



Western Electricity Coordinating Council

WECC Response to DOE Funding Opportunity on Regional Planning

CREPC/WIRAB Meeting

November 5, 2009

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Agenda

- DOE Funding Background
- Summary of WECC response
- Changes to existing planning processes
 - Deliverables
 - Organization
- Current Activities and next steps

Funding Opportunity Announcement

Regional Transmission Planning

- Up to \$60 million in DOE funding for:
 - (A) Interconnection-level analysis and planning
 - (B) State cooperation on electric resource planning and priorities
- Responses were due September 14, 2009
 - WECC submission - August 13, 2009
- DOE announcement expected November 2, 2009
- Funds available under DE-FOA0000068
 - www.doe.gov/recovery

Funding Opportunity Announcement

Key Provisions

- Create interconnection-wide, long-term, scenario-based transmission plans
 - Identify alternative transmission system configurations
 - Quantify reliability and cost implications
 - Address technology and policy uncertainties
- Deliverables due in June 2011 and June 2013
- Establish a multi-constituency steering group to guide scenario development
 - 1/3 State representatives
 - Non-traditional stakeholders
- Fund non-profit and non-governmental organization (NGO) participation in planning processes

Overview of WECC response

What the proposal is

- Extraordinary opportunity to expand the capability of planning processes in the West
- An extension of existing TEPPC planning process
 - Ability for broader input from other stakeholders into planning processes
 - Ability to study a broader range of scenarios
 - Determine impact of policy and technology drivers

Overview of WECC response

What the proposal is (continued)

- Improved coordination of subregional groups and WECC planning processes
- Ability to provide input to other critical processes
 - Siting – Rating – Cost Allocation
- Process in which decision authority remains with TEPPC and the WECC Board

Overview of WECC response

What the proposal is NOT

- Radical shift in WECC processes
- Change in planning governance
- Significant long-term funding commitment by WECC and membership
- WECC involvement in siting or cost allocation processes
- No commitment to fund non-WECC activities beyond the DOE funding period

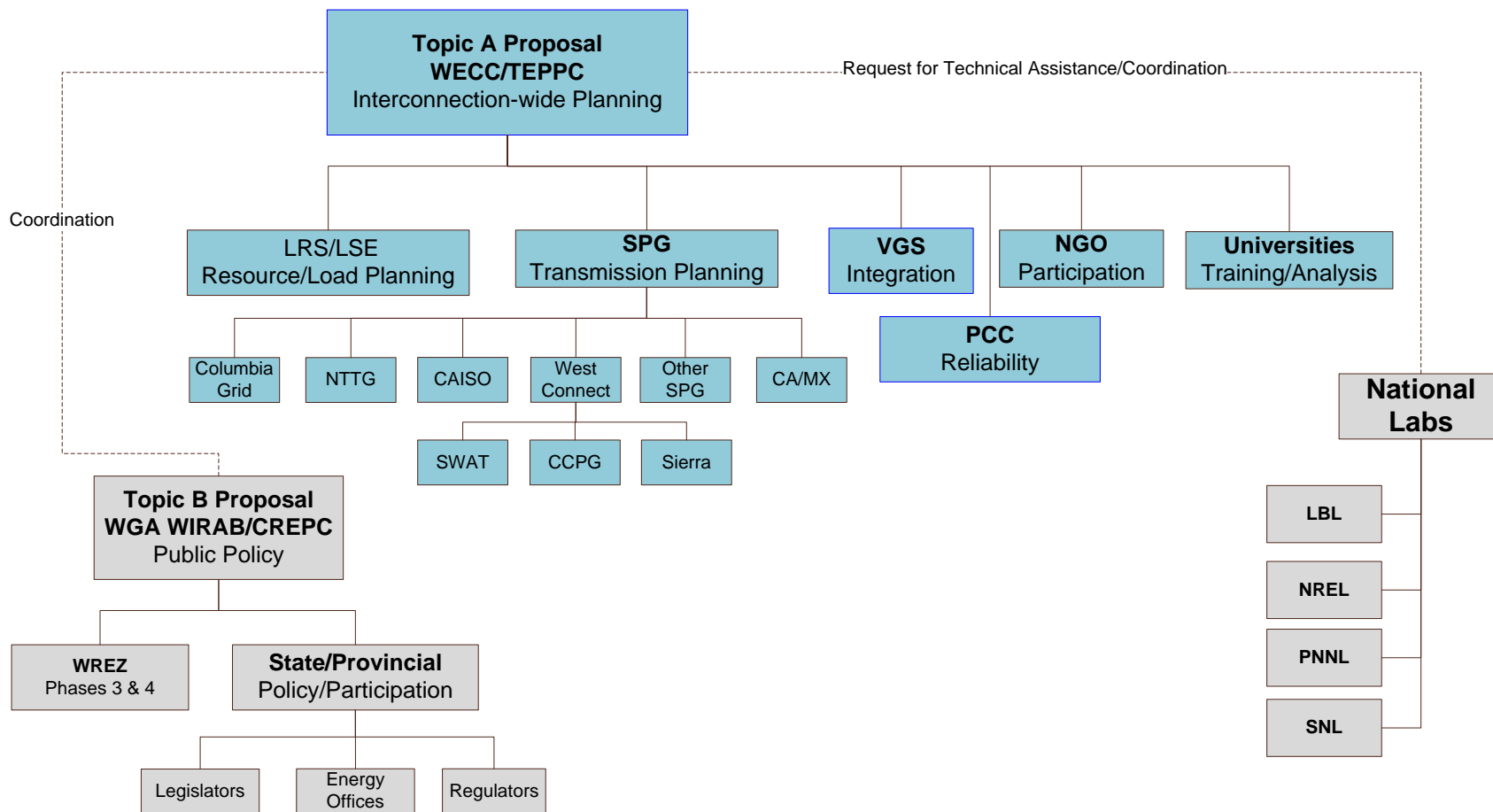
Overview of WECC response

Response to FOA Timeline

- March 19 – TEPPC task force created
- April 28 – WECC Board guidance
- June 15 – FOA Announced by DOE
- July 10 – Draft response/key points
- July 14 – TEPPC RPTF meeting
- July 22 – Draft response to WECC Board
- July 29-31 – WECC Board meeting - Approval
- August 13 – WECC submittal
- November [xx] – Announcement
- Nov-Dec – Contract negotiations
- January 1 – Funding

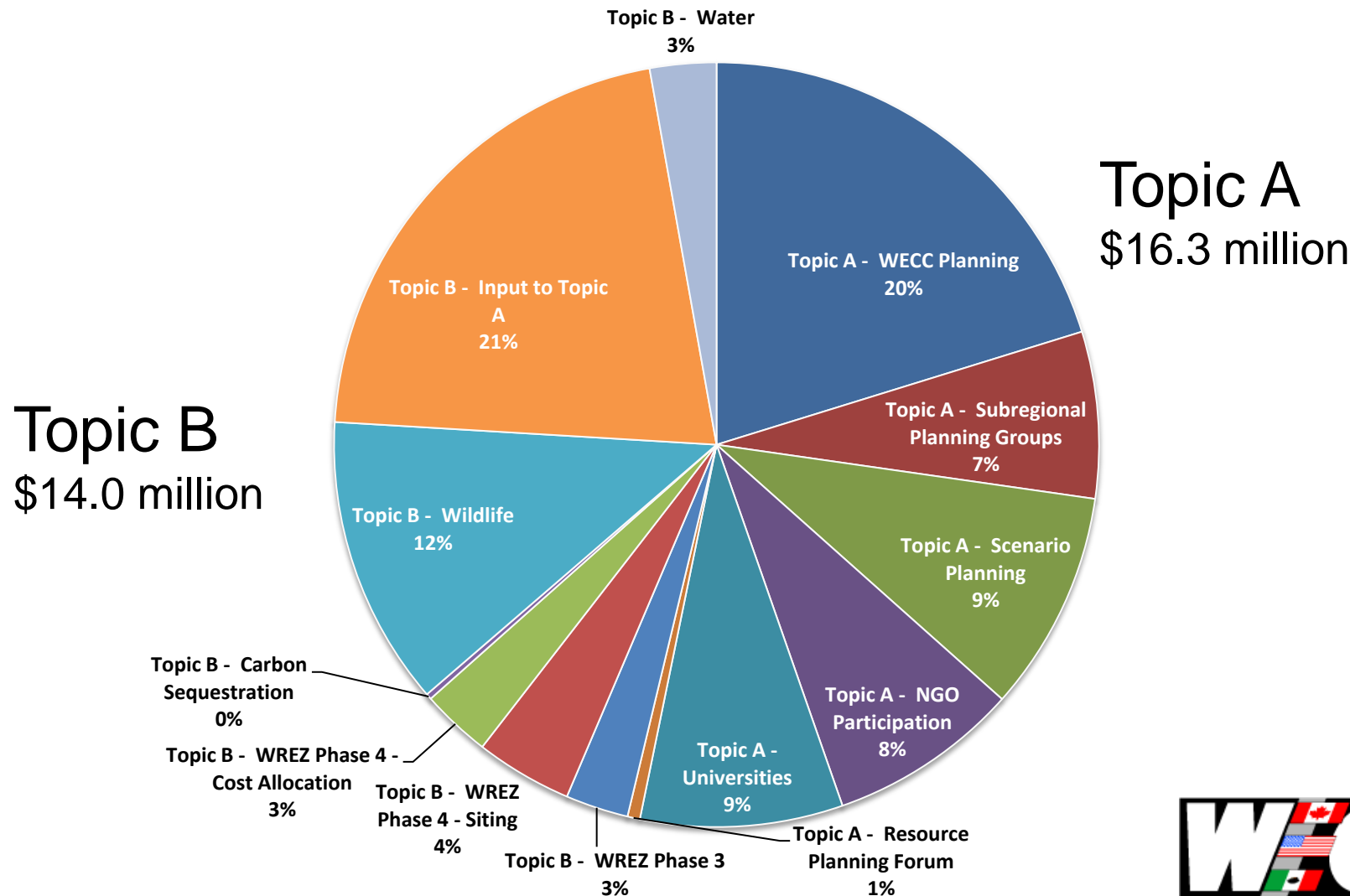
Overview of WECC Response

Funding Diagram



Funding of Tasks Under Topics A and B

4 Year funding period



Overview of WECC Response

Budget Overview

- Regional planning activities
- Subregional planning activities
- Operating impact and technology analysis
- Creation of an advisory steering group – (SPSG)
- NGO participation in planning activities
- Meetings – travel – outreach for all of the above

Regional Planning Funding Overview					
Expense Category	2010	2011	2012	2013	Total
WECC Total	\$1,968,200	\$1,546,200	\$1,316,200	\$1,316,200	\$6,146,800
SPG (Subregional Planning Group) Total	\$535,000	\$535,000	\$535,000	\$535,000	\$2,140,000
SPSG (Scenario Planning Steering Group) Total	\$708,400	\$708,400	\$708,400	\$708,400	\$2,833,600
NGO Participation Total	\$613,200	\$613,200	\$613,200	\$613,200	\$2,452,800
University Total	\$867,000	\$867,000	\$867,000	\$0	\$2,601,000
LSE (WIRPF) Meetings	\$40,000	\$40,000	\$40,000	\$40,000	\$160,000
Grand Total	\$4,731,800	\$4,309,800	\$4,079,800	\$3,212,800	\$16,334,200

11 **NOTE: 2010 TEPPC budget is \$1.7M**

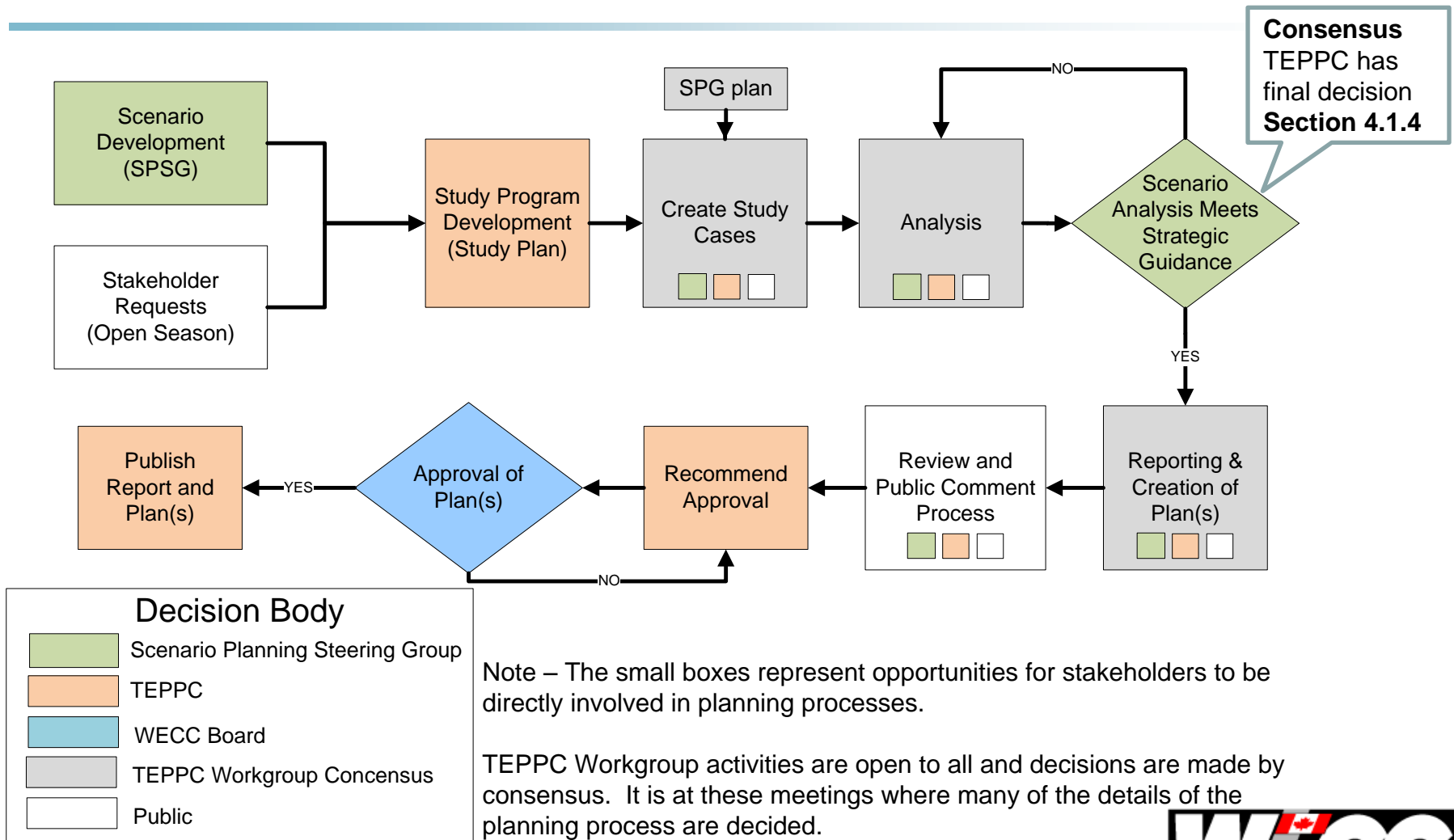
WECC Funding Proposal

Planning Activities (new activities in **Red**)

	Short Term 0-5 Years	Medium Term 5-10 Years	Long Term 20 Years
Regional (WECC)	<ul style="list-style-type: none"> • OTC, TTC • Rating Process • TEPPC (5yr) 	<ul style="list-style-type: none"> • TEPPC Congestion Analysis • <u>10yr Regional Plan</u> • Project Planning & Rating Process • Reliability Assessment 	<ul style="list-style-type: none"> • <u>20yr Regional Trans Target Plan</u> • <u>LSE Planning Coordination (WIRPF)</u>
Subregional (SPG)	<ul style="list-style-type: none"> • OTC, ATC • Short-term Assessment • Short-term Design Planning 	<ul style="list-style-type: none"> • Sub-Reg Trans Biennial Cap • Annual Econ Study • SPG 10yr Att K Plan • <u>10yr SPG Coordinated Reliability Plan</u> 	
Local (Utilities)	<ul style="list-style-type: none"> • OATT studies • Operating Studies • Compliance Studies 	<ul style="list-style-type: none"> • Attachment K or equivalent • Compliance Studies 	<ul style="list-style-type: none"> • Long-range studies

Overview of WECC Response

Expanded TEPPC Regional Planning Process



Organizational Structure

- WECC
- Subregional Planning Groups (SPG)
- Scenario Planning Steering Group (SPSG)
- Western universities
- Non-Governmental Organizations (NGO)

Organizational Structure

WECC

- Project management
- Contract administration
- Regional planning activities
 - 10-yr Regional Plan
 - 20-yr Regional Transmission Target Plan
- Planning tools development/acquisition
- Stakeholder outreach
- Budget - \$6,146,800 (4 years)
 - Capital – \$762,800

Planning Activities

Subregional Planning Groups (SPG)

- 10-yr Coordinated Reliability Plan
 - Combine SPG plans
 - Analyze and rectify seams issues
 - Ensure reliability (planning) standards are met
 - Identify needed transmission projects
- Form “baseline” for WECC regional plans
 - Transmission models
 - Load & Resource models
 - Coordinated with PCC activities
 - Base cases, loads and resources
- Budget - \$2,140,000 (4 years)

Organizational Structure

Scenario Planning Steering Group (SPSG)

- Multi-constituency Steering Group to provide strategic guidance to the long-term planning process
 - Create scenarios for consideration by TEPPC
 - Manage NGO participation
- Benefits
 - Broaden stakeholder involvement in planning process
 - Complement existing TEPPC stakeholder representation
 - Provide an additional channel for outreach
- This group does **not** supplant existing TEPPC or WECC decision authority
- Budget - \$2,833,600 (4 years)

Organizational Structure

Scenario Planning Steering Group (SPSG)

Representation

Total Number	SPSG members on TEPPC	Representing
5	0	Technology Advocates (wind/solar/geothermal/nuclear/coal/EE/DSM)
1	0	Transmission Owner/Operator
1	0	Lands protection advocate
1	0	Wildlife advocate
8	2	State Officials (PUC, Energy Office)
1	0	Provincial Official
1	0	Canadian Utility Representative
2	1	Consumer Advocates – One from TEPPC
1	1	Environmental Representative from TEPPC
1	1	WECC Board member from TEPPC
1	1	SPG representative from TEPPC
1	1	LSE representative from TEPPC
24	7	TOTAL

Organizational Structure

Scenario Planning Steering Group (SPSG)

Ex-Officio Representatives

Total Number	SPSG members on TEPPC	Representing
1	0	Department of Energy
1	0	Department of Agriculture – US Forest Service
1	0	Department of Interior – Bureau of Land Management
1	0	Federal Energy Regulatory Commission
4	0	Total Ex-Officio Members

Organizational Structure

Western University Activities

- Education and training
 - Create programs for existing and new planning professionals
 - Identify future industry needs
- Technology assessment
 - Comprehensive look at reliability implications and integration needs
 - Coordinated with WECC VGS and National Labs
 - Identify operational feasibility issues
- Budget - \$2,601,000 (3 years)

Organizational Structure

Non-Governmental Organization (NGO) Participation

- Funding for robust participation in **regional** and **subregional** planning processes
 - Travel expenses
 - Preparation and participation time
- Managed by the SPSG
 - Ensure broad participation
 - Minimize duplication
- Budget - \$2,452,800 (4 years)

NGO Participation Funding

WECC proposal detail

Regional Planning Funding Detail NGO Participation Funding

Description	Rate	Qty (annual)	Budget	
			Annual	Total
SPSG NGO Rep Stipend (\$12,400/yr)	\$12,800	8	\$102,400	\$409,600
SPSG NGO Rep Travel (32 trips/yr)	\$800	64	\$51,200	\$204,800
NGO Participation Travel (TEPPC & SPG) 8 reps X 32 events/yr	\$800	256	\$204,800	\$819,200
NGO Participation Time (TEPPC & SPG) 8 reps X 16 hrs/event X 32 events/yr	\$50	4096	\$204,800	\$819,200
NGO Outreach	\$50,000	1	\$50,000	\$200,000
			\$613,200	\$2,452,800

- Time rate is calculated on a \$100,000 per year salary
- Travel is \$800 per trip

Current Activities

- SPGs are meeting regularly and working toward creating a process for bringing their plans together
- WECC Staff is:
 - Reviewing systems and processes to ensure the capability to manage federal funds
 - Preparing the necessary filings
 - Preparing organizational documents

Next Steps – If WECC is Selected

- Negotiate terms and conditions with the DOE
 - Ensure regulatory approval off-ramps are in place
 - Ensure any DOE terms are not in conflict with existing governance
- Prepare 2010 Business Plan and Budget modification filing

Desired Outcomes

What to expect

- Improved regional and subregional planning process coordination
- Increased quantity and improved quality of information available to the industry
- Comprehensive understanding of the reliability impacts of energy policy
- Facilitated the development of needed transmission capacity

Questions

