

WREZ 3: Coordinating Energy Purchases from WREZs
WGA Contract 30-230-50

1st Semi-Annual Report by the
Western Interstate Energy Board

1. Western Governors' Association-Western Interstate Energy Board contract 30-230-50 under DOE Award – DE-OE0000422.
2. Project Title and Director:
Project Title: Resource Assessment and Interconnection-Level Transmission Analysis and Planning Western Region; WREZ Phase 3 – Coordinating Energy Purchases from Western Renewable Energy Zones.
Project Director/Principle Investigator: Doug Larson
3. Date of report and period covered:
Report date: July 26, 2010
Period Covered: May 3, 2010 to June 30, 2010 (contract work under this report covers activity from November 2009)
4. Comparison of actual accomplishments with goals:
Goals of the project remain the same as originally stated.
5. Discussion of what was accomplished:
 - a. On February 5, an updated statement of tasks and budget was provided to DOE as part of the WGA ARRA grant re-submittal.
 - b. From March through early April, a meeting of Western States and Provinces in Portland, OR, was organized, which would include an introduction to the WREZ 3 project for Western PUCs and Governors'/Premiers' representatives.
 - c. On April 22, western state and provincial regulators and policy makers received a [briefing](#) on the WREZ Phase 3 project at a joint meeting of the Committee on Regional Electric Power Cooperation and the State-Provincial Steering Committee in Portland, Oregon. Lisa Schwartz of the Regulatory Assistance Project discussed the purpose of WREZ Phase 3 and the specific tasks planned for the project. This briefing served to introduce the Phase 3 project to state and provincial regulators who will be engaged in future steps to discuss coordinated procurement of preferred WREZ hubs. See [meeting agenda](#) and [WREZ 3 background information](#).
 - d. From April through June, the contractor worked with the Western Electricity Coordinating Council and a committee of resource planners from utilities in the Western Interconnection to develop the agenda and logistics for a meeting of the Resource Planners' Forum.
 - e. WREZ Phase 3 was launched at the Resource Planners' Forum meeting held June 21-22 in San Diego. The Resource Planners' Forum was created to: engage resource 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. The WREZ Phase 3 project was introduced in a series of three presentations. [Dianne Nielson](#), Advisor to the Governor of Utah, explained the context of WREZ Phase 3 relative to WGA's earlier efforts under WREZ Phase 1 and Phase 2. [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. [Thomas Carr](#), WIEB staff, discussed findings on the extended WREZ model which provides resource planners information on WREZ hubs that may be of interest to their respective load areas. Resource planners responded with important observations relevant and useful to the WREZ Phase 3 project.

- f. Throughout the reporting period, the contractor has coordinated activities with the Regulatory Assistance Project, the other WREZ 3 contractor to WGA.

6. Cost Status

Approved Budget: \$179,208

Cost incurred to date: \$21,679

7. Schedule Status

See Attachment A.

8. Any changes in approach

There are no planned changes in the WREZ Phase 3 project

9. Actual or anticipated problems

No problems at this time. Delivery of draft list of WREZ hubs preferred by major LSEs in the Western Interconnection will occur in the 4th quarter of 2010 instead of the second quarter of 2010 because of the unanticipated delay in the execution of final contracts and the need to make improvements to the WREZ model.

10. Changes in Personnel

Steve Ellenbecker was hired by WIEB on June 1, 2010. He will assist on the WREZ 3 project.

11. Description of products produced

Posting of key [takeaway](#) observations from the June 21-22 Resource Planners' Forum meeting.

Attachment A:
Western Interstate Energy Board
Schedule Status

Task	Milestones	Anticipated completion dates	Actual completion dates
Task 1 (WREZ 3)	Draft list of REZs preferred by major LSEs in the Interconnect	2 nd quarter 2010	4 rd quarter 2010
	Summary of current LSE procurement schedules and locations of preferred resources	4 th quarter 2011	Anticipate 4 th q. 2011
	Final paper on barriers to coordinated procurement and options to overcome such barriers	4 th quarter 2011	Anticipate 4 th q. 2011
	Draft and final reports on four specific REZs discussions	3 rd & 4 th quarters 2011	Anticipate 3 rd & 4 th q. 2011