

TO: State-Provincial Steering Committee

FROM: John Savage, Chair

DATE: November 10, 2009

SUBJECT: **Actions taken at November 6 meeting and next steps**

Thank you for participating in the first meeting of the State-Provincial Steering Committee last Friday. This memo is intended to capture the key discussion points, Committee decisions and next steps.

The State-Provincial Steering Committee reviewed the following proposed tasks it would execute under the WGA Topic B submittal to DOE's transmission Funding Opportunity Announcement.

- Provide input on electricity futures
- Provide input on transmission case studies
- Provide insights on the economic and environmental implications of alternative electricity futures
- Analyze policies to improve efficiency of the transmission system
- Analyze region-wide activities to minimize the cost of integrating large amounts of renewable energy
- Participate in a WECC-organized forum for utility and state/provincial resource planners
- Demonstrate a process for reaching decisions/consensus for participating in development of a plan under Topic A

Steering Committee members were asked to comment on how these tasks might be implemented and what important tasks are missing. See highlighted comments in the list at the end of this memo.

Based on the discussion of its role and tasks, the Steering Committee made the following decisions at its meeting November 6, 2009:

1. Adopted decision rules that Steering Committee actions require the affirmative votes of one-half of the participating states/provinces, and those states/provinces voting for an action must represent at least one-half of the load of the participating states/provinces in the Western Interconnection.
2. Elected John Savage (OR PUC), chair of the Steering Committee.
3. Established three work groups –
 - a. Demand Side Management Work Group chaired by Dian Greunich (CA PUC). The DSM Work Group will work closely with TEPPC to minimize duplication of effort.
 - b. Grid Utilization Work Group chaired by Steve Oxley (WY PSC). Also joining the work group are Jim Tarpey (CO PUC) and Kristin Mayes (ACC). An initial

task of the Grid Utilization Work Group will be to develop a scope of work. [Staff suggests the name Grid Utilization Work Group instead of System Efficiency Work Group to avoid confusion with the work of the Demand Side Management Work Group.]

- c. Scenarios Work Group chaired by Jim Tarpey (CO PUC). John Savage (OR PUC) is also a member. The Scenarios Work Group will initially explore potential electricity future scenarios outside a high efficiency scenario.
4. Agreed to hold a conference call of the Chair of the Steering Committee and the chairs of the work groups to discuss work group products and to bring a proposal to the next meeting of the Steering Committee.
5. Made a preliminary decision, pending DOE funding, to reimburse state/provincial travel to Topic A WECC and subregional planning groups. Staff will be informed prior to travel to coordinate reimbursement.
6. Agreed to invite representatives from the WGA Wildlife Council and the Western States' Water Council to participate as ex-officio members of the State-Provincial Steering Committee.
7. Directed staff to prepare a matrix of WECC and subregional committees, subcommittees, and work groups that provide opportunities for state-provincial input into WECC's work.
8. Following development of the matrix, hold a conference call of the State-Provincial Steering Committee to decide on nominees to the WECC Scenario Planning Steering Group and to begin identifying state/provincial people who will be engaged in WECC subcommittees and work groups and subregional groups. We will need to pick a time for the call that is convenient for most members. However, participation in the call is not necessary to be nominated to the Scenario Planning Steering Group. The Committee also agreed on the need for state/provincial participants in WECC and subregional groups to be knowledgeable of the deliberations of the Steering Committee.
9. Directed staff to draft a proposed charter for the Steering Committee based on the decisions above.
10. Directed staff to assemble information on ongoing regional work related to the integration of variable generation. Work is underway in several forums to address this issue, including the WestConnect/NREL Western Wind and Solar Integration Study, the Northwest Wind Integration Forum, the NTTG-WestConnect-Columbia Grid Joint Initiatives and the WECC Variable Generation Subcommittee. Staff will incorporate views from these forums on where states/provinces can be constructively involved.
11. Requested that Rich Halvey (WGA staff) provide a paper on plug-in electric vehicles.
12. Depending on Department of Energy decisions on funding under Topic B of the FOA, hold a second meeting before January 19. (Staff received a request to avoid the dates of January 11-15.)

Next Steps

1. Please advise staff (dlarson@westgov.org) if you would like to join one of the Steering Committee Work Groups.
2. Staff will develop and send to the Steering Committee a matrix of WECC and subregional committees, subcommittees and work groups relevant to the work of the

Steering Committee and schedule a conference call to discuss state-provincial participation on those bodies.

3. Staff will draft a proposed charter for the Steering Committee.
4. Staff will organize a call of the Steering Committee chair and work group chairs to begin discussions on work group products.
5. Staff will prepare a paper on ongoing regional work on the integration of variable generation.
6. An invitation will be extended to the WGA Wildlife Council and the Western States' Water Council to identify an ex-officio representative to the Steering Committee.

The next steps are contingent on the timing of announcements of Topic B awards by DOE and the execution of necessary contracts.

Finally, Friday's discussions included important points made by Steering Committee members regarding the organization issues. Those points are highlighted in the attachment below.

Thank you all for a productive meeting and a special thanks to Dianne Nielson for an excellent job in chairing the meeting.

Please contact me (503.378.6025; john.f.savage@state.or.us) or Doug Larson (303.573.8910; dlarson@westgov.org) if you have any questions about this summary of actions and next steps.

**Steering Committee tasks:
How will they be executed? What's missing?**

- Provide input on electricity futures
 - Energy efficiency considered; consider distributed generation
 - Steering Committee recommend some specific scenarios and work through WECC planning process
- Provide input on transmission case studies
 - Ensure that state planning process results are incorporated into WECC and subregional planning process
- Provide insights on the economic and environmental implications of alternative electricity futures
 - Ex-officio members from Wildlife Council and WSWC
- Analyze policies to improve efficiency of the transmission system
 - Which may or may not lead to suggested changes
- Analyze region-wide activities to minimize the cost of integrating large amounts of renewable energy
- Participate in a WECC-organized forum for utility and state/provincial resource planners
 - Include both resource and transmission planners
- Demonstrate a process for reaching decisions/consensus for participating in development of a plan under Topic A
 - Steering Committee review drafts of product of WECC planning process
- Identify lead Steering Committee person/liaison on wildlife, water, efficiency, etc.
 - Person will be focal point to receive input from other groups on the topic

- Follow issue through WECC process
- Document Steering Committee input into Topic A and ask TEPPC to document how the issue was addressed

The Steering Committee should view its task as providing policy input into transmission planning and providing feedback on study results to Governors, legislators, and PUCs.