

# *Board and Committee Activities*

Following are:

- I. A synopsis of Board actions, and Board activities in support of WGA initiatives since the April meeting in Scottsdale;
- II. A review of the committee structure of the Board; and
- III. A report on the activities of the Committees since the Scottsdale meeting.

## **I. Synopsis of Board Actions Since April Meeting in Scottsdale**

- On May 9, WIEB helped organize and provide background information for the **WGA Electricity Transmission Roundtable**. At the meeting, a working group was formed, headed by Jack Davis, President of Pinnacle West and Arizona Public Service Co. and Marsha Smith, chair of CREPC and Idaho PUC commissioner, to develop a conceptual transmission plan. WIEB provided staffing for the work group. A planning meeting of the WGA Transmission Working Group was held on May 24.  
[http://www.westgov.org/wga/press/energy\\_transmission.htm](http://www.westgov.org/wga/press/energy_transmission.htm) (Priority 3)
- On June 6, the **Transmission Working Group** held its first meeting and made assignments  
[http://www.westgov.org/wga/initiatives/energy/energy\\_meetings\\_page.htm](http://www.westgov.org/wga/initiatives/energy/energy_meetings_page.htm) (Priority 3)
- On June 7-8, WIEB executive director represented WGA at the **Electric Power Research Institute's conference on the western electricity crisis**. Click on the following address for the EPRI white paper on the western electricity crisis  
<http://www.epri.com/WesternStatesPowerCrisisSynthesis.pdf> .(Priority 3)
- On June 12, WIEB executive director testified on behalf of the Board at one of DOE's hearings that were held as part of the **review of the agency's efficiency and renewable energy programs**. The review was requested in the President's National Energy Policy issued in May.  
<http://www.westgov.org/wieb/reports/doecomme.htm> . (Priority 3)
- On June 29, the second meeting of the Transmission Working Group was held.
- In July, Sharon Irwin joined the Board staff.
- In late July, the report "**Conceptual Plans for Electricity Transmission in the West**" was delivered to the governors by the WGA Transmission Working Group.  
[http://www.westgov.org/wga/initiatives/energy/transmission\\_rpt.pdf](http://www.westgov.org/wga/initiatives/energy/transmission_rpt.pdf) (Priority 3)
- On August 11-14, western governors held their annual meeting and adopted Resolution 01-01: **Western States' Energy Policy Roadmap**  
[http://www.westgov.org/wga/policy/01/01\\_01.pdf](http://www.westgov.org/wga/policy/01/01_01.pdf) codifying the recommendations from their February 1-2 energy policy roundtable. The governors also adopted a resolution on **federal power marketing administrations** [http://www.westgov.org/wga/policy/01/01\\_02.pdf](http://www.westgov.org/wga/policy/01/01_02.pdf) and **sabotage attacks on spent nuclear fuel shipments**.

- [http://www.westgov.org/wga/policy/01/01\\_03.pdf](http://www.westgov.org/wga/policy/01/01_03.pdf) . (Priority 3) WIEB staff provided drafting support in the development of the resolutions.
- On August 13, WGA signed a **Memorandum of Understanding with five federal agencies** (DOE, DOI, USDA, EPA and CEQ) that provides a framework for coordination between western states and the federal government.  
[http://www.westgov.org/wga/initiatives/energy/energy\\_mou.pdf](http://www.westgov.org/wga/initiatives/energy/energy_mou.pdf) (Priority 2)  
WGA has proposed the following five projects under the MOU, but none have been adopted yet by the federal partners.
    - **Demand response.** ( Inventory of current price signals to western consumers; evaluate experience with demand exchange programs, real-time pricing, time-of-use pricing and conservation block rates; implement plan to send better price signals.)
    - **Information.** (Identify existing information, important elements of a real-time quality information system, gaps in available information, and ways to integrate information. Develop integrated information system for policymakers and market participants.)
    - **Efficiency.** (Identify efficiency technologies that can be rapidly deployed on a multi-state basis. Develop plan for coordinated deployment activities, e.g., rebates, consumer information, product distribution chain.)
    - **Supply Technology.** (Identify economic/institutional barriers to new technologies, e.g., interconnection protocols for distributed generation. Identify environmental barriers to new technologies. Implement actions to overcome barriers, e.g., regulatory guidance documents, training.)
    - **Infrastructure.** (With the participation of all state/federal siting and permitting agencies, design a coordinated permit review process utilizing new technologies such as visualization.)
  - On August 13, Governors received a briefing on the Conceptual Transmission Plans report and ask that the Transmission Working Group continue to function.
  - Since August 13, WGA has asked WIEB for help in developing a **multi-state protocol for coordinating the review of interstate transmission proposals**. See agenda for October 31 WGA/CREPC meeting ADD LINK 1. (Priority 2)
  - Since August 13, WGA has asked WIEB to help organize a committee of the WGA Transmission Working Group to develop a white paper on the pros and cons of the transmission financing options outlined in the Conceptual Transmission Plans report. A **Transmission Financing Committee** is being formed. John Carr, PacifiCorp, heads the committee. A draft report on financing is expected to be prepared for the governors meeting in early December and a final report by late February.
  - In late August, DOE notified WIEB that its proposed **project on demand response**, one of the five funding proposals submitted in January, had been selected to receive \$75,000 in funds. **DOE rejected** the other three proposals submitted by WIEB (on siting, distributed generation, and demand reduction in building) and one project submitted by WGA on regional synergies between energy and air quality. ADD LINK 2 TO REJECTION LETTERS (Priority 2)
  - On September 6 and 12, with WIEB's assistance, Western governors conveyed their views to Congress and the Administration on **pending federal electricity**

- legislation** (e.g., reliability, eminent domain and federal intrusion into retail sales issues) [http://www.westgov.org/wga/press/energy\\_coop\\_9\\_01.htm](http://www.westgov.org/wga/press/energy_coop_9_01.htm) (Priority 2); [http://www.westgov.org/wga/initiatives/energy/energy\\_ltr\\_9\\_01.pdf](http://www.westgov.org/wga/initiatives/energy/energy_ltr_9_01.pdf) (Priority 2)
- On September 20, WIEB executive director spoke to a University of Wyoming forum on **coal-by-wire** and discussed the WGA Conceptual Transmission Plans report.
  - On September 28, WGA Chair Governor Jane Hull (AZ) delivered **the views of WGA to DOE's National Grid Study** meeting in Phoenix. WIEB staff drafted the remarks. [http://www.westgov.org/wga/initiatives/energy/remarks\\_hull\\_9\\_01.htm](http://www.westgov.org/wga/initiatives/energy/remarks_hull_9_01.htm) (Priority 2)
  - On October 12, Western governors conveyed their views on **pending federal electricity legislation** to the Vice President. <http://www.westgov.org/wga/initiatives/energy/chenev.pdf> (Priority 2)
  - On October 18, WIEB executive director brief an energy institute of the **National Conference of State Legislatures** on the western views on wholesale electricity issues and the WGA Conceptual Transmission Plans report.
  - At the direction of WGA, WIEB has continued to help maintain the **WGA Power web site** to track electricity developments at: <http://www.westgov.org/wieb/power/> (Priority 3).
  - The focus of the **Air Pollution Prevention Forum (AP2)** is now on modeling the Forum's renewable energy and energy efficiency recommendations. AP2 did not hold any meetings in the past six months, but has held several conference calls to design the modeling effort to quantify the impacts of the AP2 Forum's recommendations. A contract for the modeling was signed between WGA and ICF Consulting and Tellus Institute in September. WIEB's staff support to the AP2 Forum was financed by a WGA contract with DOE that has expired. Funding is now being provided to WIEB by the Western Regional Air Partnership under its grant with EPA. The modeling effort will be completed by early next year and a final report from the AP2 Forum to the Western Regional Air Partnership is expected to be delivered in the spring of 2002. <http://www.wrapair.org/commindex.htm> (Priority 3)
  - Two other contracts between WIEB and DOE were extended into a second year. The SIPs Guidebook project is dependent on the modeling being prepared for the AP2 Forum. Once the modeling is completed, a guidebook on incorporating energy efficiency and renewable energy into SIPs for regional haze will be drafted and workshops on the guidebook will be held. The project on increasing the use of wind energy in the West was also extended into a second year.

## **II. Committee Structure**

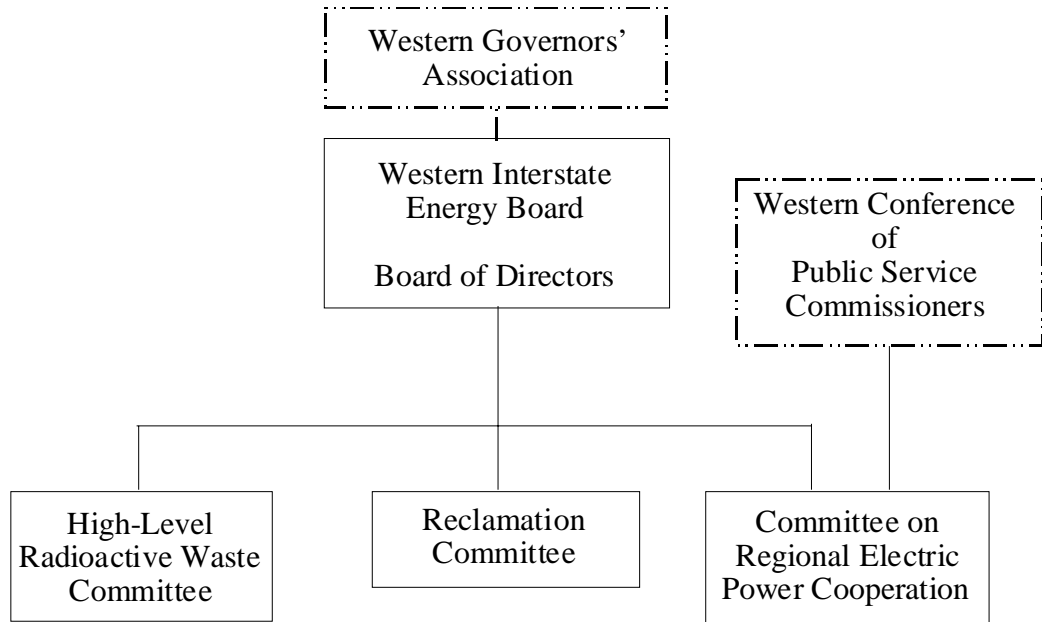
The Board has three committees. The committee structure allows subgroupings of states/provinces to pursue particular issues in depth. One committee, the Committee on Regional Electric Power Cooperation, is a joint committee of the Board and the Western Conference of Public Service Commissioners.

The Board chair appoints committee chairs. (The exception is the chair of the Committee on Regional Electric Power Cooperation who is jointly appointed by the chairs of WIEB and the Western Conference of Public Service Commissioners.)

Board members make appointments to committees of interest to their state/province. Typically, Board members have appointed the state/provincial experts in a particular topic to such committees. Often committee appointments are from agencies other than the Board member's agency.

In pursuing their issues, the committees have developed working relationships with outside parties, such as: the Reclamation Committee's work with the Office of Surface Mining and the Interstate Mining Compact Commission (which represents eastern states); the Committee on Regional Electric Power Cooperation's relationship with the Western Systems Coordination Council, western regional transmission groups, DOE, and the Federal Energy Regulatory Commission; and the High-Level Radioactive Waste Committee's relationship with DOE's Office of Civilian Radioactive Waste Management, the Department of Transportation, and the Nuclear Regulatory Commission.

The following chart shows the Board's committees.



### III. Committee Activities Since April

#### ***Reclamation Committee***

*[The Reclamation Committee includes the states of Colorado, Montana, New Mexico, Utah and Wyoming. Mike Long, Director of the Colorado Division of Mines and Geology, chairs the Committee.]*

#### **Activities Since April**

- The Committee has not met since April.
- Barring new developments that warrant a meeting, the Committee will likely not meet until Congress has approved Administration's nomination of Jeffrey Jarrett as the new director of the Office of Surface Mining. At present, the Committee is tentatively planning a meeting with Jarrett in January. The meeting will include a discussion of the technical assistance priorities of western states and a discussion of electronic tools being used by the reclamation program in the State of Virginia that may have applicability in western state programs.
- The Committee continues to maintain close contacts with the OSM Regional Director to identify potential problem issues early and seek rapid solutions. At present, OSM-Western state relations are good.
- The Committee continues to be the focal point for OSM interaction with western states and it appoints western state representatives to various OSM working groups. At present, the most important working group for the Committee is addressing hydrology issues.
- The Committee continues to monitor the OSM budget. No progress has been made in increasing Abandoned Mine Land appropriations to enable western states to receive funds they are owed under the Surface Mining Control and Reclamation Act.

## ***High-Level Radioactive Waste Committee***

*[This Committee focuses on issues related to the transportation of commercial spent nuclear fuel and high-level radioactive defense waste (SNF/HLW) under the Nuclear Waste Policy Act (NWPA). Ken Niles of the Oregon Office of Energy and Captain Allan Turner of the Colorado State Patrol co-chair the Committee.]*

### **Activities Since April**

- The Committee has not met since April.
- On October 19, the Committee submitted comments to DOE on the possible selection of Yucca Mountain as the high-level radioactive waste site. The Committee complained that DOE has systematically avoided conducting detailed analysis of transportation issues associated with shipments to Yucca Mountain beginning with Environmental Assessment of Yucca Mountain in 1986 and continuing through the scoping and draft EIS for Yucca Mountain. A copy of the comments can be found at: [ADD LINK 3 \(Priority 2\)](#)
- There are several looming deadlines which may renew the work of the Committee:
  - In December 2001, the Secretary of Energy is to make a formal recommendation to the President on whether or not to proceed with the development of Yucca Mountain, Nevada as the nation's only high-level radioactive waste repository. The final EIS on Yucca Mountain is also to be released at that time.
  - The NRC is moving ahead on the application submitted by PFS for an interim nuclear waste repository in Utah. Utah has passed a law which prohibits the storage of high-level nuclear waste in Utah.
- The Committee continues to operate without funding from DOE's Office of Civilian Radioactive Waste Management. OCRWM has eliminated funding for its regional cooperative agreement groups (including WIEB) and shelved further development of its transportation program.

## ***Committee On Regional Electric Power Cooperation (CREPC)***

*[This is a joint committee of the Board and the Western Conference of Public Service Commissioners. It includes all the states and provinces in the electrically-synchronized western grid, plus Saskatchewan. The Northwest Power Planning Council also participates in the Committee's meetings. Marsha Smith, Commissioner of the Idaho Public Utility Commission, chairs the Committee.]*

### ***Activities Since April***

- **Regional Transmission Organizations (RTOs).** CREPC representatives have continued to participate in discussions at RTO West and Desert STAR and in the work on seams issues by the Western Market Interface Committee. In October, Desert STAR terminated operations and Southwest investor-owned utilities are pursuing a transco called WestConnect.

The WIEB RTO Transmission Pricing Work Group headed by Larry Nordell (MT DEQ) continues to operate, however, further work by the Work Group is contingent on progress on transmission pricing issues by the RTO groups. A contract between WIEB and DOE for work on transmission pricing expires in December. The contract has provided funds to support state travel to RTO activities addressing transmission pricing issues.

- **Electric Reliability and Restructuring Legislation.** CREPC representatives and WIEB staff have been active with WGA and the Western Interconnection Coordination Forum in urging the adoption of federal reliability legislation that: delegates standard setting and enforcement to the western regional reliability organization; has FERC and any North American reliability organization defer to the decisions made in the West; and provides a significant role for states and provinces in reliability decisions. Western governors and WICF have supported the North American Electric Reliability Council (NERC) “consensus” reliability legislation that passed the Senate last year and a shortened version of the same bill. In October, NERC dropped its “consensus” legislation and joined the Edison Electric Institute to proposed legislation that does not include any meaningful state role and specifically drops the regional advisory board language in last year’s legislation. As a result Western governors, with WIEB staff support, drafted alternative language that provides for a western self-regulating reliability organization overseen by an interconnection joint board of gubernatorial appointees. Under this approach decisions of the joint board would be final and not appealable to FERC, except under very narrow circumstances. [Click here for this proposed language.](#) ADD LINK 4 (Priority 2)

WICF and WGA have been working with the Republican staff on the Senate Energy Committee to amend the EEI/NERC language (that was subsequently adopted by the Administration) to make it acceptable to the West. [Click here for the amended language.](#) ADD LINK 5 (Priority 2)

- **Western Electric Coordinating Council (WECC) (formerly call the Western Interconnection Organization)**

With prodding from WGA Chair Governor Jane Hull, FERC approved the proposed WECC in late September. The WECC is created through the merger of the Western Systems Coordinating Council, the Western Regional Transmission Association, and the Southwest Regional Transmission Association. (The Northwest Regional Transmission Association supports the creation of the WECC but has not elected to merge into the WECC at this time.) Click here for the transition plan for the WECC. ADD LINK The organizational meeting of the WECC is planned for March 2002. At its meeting on October 31-November 1, CREPC will be considering candidates for the four state and provincial agency positions on the WECC Board of Directors. The actual election of members of the WECC board will occur at the WECC organizational meeting in March. The WECC bylaws require that each membership class (e.g., the state/provincial agency class) nominate eight people to fill four positions on the board of directors. Members of the WECC board will have a fiduciary responsibility to the board. These will **NOT** be honorary-type positions. They will require significant work. Click here for an excerpt of the WECC bylaws governing the election of board members and click here for the standards of conduct for WECC board members under the bylaws ADD LINK 6 (Priority 2). Click here for the state and provincial agencies that will automatically be members of the WECC by virtue of their membership in WSCC, WRTA, and SWRTA. NRTA members will automatically become members of WECC if the NRTA Board decides to merge with WECC. ADD LINK 6A (Under CREPC fall 2001 Briefing)

- **Other activities**

Based on agreement reached at the CREPC meeting in April, the Committee submitted comments to the Energy Information Administration on the agency's proposal to limit access to information on power plants. Click here for CREPC's comments to EIA. LINK 7 (Priority 3)

In addition to working on the formation of the WECC, CREPC members have been active in representing the states/provinces on the board of directors of the WSCC, WRTA, NRTA and SWRTA, as well as the WSCC Executive Policy Issues Task Force and the Western Market Interface Committee.

One of the major issues for discussion at the October 31-November 1 CREPC meeting will be the development of a protocol among states for the cooperative review of interstate transmission proposals. Western governors have asked for help in developing such a protocol. The objective is to have a draft protocol for the governors' consideration at their meeting in early December. At that time, the governors may make an effort to seek commitments from federal agencies to join the protocol. A final protocol would be signed at the governors' annual meeting in June 2002. Click on the following address for the agenda for the CREPC meeting in

Scottsdale, including the draft transmission protocol and related information.  
[http://westgov.org/wieb/meetings/crepcfll2001/1001\\_draft\\_agenda.htm](http://westgov.org/wieb/meetings/crepcfll2001/1001_draft_agenda.htm) (Priority 2)