

# *Board and Committee Activities*

Following are:

- I. A synopsis of Board actions, and Board activities in support of WGA initiatives, since the October 2000 meeting in Boise;
- II. A review of the committee structure; and
- III. A report on the activities of the Committees since the October meeting.

## **I. Synopsis of Board Actions Since October Meeting in Vancouver**

- In November, Doug Larson, Executive Director, briefed the Energy Committee of the Western Legislative Conference on western electric power developments.
- On November 30-December 1, the Western Governors held a meeting and adopted three extensively-negotiated energy resolutions on: natural gas, particularly supporting construction of a gas pipeline from Alaska's Prudhoe Bay; coal policy that supports R&D and financial incentives for the development and deployment of lower emission and higher efficiency technologies at existing and new coal-fired generating facilities; and Energy Policy for the Americas, which calls for a roundtable on national energy policy. The Energy Policy for the Americas resolution directs WGA's affiliates (i e., WIEB) to shall "ensure that all WGA programs and initiatives that affect energy development and use incorporate the principles and programs of this policy." .Click on the following addresses to reach the text of the resolutions.  
Natural Gas <http://www.westgov.org/wga/policy/00/00033.pdf>  
Energy Policy for the Americas <http://www.westgov.org/wga/policy/00/00036.pdf>  
Coal Policy <http://www.westgov.org/wga/policy/00/00037.pdf>
- In December, the Air Pollution Prevention Forum (AP2) of the Western Regional Air Partnership met in Portland to continue work on its renewable energy and energy efficiency recommendations. WIEB staffs the Forum under a contract with WGA.
- In December, Roger Hamilton (OR PUC), Chairman of the Western Interconnection Wind Evaluation Team, briefed the National Wind Coordinating Committee on the Team's activities.
- In December, WIEB helped organize an emergency electricity meeting in Denver of five western governors, then-Energy Secretary Richardson, then-FERC Chairman Hoecker and western electricity interests.
- At the direction of WGA, WIEB has maintained the WGA Power web site to track electricity developments at: <http://www.westgov.org/wieb/power/> .
- At the end of December, Terry Pruit left the Board staff to take a position with Legal Aid in Colorado Springs.
- WIEB facilitated the negotiation of a Short-term Energy Conservation Strategy agreed to by nine governors in January.

- In response to DOE's November 2000 broad-based solicitation, in January WIEB submitted four funding proposals directly to DOE (demand response, demand response in buildings, facility siting, distributed generation) and one through WGA (interaction of electricity and emission markets).
- In January, WIEB helped organize and provide background information for the WGA Energy Policy Roundtable held in Portland on February 2 and attended by ten governors, Energy Secretary Abraham, all FERC commissioners and western energy interests.
- In February, Roger Hamilton (OR PUC), Chairman of the Western Interconnection Wind Evaluation Team, and Doug Larson, Executive Director briefed DOE on the priorities of the Western Interconnection Wind Evaluation Team.
- In February, the steering committee for the project to develop a guidebook on how to incorporate renewables and efficiency into State Implementation Plans for regional haze held its first meeting.
- In February, Doug Larson, Executive Director, briefed DOE on the expired DOE-funded project on electricity and the current DOE-funded project on transmission pricing.
- In February, WIEB provided staff support for the governors meeting with Vice President Cheney to convey the recommendations from the Portland Energy Policy Roundtable.
- In March, the AP2 Forum met in Sacramento to examine near-term and long-term efficiency opportunities.
- In mid-March, Dale DeCesare left the Board staff to take a position with the Education Commission of the States.
- In April, WIEB staff organized and prepared information for a pre-meeting of states the day before the FERC-sponsored state/FERC meeting in Boise on April 10.

## **II. Committee Structure**

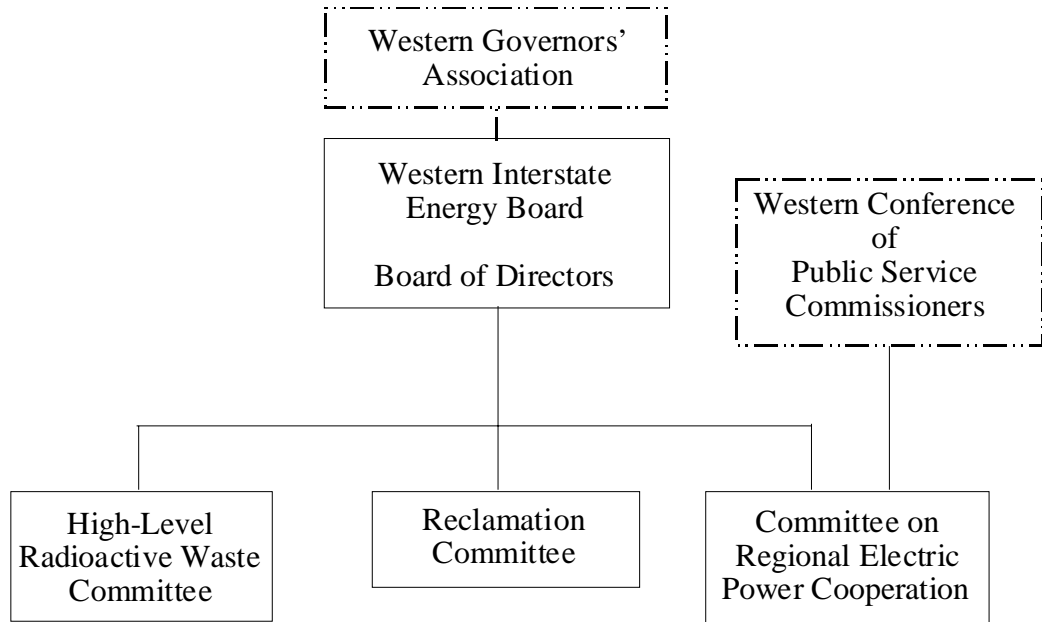
The Board has three committees. The committee structure allows subgroupings of states/provinces to pursue particular issues in depth. One committee, the Committee on Regional Electric Power Cooperation, is a joint committee of the Board and the Western Conference of Public Service Commissioners.

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 October

#### Committee Activities Since October

##### *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 October

- The Committee has not met since October.
- New Mexico represented the Committee at a bat forum in St. Louis in November. The focus of the forum was on bat habitat in abandoned mines.
- Barring new developments that warrant a meeting, the Committee will likely not meet until the new Administration has appointed a new director of the Office of Surface Mining.
- The Committee continues to maintain close contacts with the OSM Regional Director to identify potential problems issues early and seek rapid solutions.
- The Committee continues to be the focal point for OSM interaction with western states and appoints western state representatives to various OSM working groups.
- The major challenge for the Committee is likely to be proposed cuts in state regulatory grants and abandoned mine land grants in President Bush's proposed FY 2002 budget.

## ***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 October**

- The Committee has not met since October.
- There are several looming deadlines which may renew the work of the Committee:
  - In July 2001, the Department 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 the application submitted by PFS for an interim nuclear waste repository in Utah. Utah recently passed a law which prohibits the storage of high-level nuclear waste in Utah and establishes a fund, at the expense of owners of the waste, to compensate workers and victims of accidents.
- 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 on 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 October**

- **Regional Transmission Organizations (RTOs):** In October, RTO West and Desert STAR (DSTAR) made initial filings to FERC under Order 2000. The filings focused on governance and scope of the RTO and did not include pricing and congestion management proposals. Work has continued within RTO West and DSTAR since October. DSTAR, which originally planned to file a detailed proposal with FERC by the end of December, postponed its next filing until March and now until May. RTO West, which has planned to make a detailed filing in the Spring of 2001, has delayed the filing to July 17, 2001. The California ISO, which was to file under Order 2000 in January 2001 has delayed its filing for 60 days.

In November, the Committee's Transmission Pricing Work Group headed by Larry Nordell (MT DEQ) prepared a draft report on transmission pricing by RTOs. The report was made available to CREPC members in time to be used as input in the development of comments to FERC on the initial RTO West and DSTAR filings. Further activity by the Work Group is dependent on filings by RTO West, DSTAR and the California ISO. Several members of the Work Group (e.g., Prasad Poturri (NM PRC), Larry Nordell (MT DEQ), participate in the RTO West and DSTAR pricing discussions. In February, Doug Larson (WIEB staff), made a presentation to DOE on the activities under this project and an earlier DOE-funded project on electricity.

The identification and resolution of "seams" issues at the boundaries where RTOs meet has been a high priority for CREPC. At CREPC's request, the Western Market Interface Committee has been working on seams issues. Wally Gibson (Northwest Power Planning Council) has been the lead person on seams issues for CREPC and chairs the seams work group of the WMIC. The WMIC seams work group has met in December, January, February and March. Progress is being made on seams issues involving scheduling and use of phase shifters to mitigate loop flow problem. Price reciprocity between RTOs and the definition and implementation of flow paths between RTOs remain significant challenges.

- **Electric Reliability and Restructuring Legislation:** In the last session of Congress, the Senate passed a reliability bill (S 2071), but the House failed to act on the bill. The primary reason for the failure to act in the House was a paralyzing debate over whether the reliability legislation should be part of a comprehensive restructuring bill or a stand alone bill. The recommendations adopted by western governors at their Energy Policy Roundtable on February 2 in Portland called for enacting legislation

like S 2071. The governors delivered a similar message to Vice President Cheney during a meeting on February 27.

At present the prospects for enacting federal reliability legislation this year are poor.

As a stopgap measure before the enactment of federal reliability legislation, the Western Systems Coordinating Council (WSCC) has instituted a system for enforcing reliability standards through contracts signed by its member systems. Under the WSCC Reliability Management System (RMS), control area operators are contractually bound to adhere to reliability criteria developed by the WSCC. If the agreements are violated, letters notifying the control area operators of the violation are sent and, if the circumstances warrant, predetermined monetary sanctions are applied. In October, CREPC was briefed on the status of the RMS. Generally, those companies that have signed the RMS agreement show significantly greater compliance with reliability standards than those companies (e.g., Puget Sound Energy, Avista, Portland General Electric) that have refused to sign the agreements. During the winter, the California ISO has had numerous violations of reserve requirements. At its April meeting, CREPC will receive a report from WSCC on compliance with reliability standards and on WSCC's efforts to revise the reliability criteria governing required reserve levels.

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

CREPC continued its active participation in efforts to create a WECC. During the October-December time period, the Western Systems Coordinating Council, the Western Regional Transmission Association, and the Southwest Regional Transmission Association agreed to merge into the new organization. (The Northwest Regional Transmission Association supports the creation of the WECC but has not elected to merge into the WECC at this time.) Merger documents, WECC bylaws, and a filing with FERC have been developed.

In March, the RTO West filing utilities objected to provisions of the bylaws and proposed alternative language that would weaken the role of the WECC in planning and commercial issues and trigger a review of the organization of the WECC once FERC approves an RTO in the Western Interconnection. Compromise language was worked out at a meeting of the Western Interconnection Coordinating Forum's Steering Committee on April 3. WIEB staff has expressed concern that continuing delays in forming the WECC and weakening of its role will invite efforts for federal preemption of decisions in the West. Marsha Smith (ID PUC) and Bill Chamberlain (CEC) are CREPC's representatives to WICF.

During its April meeting, WICF will brief CREPC on the progress made towards implementing the WECC.

In addition to working on the formation of the WECC, CREPC members have been active in representing the states 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.

Click on the following address for the agenda for the CREPC meeting in Scottsdale:  
<http://www.westgov.org/wieb/meetings/crepcspring2001/draftagenda.htm> .