

Proposed FY 2009-2010 Work Plan for the Western Interstate Energy Board

The work plan directs staff to undertake programs and projects to address issues of Board concern. The work plan is also designed to reflect the priorities of the Western Governors' Association (WGA) and to contribute to the implementation of the WGA work plan.

The proposed work plan continues to focus on the Board's six climate change-related priorities adopted in April 2007 and supports the work of the Board's three committees: High-Level Radioactive Waste; Energy Minerals Reclamation; and the Committee on Regional Electric Power Cooperation. The work plan does NOT reflect support to the WGA Western Renewable Energy Zone project or potential new initiatives related to transmission for renewable generation that Western Governors may adopt. As the extent of this work becomes clearer, related tasks can be added to the work plan. The work plan does not include WIRAB activities.

The following table summarizes the proposed allocation of resources by program.

Summary of Work Plan, Budget and Revenue Sources

	Expenditure	Restricted Revenue	Unrestricted revenue
I) Affordable and Reliable Energy Supplies			
A) Electricity			
1) Information sharing and meetings of CREPC	55,000	25,000	30,000
2) Market monitoring	3,000		3,000
3) Follow-up from 2/24-25 resource planning mtg	20,000		20,000
4) WREZ	0	0	0
5) Integration of variable generation renewables	75,000	75,000	0
6) Transmission permitting	10,000		10,000
7) Hybrid generation technologies	2,000		2,000
8) Electrification of the transportation sector	5,000		5,000
B) Petroleum	0		0
C) Natural gas	0		0
II) Energy Byproducts			
A) High-level radioactive waste transportation shipments	3,000	-0-	3,000
B) Energy mineral mine reclamation	20,000		20,000
C) Carbon sequestration	-0-	-0-	
III) Information Exchange			
A) Sharing information and experience (including sharing of information on climate-change related developments)	80,000		100,000
B) Analyze and report energy developments (including support for WGA in analysis of federal cap and trade legislation, federal REZ and transmission legislation)	111,408		160,000
TOTAL	364,408	100,000	264,408

The Board will review the proposed work plan at its annual meeting on April 6.

MISSION

The Western Interstate Nuclear Compact, the legal basis of the Board, states that the purpose of the Board is to provide the instruments and framework for cooperative efforts to “enhance the economy of the West and contribute to the individual and community well-being of the region’s people.” The Board seeks to achieve this purpose through cooperative efforts among member states/provinces and through cooperative efforts between the West and the federal government in the field of energy. The Board also supports the efforts of the Western Governors’ Association through technical study and policy analysis.

WIEB has the following objectives:

- Provide a forum for identifying, evaluating, and resolving regional energy-related issues;
- Build the capacity of states/provinces to effectively address issues related to the production, distribution and consumption of energy and its byproducts;
- Promote cooperative efforts between the U.S. federal government and western states/provinces that foster the well-being of the region’s people;
- Provide for the timely analysis and sharing of information among western states/provinces on energy-related issues; and
- Provide policy and technical support to the Western Governors’ Association.

PROGRAMS

Programs in the proposed WIEB work plan are grouped into three categories.

I) Affordable and Reliable Energy Supplies

A) Electricity¹

- 1) Information sharing and meetings of CREPC
- 2) Market monitoring (some of which applies to natural gas)
- 3) Follow-up on issues raised at February 24-25 Western Interconnection resource planning meeting
- 4) West-wide Renewable Energy Zone project (WREZ)
- 5) Integration of variable generation renewables
- 6) Transmission permitting
- 7) Hybrid generation technologies
- 8) Transmission permitting
- 9) Electrification of the transportation sector (e.g., plug-in hybrids)

B) Petroleum

C) Natural gas

II) Energy Byproducts

- A) Safety in high-level radioactive waste transportation shipments

¹ For more details on several of these items, see [CREPC 2009-10 work plan](#) .

- B) Successful active energy mineral reclamation and abandoned mine clean-up
- C) Carbon sequestration

III) Information Exchange

- A) Expand the quality and timeliness of interstate sharing of information and experience, particularly in the area of climate change-related activities
- B) Analyze and report energy developments (including support for WGA analysis of the impact on the West of proposed federal carbon emission cap and trade legislation and federal Renewable Energy Zone and transmission legislation)

Acronyms

CREPC	WIEB’s Committee on Regional Electric Power Cooperation
DOE	Department of Energy
FERC	Federal Energy Regulatory Commission
HLW	High-level radioactive waste
LBNL	Lawrence Berkeley National Laboratory
LSE	Load-Serving Entity
REZ	Renewable Energy Zone
WGA	Western Governors’ Association
WIRAB	Western Interconnection Regional Advisory Body
WREZ	West-Wide Renewable Energy Zones

I. Affordable and Reliable Energy Supplies

A. Electricity

- 1) Information sharing and meetings of CREPC
- 2) Market monitoring (some of which applies to natural gas)
- 3) Follow-up from Feb 24-25, 2009 resource planning meeting
- 4) WREZ
- 5) Integration of variable generation renewables
- 6) Transmission permitting
- 7) Hybrid generation technologies
- 8) Electrification of the transportation sector

GOAL Promote actions that contribute to the goal of affordable and reliable electricity supplies. (WGA Resolutions [07-16](#), [08-2](#), [08-8](#), [08-9](#), [08-10](#))

BENEFITS Affordable and reliable supplies of electric power can provide significant economic benefits to the West. Businesses and citizens of the West spend more than \$50 billion annually on electric power (or over \$800 per capita). Given the interconnected nature of the western electric power system and the diversity of governmental entities (e.g., state PUCs, state siting agencies, FERC, Canadian provinces) exercising regulatory authority over parts of the system, it is essential that there be close communication and cooperation among states and provinces, with the U.S. federal government, and with the industry participants in order to foster economic efficiency and achieve other regional objectives, such as system reliability, stable prices and minimizing environmental impacts including

greenhouse gas emissions.

OBJECTIVES AND STRATEGIES

- 1) Provide a forum for state/provincial regulators, energy agencies and facility siting agencies to share information and collectively interact with FERC, DOE and the Western electric power industry.
 - Hold two meetings of the Committee on Regional Electric Power Cooperation (CREPC), webinars and workshops at which outside parties, such as FERC, DOE and industry, would be invited to address issues of interest to Committee members.
- 2) Enhance communication between western states/provinces and FERC on monitoring of electricity (and natural gas) markets.
- 3) Strengthen communications with western utility resource planners, including [follow-up](#) from the February 24-25, 2009 Western Interconnection resource planning meeting.
- 4) Share information on the climate change impacts of load serving entity resource plans
- 5) Under a DOE grant to WGA, WIEB would assist in the execution of the WREZ project, primarily in the execution of Phase 2 regarding transmission to renewable energy zones, Phase 3 coordinated procurement of generation from preferred REZs and Phase 4 interstate coordination on issues such as siting and cost allocation.
- 6) Under the DOE wind grant, work would be done on integrating significant new variable renewable generation into the western power system.
- 7) Pursuant to requests at the October 2008 CREPC meeting, information would be developed on existing state and provincial transmission siting processes.
- 8) Minor activity would occur to monitor developments related to advanced coal/wind hybrid technologies.
- 9) Some work on grid impacts of plug-in hybrid vehicles would be done as follow-up to the Board's discussion of this subject at its April 6-7, 2009 meeting.
- 10) No staff support would be provided for CREPC's work on resource adequacy, cost allocation/recovery, or transmission permitting. (WIRAB will be addressing resource adequacy.)

BUDGET: \$25,000 from the Western Conference of Public Service Commissioners;
\$75,000 from the DOE wind grant; \$60,000 from unrestricted revenues.

I.B. Petroleum

No activities would be undertaken in this area.

I.C. Natural Gas

No activities would be undertaken in this area, except for collaboration with FERC on market monitoring which is reflected under I.A. and possibly some work under the DOE wind integration grant.

II. Energy Byproducts

A. Safe high-level radioactive waste transportation shipments

GOAL To ensure adequate preparations are made to support the safe and uneventful transportation of spent nuclear fuel and high-level radioactive waste in the West and to provide technical support to WGA on nuclear waste issues. (WGA Resolutions 07-2, [08-6](#) and any revisions/readoption of [06-7](#))

BENEFITS Protect citizenry from unnecessary risks from the transportation of spent fuel and HLW and ensure that the costs of preparations for shipments are borne by the beneficiaries of such shipments.

OBJECTIVES AND STRATEGIES

- (1) Facilitate communications between western states and the Department of Energy, the Nuclear Regulatory Commission, other federal agencies, and other regions.
- (2) Identify and resolve regional transportation concerns to permit the safe and uneventful transportation of spent fuel and HLW in the West.
- (3) Provide technical expertise in support of WGA nuclear waste programs and policies.
- (4) Meet the information needs of western states.

BUDGET \$3,000 from unrestricted funds. In February 2009, DOE notified the four regional groups that it will no longer fund the cooperative agreements. Therefore, little activity other than monitoring developments will be done in this area. However, the Board's HLW Committee will be continued, but will not hold in-person meetings.

B. Successful coal and uranium mine reclamation

GOAL To improve western state programs to regulate coal and uranium mining

BENEFITS Improved administration of state mine regulatory programs will lessen environmental impacts from coal and uranium mining.

OBJECTIVES AND STRATEGIES

As needed, hold meetings and conference calls of the WIEB Energy Mineral Reclamation Committee to address issues such as technical assistance to state programs, regulatory grants, oversight of state programs by the federal Office of Surface mining, and state experiences in regulating a resurgence of uranium mining.

BUDGET \$20,000 from unrestricted funds.

C. Carbon Sequestration

GOAL Assist WGA in providing education and outreach support to DOE and the

four regional carbon sequestration partnerships in the West. (WGA resolution [06-03](#))

BENEFITS As pilot geological and terrestrial projects are conducted, it is important that the progress being made is communicated regularly to the Governors, state energy and environmental agencies, stakeholders and the general public.

OBJECTIVES AND STRATEGIES In coordination with WGA staff, continue to participate in each of the four partnerships' meetings and DOE outreach work group conferences calls. Provide feedback on outreach products.

BUDGET No activities would be undertaken in this area.

III. Information Exchange

A. Expand the quality and timeliness of interstate sharing of information and experiences

GOAL To improve the quality of state/provincial decision-making and to coordinate interstate actions affecting regional energy-related interests through the timely sharing of quality information. Sharing information on climate change-related topics will continue to be the focus in 2009-10.

BENEFITS Rapid sharing of information among states/provinces: (1) enables coordinated action; (2) avoids unnecessary conflicts resulting from misunderstandings; and (3) reduces costs to individual states and provinces by allowing one state/province to benefit from the experience and analyses of another.

OBJECTIVES AND STRATEGIES

1. Hold meetings to share information and experience on specific topics of common interest
2. Promote an understanding of the objectives of each state/province to allow increased reliance by one state/province on another state/province for information and analysis

BUDGET \$80,000 from unrestricted funds

B. Analysis and reporting of energy developments

GOAL Provide states/provinces and WGA with timely information and analysis on events affecting their energy-related interests. Issue an annual report that provides a synopsis of Board activities and fulfills the statutory requirements of the Western Interstate Nuclear Compact, the Board's legal basis.

BENEFITS Analysis and dissemination of information on energy-related developments affecting the West can be done at lower cost by a central staff than by each individual state/province. Capturing these economies of scale lowers costs to individual states/provinces and improves understanding of developments outside

of one's borders.

OBJECTIVES AND STRATEGIES

1. Conduct special analyses at the request of states and provinces and WGA. The focus will be on evaluating the impact on the region of U.S. federal carbon emissions cap and trade proposals. With a new administration and Congress, there is expected to be extensive activity in this area.
2. Prepare and post the Board's annual report on the WIEB Home Page

BUDGET \$111,408 from unrestricted funds