

# **Accommodating Renewables: What Are the Options?**

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**Increasing Renewable Energy in the Western Grid Summit**  
**Fort Collins, CO**  
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# WestConnect Organization

- A Group of Transmission Owners in the Western Grid
- Organized under a Memorandum of Understanding
- Purposes:
  - Continue investigation of feasibility of cost-effective wholesale market enhancements
  - Work cooperatively with other Western Grid Organizations and market participants
  - Address seams issues in appropriate forums

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# WestConnect Members

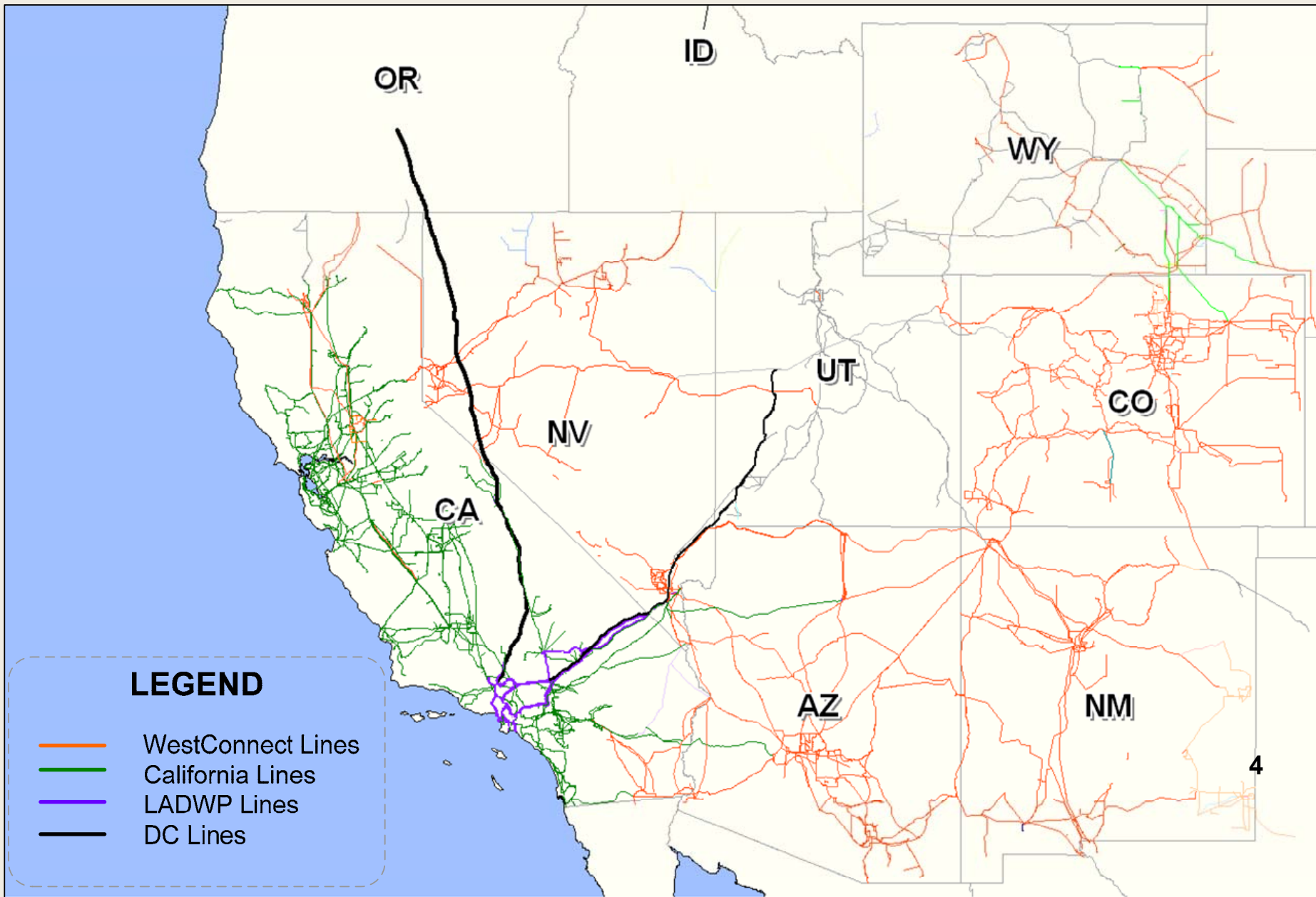
- Arizona Public Service
- El Paso Electric
- Imperial Irrigation District
- Nevada Power Company
- Public Service Colorado
- Public Service New Mexico
- Sacramento Municipal Utility District
- Salt River Project
- Sierra Pacific Power Company
- Southwest Transmission Cooperative
- Tri-State G & T Association
- Tucson Electric Power
- Western Area Power Administration
  - Rocky Mountain Region
  - Desert Southwest Region
  - Sierra Nevada Region
  - CRSP Management Office

**46,000 MW of Load**

**34,000 Miles of  
Transmission Line**

**7.0 Million Retail  
Customers Served**

# WestConnect Transmission Footprint



# Market Enhancement Initiatives

## Active Work Groups

- Regional Pricing Experiment
- Regional Transmission Planning
- Virtual Control Area
- Transmission Products (Conditional Firm)
- TTC/ATC Process
- Flow Based Market Initiatives

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# Virtual Control Area Activities

- Joining NTTG Ace Diversity Interchange Program – Q1 2008
- Designing study of additional regulation enhancements and contingency reserve sharing potential

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# Conditional Firm Transmission Service

- Developed and posted regional business practices pursuant to FERC Order 890

## TTC/ATC Process

- Annual workshop(s) to present transfer capabilities and expected changes from annual planning studies

# Regional Pricing Experiment

- 2-Year Program
- Eliminates transmission rate pancaking for limited transactions (hourly and daily firm/non-firm)
- Continues to pancake ancillary services and losses.

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# More Regional Pricing Experiment

- Retains participants' posted OATT rates.
- Can be implemented through wesTTrans platform
- Start-up/implementation costs recovered through a transaction-based administrative charge
- Requires FERC approval

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# More Regional Pricing Experiment

- Data collected in 4 random weeks of 2005 show potential for additional transactions
- Revenue sufficiency for Participating Transmission Owners a key concern
- Business Case being evaluated - not yet approved

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10

# Contacts and Information

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# Additional Information

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# WestConnect Project Agreement for Subregional Planning

- Effective May 23, 2007 with all WestConnect Members on board
- Open for execution by any other party that participates in a subregional planning group
- Provides funding for the independent facilitation of the subregional planning processes
- Enhances openness and transparency
- Meet FERC Order 890 Principles

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# Regional Planning Facilitation

- Hired KR Saline & Associates to provide regional planning staff
  - Project Management
  - Transmission Planner
  - Technical Writer
  - Recorder/Information Manager
- Jerry D. Smith, PE leads the efforts  
(Formerly on ACC Staff)

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