Year Plan.

The SPSG selected Gary Graham as the new chair and John Cupparo as the new vice-chair. The SPSG developed four new scenarios to assist with the 20 year plan. E3 and REOS Partners were involved in this effort. Gary Graham noted that E3 was hired by WECC to provide policy recommendations to be used in the long-term planning tool. The next meeting is scheduled for 1/31 through 2/2/2012 in Salt Lake City.

The TEPPC open season study request deadline is from 11/14 through 1/18/2011. The next conference call is scheduled for 12/13/2011.

5. Western Clean Energy Advocates Vision ([view presentation](#))

John Shepard provided an update on the background and activities of the Western Clean Energy Advocates (“WCEA”). WCEA has developed a “clean energy vision” scenario that is an alternative approach to the “business as usual” scenario. These scenarios are based on a 50-year outlook and detailed in a report called *Western Grid 2050: Contrasting Futures, Contrasting Fortunes*. Amanda Ormond noted that the scenarios and analysis found in the Western Grid 2050 report can be useful to WECC and SWAT. This report can be found at <http://www.cleanenergyvision.org/>.

The policies and investments needed to create a clean energy future are described in a report called *Transition to Clean Energy: Policy and Investment Decisions For Western States*. This report is expected to be released during early 2012.

WCEA is assisting with the Regional Transmission Expansion Planning effort by cataloging environmental data sets and developing a methodology for integrating environmental considerations in scenario planning.

6. Biennial Transmission Assessment (“BTA”) Export Transmission Update

Ron Belval provided an overview of the *Enhancing Arizona’s Ability to Export Renewable Energy* report that was prepared by PDS Consulting on behalf of the Arizona utilities responsible for complying with the sixth BTA and Arizona Corporation Commission Decision No. 72031. This report was filed at the commission on 11/1/2011. Ron Belval described the technical assessment objective of the report, stakeholder process used to identify the barriers and solutions to exporting Arizona’s renewable energy, renewable energy standards and regional assessments, and the use of the RTTF effort and its recommended corridors.

Laurie Woodall clarified that this study will be discussed in the next BTA forum in 2012.

7. Western Transmission Infrastructure Program (“TIP”) Update ([view presentation](#))

Kaicheng Chen reported on the status of the TIP program and the projects selected to receive funding. The Montana Alberta Tie Limited (“MATL”) project was acquired by Enbridge during October 2011. MATL received \$161 million in TIP funding and will cost a total of \$270 million. An eminent domain issue has delayed the project, but commercial operation is expected during 2012.

A financing agreement for the ED5-Palo Verde Hub Project was signed during September 2011. The project will cost up to \$91 million which includes the purchase of capacity rights on the Southeast Valley Project. Commercial operation of this project is expected during 2015.

TransWest Express (“TWE”) is considered a public/private partnership where the TIP funds half of the development costs. If the project fails at any point in time, TWE will be responsible to repay the funds issued under TIP. TWE was included in the Rapid Response Team for Transmission effort. Commercial operation of TWE is expected during 2015.

Kaicheng Chen discussed HR 2915, the “American Taxpayer and Western Area Power Administration Customer Protection Act of 2011” that proposes to repeal TIP’s borrowing

authority. HR 2915 passed the House on 10/5/2011. If HR 2915 is fully approved, the projects that were awarded TIP funding before 9/15/2011 will retain their financial arrangements with Western, but the borrowing authority will not be available for other transmission projects.

John Shepard inquired on the progress of the SMRT project. The project is stalled but a meeting among the stakeholders is being scheduled to define the scope of the project.

8. BLM Updates on Energy and Transmission Projects ([view presentation](#))

Kathy Pedrick from the BLM Arizona State Office office reported on the BLM Restoration Design Energy Project EIS (“RDEP”) that is intended to identify lands across the state that may be suitable for the development of renewable energy. Kathy Pedrick encouraged SWAT to review the solar supplement programmatic EIS that designated three utility scale solar energy zones in Arizona. The RDEP EIS is a subset of the solar programmatic EIS. The solar programmatic EIS can be found at <http://solareis.anl.gov/>.

The RDEP administrative draft EIS is under internal review. The BLM expects to release the draft EIS for a 90-day public review period during January 2012. A record of decision should be achieved by the end of 2012.

Kathy Pedrick described the scope, characteristics and alternatives of the Renewable Energy Development Areas (REDAs). REDAs are intended to streamline the permitting of renewable generation projects and provide guidance for developers.

9. Draft Study Request – Arizona Renewable Transmission Needs – Vote Solar ([view presentation](#))

Susannah Churchill reviewed the Vote Solar [Study Request for Coordination with the California Transmission Planning Group](#) (“CTPG”) that was provided to SWAT on 10/31/2011 for the group’s review and consideration.

The purpose of the study request is to establish coordination of transmission system planning between SWAT and CTPG to analyze resource scenarios and determine transmission needs between the two planning regions. Vote Solar did not provide a specific study plan, but suggested that the analysis should be consistent with the 2011 CTPG.

Following discussion on the need for SWAT to perform the study, LeeAnn Torkelson assessed the group’s interest by a show of hands. Approximately ten people agreed that SWAT should investigate the scope of the study plan, schedule, and resources needed to complete this effort. Chris Fecke-Stoudte volunteered to lead such an investigation. Chris Fecke-Stoudte will contact the chairmen of the Central Arizona Transmission System and Colorado River Transmission subcommittees to solicit their participation in this investigation. The group generally agreed that CTPG should be invited to participate in this effort and Ben Morris will raise this request with CTPG leadership.

10. SWAT Technical Committee Activities: Status of 2011 Work or Activities

a. Short Circuit Study Work Group – LeeAnn Torkelson

Mike Ross from APS was selected as the new chair of the work group.

b. Colorado River Transmission Subcommittee (“CRT”) – Josh Johnston ([view presentation](#))

Josh Johnston reviewed CRT’s 2011 activities to-date including a joint meeting with Central Arizona Transmission System Subcommittee held on 10/17/2011. The Mohave and Yuma reliability must run studies should be completed during the November-December 2011 timeframe.

The next CRT meeting will be held during December 2011. The group will discuss study work for 2012.

c. Central Arizona Transmission System Subcommittee (“CATS”) – Jason Spitzkoff

CATS is in the process of completing three studies: Phoenix reliability must run, extreme corridor and the ten-year snapshot. They are on schedule to be completed during December 2011. The 10-year plan should be filed during January 2012. The next meeting will be held during December 2011.

d. Eldorado Valley Study Group (“EVSG”)– Mark Etherton ([view presentation](#))

Mark Etherton reviewed the EVSG’s background, purpose, tasks and the approved study plan. A draft study is being reviewed by the technical group. Mark Etherton reported on the study interfaces, injections and schedules, technical study scenarios and study results. The addition of the Agora Substation with additional strengthening of the Eldorado Valley area system can provide a reasonable injection location for up to 9800 MW. The addition of a new 500 kV line from Eldorado Valley to the load centers of the Los Angeles Basin can provide additional export capability of the Eldorado Valley South interface by as much as 2681 MW.

Mark Etherton developed recommendations for the EVSG to pursue during 2012. The group will need to meet and decide on a work plan for 2012.

LeeAnn Torkelson noted that Chuck Russell is no longer leading this subcommittee. Any interest to chair or participate in the EVSG should contact LeeAnn Torkelson or Mark Etherton.

e. New Mexico Subcommittee – Tom Duane ([view presentation](#))

Tom Duane reported on the recent activities of the subcommittee. A conference call to discuss the latest results of the Collector Study was held on 11/10/2011. The Collector Study evaluates the export of 5000 MW of renewables and transmission system performance under various system options based on proposed projects including Centennial West, Tres Amigas, SunZia, Southline and the Lucky Corridor.

f. Transmission Corridor Work Group (“TCWG”) – Julia Souder ([view presentation](#))

Julia Souder reported on the TCWG’s progress to-date. A generic presentation was developed to educate various agencies on how their land planning activities can be coordinated with transmission plans. Conference calls have been held with Arizona and New Mexico BLM and Arizona US Forest Service. Meetings are being scheduled with New Mexico US Forest Service, tribal agencies and state land offices. Julia Souder encouraged the group to use the presentation with any group interested in SWAT’s activities.

A [blog](#) for the TCWG is now active on the WestConnect website.

The next meeting of the TCWG will be held during January 2012 to discuss the group’s activities for 2012.

g. Advisory Work Group (“AWG”) – Amanda Ormond

Amanda Ormond reported that the purpose of the newly formed AWG is to promote coordination among the subregional planning groups and follow key policy issues. The last conference call of the AWG was held on 10/7/2011 and the group discussed the Arizona BTA, CTPG, and FERC Order 1000. Amanda Ormond is going to request the participation of CAISO.

11. SWAT subcommittee changes, proposal to make the May meeting webinar only, vote on location for November 2012 meeting (Phoenix or Tucson), February note taker ([view presentation](#))

LeeAnn Torkelson reported on the changes made to the SWAT chair positions. Mike Ross will chair the Short Circuit Work Group, Mark Etherton will chair the Eldorado Valley Study Group and Julia Souder will continue to chair the Transmission Corridor Work Group without Chuck Russell as co-chair.

Those interested to volunteer to take notes during the next SWAT meeting should contact LeeAnn Torkelson.

The group agreed to conduct the May 2012 SWAT meeting as a webinar that will last approximately four hours. The webinar will be hosted by PNM.

The August 2012 meeting dates have changed to the following:

August 21 - SWAT

August 22 – WestConnect

August 23 – CCPG

The group agreed to hold the November 2012 SWAT meeting at TEP’s new offices in Tucson, Arizona.

LeeAnn Torkelson notified SWAT that her two-year term as chair will end after the August 2012 meeting. Those that are interested to participate in a SWAT Leadership Selection Committee should contact LeeAnn Torkelson. The committee will be responsible for developing a method for selecting a new chair and filling the chair and vice-chair positions by July. The activities of the committee should commence during February so that a new chairman can be announced at the August 2012 meeting.

12. Order 1000 activities ([view presentation](#))

LeeAnn Torkelson provided a presentation on FERC Order 1000 that focused on the federal right of first refusal, regional and interregional planning and cost allocation provisions. The first compliance filing will be on local and regional transmission planning processes and regional cost allocation and is due on October 11, 2012. The second compliance filing will be on interregional transmission coordination procedures and is due on April 11, 2013.

LeeAnn Torkelson reported on efforts that have been made to-date to comply with FERC Order 1000. The identification of “regions” has not been made which makes it difficult to predict how FERC Order will impact SWAT’s transmission planning activities.

13. Guest Speaker

Rob Kondziolka talked about the impacts from the power outages caused by the “cold weather event” from February 2011 and the transformer fire that occurred during June 2011.

Rob Kondziolka advised SWAT to be pro-active in FERC Order 1000 compliance efforts. SWAT has the opportunity to advocate for a process that is conducive to SWAT’s existing planning efforts.

14. Adjourn

Attendees:

Aldridge	Madeleine	First Solar
Anderson	Tami	MAPPCOR
Bacca	Scott	Kiewit
Bahl	Prem	Arizona Corporation Commission
Barbera	Frank	Tres Amigas
Belval	Ron	Tucson Electric Power
Breece	Tim	Tristar Companies
Brug	Leisa	Governor's Office of Energy Policy
Carter	Jim	Logan Simpson Design
Charters	Jim	Western States Energy Solutions
Chen	Kaicheng	Western Area Power Administration
Churchill	Susannah	Vote Solar
Deise	Cary	USE Consulting
Duane	Tom	PNM
Elabbady	Omar	MAPPCOR
Estrada	Giancarlo	Kris Mayes Law Firm
Etherton	Mark	PDS Consulting
Evans	Bruce	Southwest Transmission Cooperative
Fecke-Stoudt	Chris	K.R. Saline & Associates, PLC
Freeman	Cindy	Southwestern Power/Sunzia
Geers	James	Peak Power Engineering, Inc
Gorsegner	Eric	Sonoran Institute
Graham	Gary	Western Resource Advocates
Hsu	Jim	PDS Consulting
Hutton	Phil	Kleinfelder
James-King	Suzanne	3-M
Johnston	Joshua	Western Area Power Administration
Kipp	William	Black Forest Partners
Knox	Richard	Kleinfelder
Koenig	Paul	Smith Roberts Land Services
Lewis	Jeremy	Western Resource Advocates
Little	Margaret 'Toby'	Arizona Corporation Commission
Malone	Dennis	El Paso Electric
Marosa	Anthony	APS
Martinez	Grace	Southern California Edison
Mendoza	Steve	Western Wind Energy Company
Olson	Mike	Western Area Power Administration
Ormond	Amanda	Western Grid Group/Interwest
Patterson	Doug	Black Forest Partners
Pedrick	Kathy	Arizona BLM
Pottery	Charles	NV Energy

Reinhold	Charles	
Rietz	DeAnne	SWCA Environmental Consultant
Ruiz	Reuben	Central Arizona Project (CAP)
Shepard	John	Sonoran Institute
Sherman	Russell	Worley-Parsons
Simpson-Colebank	Diane	Logan Simpson Design
Smith	Jerry	P&R Consulting
Souder	Julia	Clean Line Energy Partners
Spitzkoff	Jason	Arizona Public Service
Stefanik	Mike	Kiewit Power
Szewczykowski	Paul	Logan Simpson Design
Szot	Lisa	Enel Green Power
Tang	Jim	PDS Consulting
Thomas	Rod	Longview Energy Exchange
Torkelson	LeeAnn	Salt River Project
Trent	Gary	Tucson Electric Power
Virant	Matt	Hunt Transmission
Waldron	Matt	MAPPCOR
Whisler	Laurel	Salt River Project
Winkeljohn	David	Burns & McDonnell Engineering, Inc.
Woodall	Laurie	KR Saline
Wray	Tom	Southwestern Power/SunZia
Young	Randy	Arizona Public Service