



Joint CCPG-SSPG-SWAT Meeting

State-Provincial Steering Committee Summary of SPSC Initiatives in RTEP

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August 17, 2011
Tri-State G&T
Westminster, CO

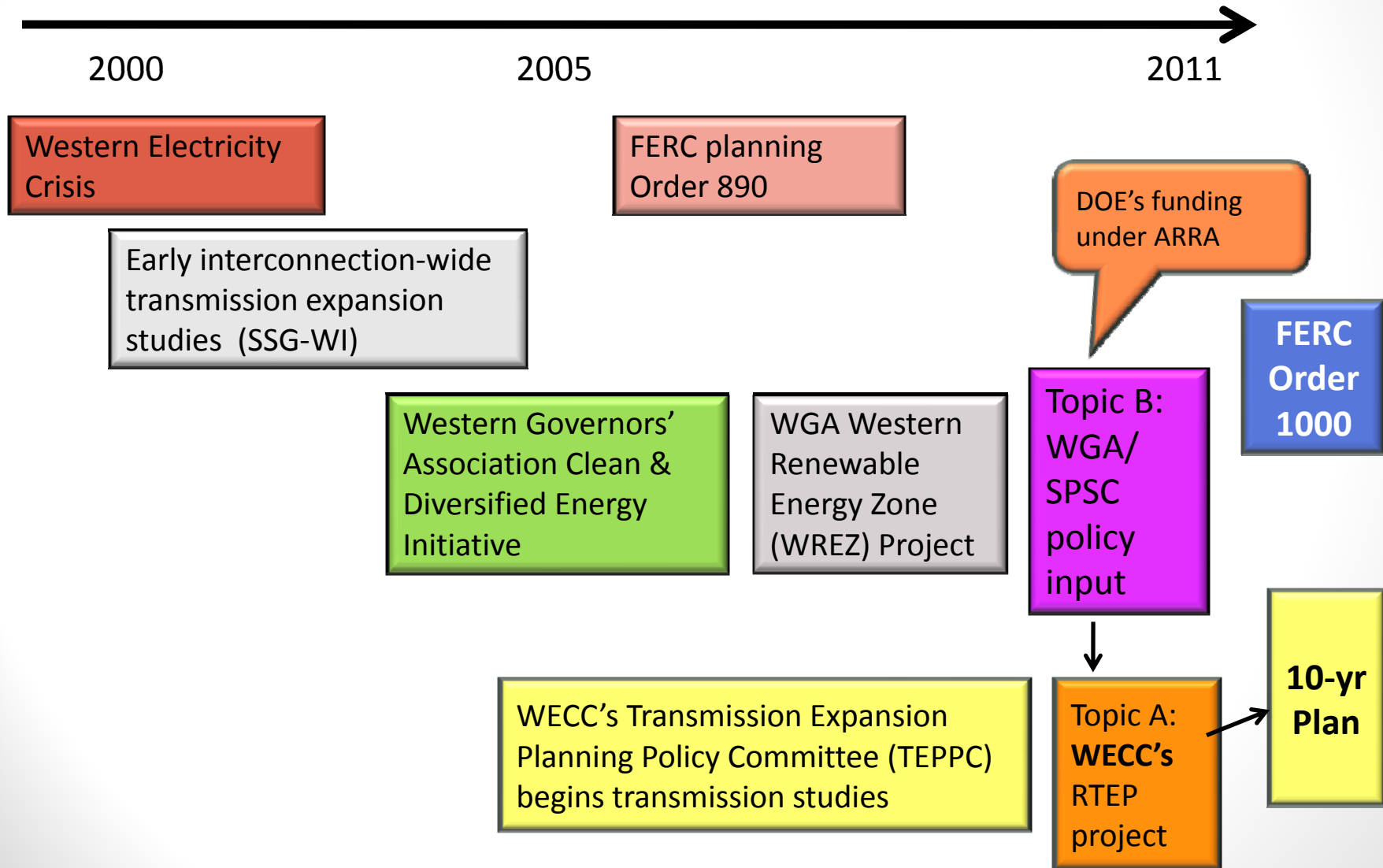
Presentation Outline



- Key milestones of Western Transmission Planning
- SPSC structure and tasks
- SPSC activities
 - TEPPC study requests
 - DSM input
 - Comments on WECC's 10-year plan
 - Foundational transmission projects
 - EIM – Next steps and what we need to know
 - FERC Order 1000 – Where will it take planning?



Key Milestones of Western Transmission Planning





SPSC Structure & Tasks

Structure

- Staffed by the Western Interstate Energy Board
- 11 Governors' appointees, 12 PUC Commissioners, 2 Canadian Province representatives plus WSWC and WGWC representatives

Tasks

- Providing input into regional transmission planning;
- Improving the efficient use of the existing grid; and
- Enabling the integrating of large amounts of variable generation



SPSC's 2011 TEPPC Study Requests w/High Priority Study Ranking

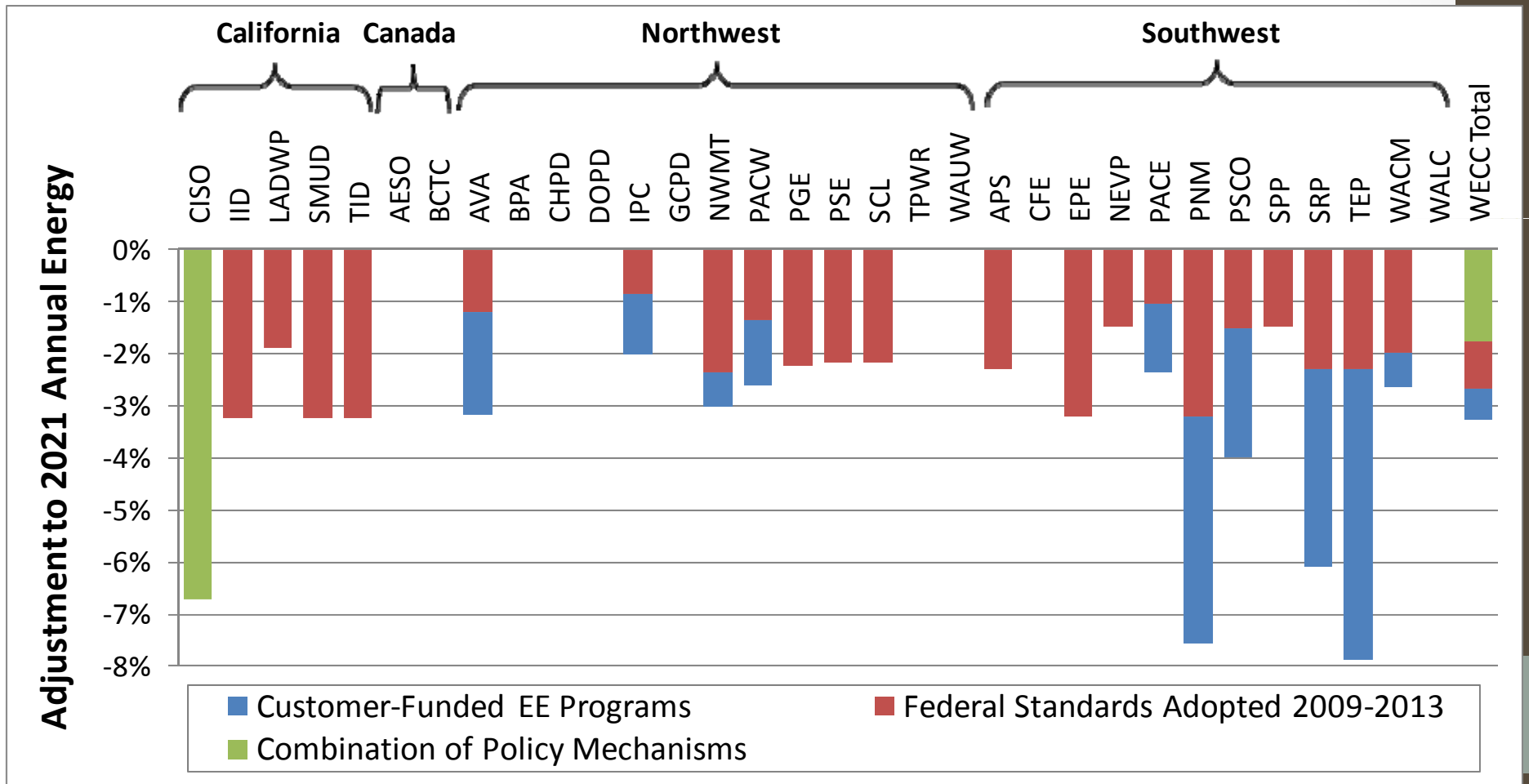
1. Updated Reference Case (TEPPC Common Case)
2. A. Updated West-wide High DSM/DG case
B. Geographically-targeted High DSM/DG case
3. Alternative CA Import (Instate & imports)
4. Plant Retirements in Low Carbon Cases
5. Increased Utilization of Existing Grid Scenario
6. Variable Generation Integration Analysis

SPSC Input on EE, DR, and DG Assumptions for the WECC 2022 Common Case

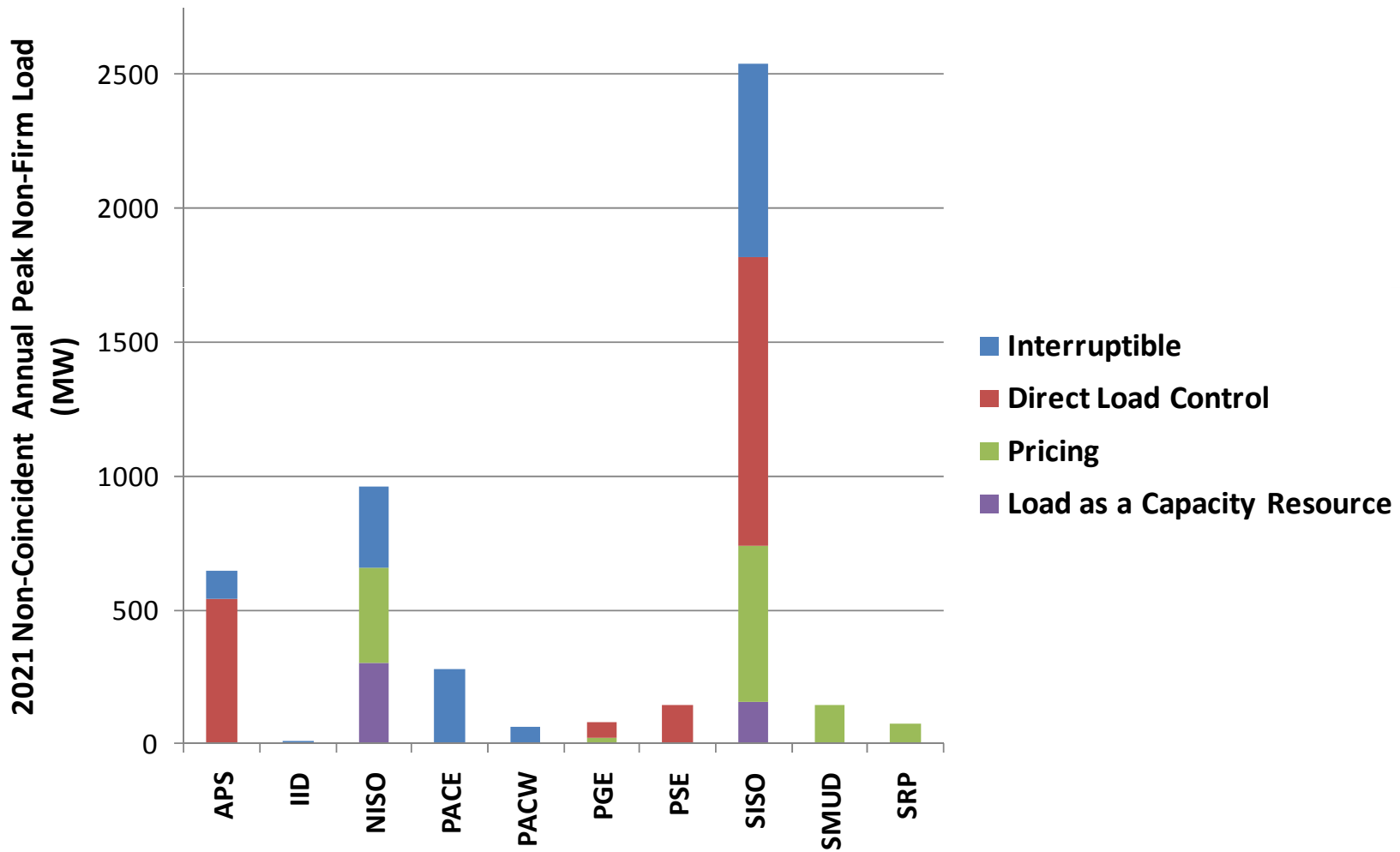
- The SPSC DSM Work Group provided recommendations to TEPPC on adjustments to:
 - **Load forecasts**, in order to capture the expected impacts of current energy efficiency policies and program plans
 - **“Non-firm” load forecasts**, in order to capture DR resource levels consistent with current DR-related policies/program plans
- These adjustments:
 - Were informed by communications with individual balancing authorities
 - Will be reviewed by the TEPPC DWG and TAS over the coming weeks
- The DSM Work Group will also be coordinating with the TEPPC SWG in developing DG resource assumptions

Load Forecast Adjustments for Expected Energy Efficiency Impacts

Percentage Adjustment to Initial 2021 Load Forecast



Non-Firm Load Forecast Adjustments for Demand Response Programs/Policies



SPSC Comments & Recommendations on Final Draft Plan





Criteria to judge the plan

In particular, to guide decisions, the Plan should:

- Address a robust transmission system over a wide range of plausible futures;
- identify significant and demonstrable economic efficiency benefits that can be captured through transmission line expansion; and
- identify transmission additions that if foregone or delayed will result in significantly diminished opportunities to develop infrastructure that would be desirable over a likely range of futures.



Key Transmission Findings to Stress in the 10-Year Plan

1. A key insight from the first 10-Year Plan is that beyond the Foundational Projects, there is little or no need to build additional regional scale transmission over the next 10 years to access generation resources to ensure the region meets its load and RPS requirements.
2. The Montana to Northwest and Pacific Tie Paths merit further evaluation for expansion but these evaluations should consider the impacts on reliability, overall system costs and economic benefits, and the interest of potential buyers.



Key Transmission Findings (cont.)

3. Section 4.4 points to potential opportunities to meet customer needs at lower cost if lines are built to access remote low-cost renewable resources. This analysis should be expanded in future plans.
4. Future plans should adopt a more objective and consistent set of criteria for identifying projects on the Foundational Project List.
 - Hence the involvement of SPSC in 2011 SCG meetings, urging adoption of transparent, strict criteria for developing the 2011 Foundational Projects List.



Gaps in regional transmission planning process (Section 4.9)

1. Transmission congestion needs to be coupled with analyses of: (a) reliability benefits; and/or (b) economic benefits.
2. Recommend that resource relocation analysis should be expanded interconnection-wide for future plans.
3. Modeling improvements for : (a) DC line performance; and (b) impacts of integrating large amounts of variable generation.
4. Develop a screening tool to evaluate the technical feasibility and cost of integrating large amounts of variable generation.
5. Test transmission expansion against a range of plausible futures with major public policy implications.
6. Analyses should include consideration of non-wires alternatives (e.g., DSM, DG, others).



Gaps (cont.)

7. Future studies need to draw conclusions that are relevant to public policy makers.
 - Long Term Planning Tool and 20-year plan should become the resource to test the outcomes of a broad array of possible futures or “what ifs”
8. WECC should proactively work with WGA and the SPSG Environmental Data Task Force (EDTF) to ensure that the data bases being developed are effectively incorporated in the regional transmission planning process.
9. Evaluate generation and transmission options that lower the cost and risk for consumers throughout the West.



Energy Imbalance Market

- SPSC contributed \$25,000 to WECC cost benefit analysis
 - Results released in June
- Costs
 - Range of costs (\$678 - \$2,312 million over 10 years) too broad to enable BAs to evaluate costs/benefits
 - WECC staff directed to evaluate cost if WECC were the Market Operator
- Benefits
 - CBA gave societal benefits (\$501 - \$1,703 over 10 years)
 - Need benefits to individual BAs
 - Additional analysis underway in some forums
 - WECC “roadmap” for determining benefits to individual BAs



EIM – What do we do now?

- Key question: who will be the market operator?
 - WECC has asked its staff to evaluate costs, risks etc., of WECC as the market operator
 - Some resistance to WECC as market operator
- Market design:
 - High-level design being worked on by EDTSC & EDTTRS
 - More detailed (RFP quality) design needed for better cost analysis
- BA decisions to participate
 - Conversations are happening, need an entity/group of entities to step out and say “we are going to do this”
- Timeline for BA decisions
 - Uncertain what entities are comfortable with.
 - Is December too soon? Is next summer too late?



FERC Order 1000

- SPSC hopes to actively engage with SPGs during implementation of the final rule
- Questions on our minds...
 - How are the SPGs planning to coordinate implementation of the new requirements?
 - What will be the major shifts in planning roles between SPGs and WECC?
 - How will RTEP be affected?
 - What should state commissions/Governors do?
- Major agenda topic at joint CREPC/SPSC meeting in Monterey October 26-27

Questions?

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