

Quarterly Report for Western Governors' Association

MANAGEMENT REPORT

Progress Report

1. DOE Award – DE-0000422
2. Resource Assessment and Interconnection-Level Transmission Analysis and Planning for the Western Interconnect.
Project Director – Rich Halvey
3. Period Covered – May 1 – June 30, 2010 (date of grant award; work under this report covers activity from November, 2009).
4. Comparison of Goals with Actuals
Goals of the project remain the same as originally stated.
5. Major Activities/Accomplishments for the Period
With the execution of the grant in late April, WGA has been working diligently to administer contracts to all the sub-recipients listed in the award. However, WGA and WIEB staff commenced work under the grant agreement in early November in order to meet many of the deliverables addressed in the Statement of Work.
 - a. Formation of the State-Provincial Steering Committee (SPSC) including approval of a charter and work plan. Elected John Savage (OR PUC) chair of the Steering Committee. Agreed to include representatives from the WGA Wildlife Council (WGWC) and the Western States Water Council (WSWC).
 - b. SPSC created three workgroups to study variable integration issues/grid utilization, demand side management implications and the SPSCs suggestions to WECC scenarios.
 - c. Held three meetings convening the SPSC (agendas and notes attached). Dates for the meetings were November 6th, January 28 – 29 and April 22nd and 23rd. Meeting summaries and agendas: <http://www.westgov.org/sptsc/index.htm>
 - d. Compiled scenario study requests for the WECC study period. Submitted a request to WECC prior to the January 31st deadline. (DELIVERABLE: study request: <http://www.westgov.org/sptsc/documents/03-24-10SPSC-TEPPC.pdf>).
 - e. DSM work group is adjusting forecasts supplied by Balancing Authorities to reflect embedded DSM.
 - f. SPSC members and staff led the execution of a meeting in conjunction with WECC Resource Planners Forum (June 20-21) that included resource planners from 23 utilities. Meeting details: <http://www.westgov.org/sptsc/announcements/rpf-Session5.pdf> The meeting was held to engage planners from utilities and regulatory commissions in discussions relevant to transmission planning; and assist resource planners in the West. Participation in the June meeting included representatives from ten western states and over 20 load-serving entities. [Lisa Schwartz](#) of the Regulatory Assistance Project noted the historical precedent for coordinated procurement with other

types of generation, outlined the WREZ Phase 3 steps to explore the basis for coordinated procurement of renewable energy from WREZ hubs, and identified a series of questions designed to engage resource planners in a subsequent session. Schwartz identified the Phase 3 tasks as follows: reviewing load serving entity (LSE) resource plans; draft a list of LSE preferred zones; create an overlay map of WREZ hubs, preferred zones, and load areas; survey regulators and utilities on barriers to the development of WREZ hubs; produce a report of WREZ Phase 3 findings; facilitate multi-state discussions over zones of common interest; report on discussion group results and recommendations; and monitor procurement schedules for new opportunities.

- g. Five webinars were held on the NREL/WestConnect Western Wind And Solar Integration Study.
- h. The SPSC recommended to the WECC Board of Directors that it fund a study of the costs/benefits of an Efficient Dispatch Toolkit (EDT) similar to the Southwest Power Pool's Energy Imbalance Service. The SPSC agreed to contribute \$25,000 to the study effort. SPSC staff has been appointed to the WECC EDT Steering Committee to guide the WECC cost/benefit study and participates in a technical review subcommittee.
- i. A workplan was created to study the integration of variable generation and efficient use of the existing grid.
- j. Met with members of the Southwest Power Pool to better understand the Energy Imbalance Service.
- k. Briefed Western Governors' Staff Council on RTEP project and latest activities.
- l. Issued contracts to WIEB, RAP, Paul Orbuch. Working with states to address issues and concerns with contracts for pilot project contracts.
- m. WGA staff presented progress updates on RTEP to Governors' representatives during the Annual Meeting.
- n. WGA staff has commenced work on examining the implications of our energy choices on the West's constrained water resource. Preliminary discussions have revealed that there are already several cases in the West where the siting of a power plant has been substantively affected by water concerns. WGA has engaged WECC, the Western States Water Council (WSWC), and other key stakeholders in scoping out the necessary steps to effectively engage in the RTEP. A water representative has also been appointed to the SPSC to ensure smooth integration with the larger transmission planning effort. Over the past several months, several informational webinars have been held and presentations have been made to the governor's offices and other relevant WGA committees to get the word out on the project and solicit initial input from stakeholders. Recently, DOE announced Sandia National Laboratory (Sandia) as the lead lab in providing technical assistance. WGA is currently coordinating with Sandia to align project goals and schedules and develop a mechanism for engaging stakeholders in both the technical and policy analysis of this work. In the coming months WGA plans to continue outreach to stakeholders and to begin preliminary analysis of the water implications of WECC's 2009 and 2010 transmission plans. As part of this, WGA will continue to work with the states through the WSWC, and potentially a contractor, to enhance water availability data and with Sandia

and WECC to coordinate modeling and analysis. As a first step in this effort, Sandia presented their model and approach to the Western States Water Council on July 22, and the WSWC has developed a subcommittee to provide state water supply data to the Sandia model.

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6. Cost Status – ESTIMATE: \$373,716 expenses incurred through June 30, 2010 (NOTE: WGAs fiscal year ends June 30th, final figures for the period will not be available till August 30, 2010)
7. Schedule Status: See attached document
8. Changes in Approach:
No changes in approach; however, WGA and WIEB are reviewing input to be received from National Labs on work as applied to the overall study. This may affect work conducted by WGA and WIEB.
9. Problems:
None at this time.
10. Changes in personnel
Steve Ellenbecker was hired by WIEB to support the work of the SPSC.
11. Products produced
Developing website for actions underway.

Schedule Status for RTEP – West Topic B Tasks

Task	Description	Date Due	Status
Task 2 (WREZ 3)	Draft list of REZs preferred by major LSEs in the Interconnect	4 th 2010	Underway
	Summary of current LSE procurement schedules and locations of preferred resources	4 th 2011	Underway
	Final paper on barriers to coordinated procurement and options to overcome such barriers	1 st 2011	Anticipate 4Q 2011
	Draft and final reports on four specific REZs discussions	3 rd & 4 th 2011	Anticipate 4Q 2011
Task 2 (WREZ 4)	Siting case study analysis and workshop presentation	1 st 2011	Developing workplan to be approved at September SPSC meeting
	Cost allocation study and recommendations	2 nd 2012	
Task 3 (CCS)	Final map and report	1 st 2012	Waiting on input from Lab call to determine next steps.
Task 4 (DSS)	List of DSS pilot projects, with public input states will be undertaking	3 rd 2010	Contracts out to states for funding.
	Approval reports for second phase DSS pilot projects	Within 5 days of final decision for each project	
	Final report on pilot findings	3 rd 2010	Due to late receipt of DOE funding and expanse of pilot projects, final DSSs to be completed in 4Q of 2011
Tasks 1 - 4	Phase I report	3 rd 2011	
Task 5	Steering Committee operating procedures	2 nd 2010	Committee adopted charter and workplan in Jan 2010
	Appoint state representatives to Topic A multi-constituency steering group	2 nd 2010	Representatives nominated in Jan 2010; replacement to fill vacancy nominated in June 2010
	Steering Committee briefings of meeting of state and provinces	2 nd & 4 th Annually	1 st briefing occurred in April 2010
	Report on input to scenario development	4 th 2010 & 2 nd 2012	Study request submitted; continuing to monitor and work with WECC on study,
	Steering Committee recommendations on preliminary and final study reports	Annually	1 st round of recommendations submitted to WECC.
	Briefing of the States/Provincial Steering Committee on planning and variable generation activities	At least Biannually	Conducted meetings November 2009 and April 2010
	Report to states/provinces on sub-regional planning group activities, work on	At least annually	Ongoing with focus on SPGs Joint Initiatives,

	integration of renewable generation and activities to promote the efficient use of transmission system.		coordination with WECC Variable Generation subcommittee, and current use of existing grid.
	Recommended agenda topics for resource planner meeting	Biannully	Meeting held June 2010
Task 6	Energy and Water Nexus		
	Updated geographically explicit assessment of state water supply availability by basin and drainages in the Western States	1 st 2011	
	Refine energy-water model, incorporate latest water supply projection	3 rd 2011	
	Complete workshops on water resource impacts of electricity generation scenarios. To the extent possible, devise scenarios of approaches to reduce conflict over water resources. Complete report on scenario analysis.	2 nd 2012	
	Complete report with policy recommendations and best practices on the energy-water nexus to the Western Governors and Premiers, DOE, and State PUCs	4 th 2012	
	Final Report	3 rd 2015	