

In cooperation with the
Western Governors'
Association

Implementing Wind Energy & Transmission in the West

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What Does That Mean?
Not sure what one of the terms here refers to?
Try consulting our transmission glossary!

The National Wind Coordinating Collaborative (NWCC), through its Western Transmission Leadership Group (WTLG), ensures wind stakeholder engagement in transmission activities and develops and shares information about integrating wind into the Western grid through intuitional, regulatory, and operational changes. These quarterly newsletters highlight transmission-related wind energy happenings in the Western Governors' Association (WGA) territory with updates on corresponding NWCC WTLG activities. This is our second newsletter; the first volume, issued in February, is available [here](#).

Feel free to pass this newsletter along to other individuals and groups who may be interested. Please [contact us](#) to be added to or removed from the newsletter distribution list. We welcome your [feedback](#) on the newsletter and [suggestions](#) for improving it. Also, if you have updates for the next edition, please [tell us](#)!

CAISO petition for Third Category of transmission assets approved

As reported in the [last issue](#) of this newsletter, the [California Independent System Operator \(CAISO\)](#) filed a petition for declaratory order to FERC requesting policy guidance on creating of a new transmission category for interconnecting renewable energy facilities. This so-called "Third Category" of transmission recognizes the location-constrained nature of renewable energy resources. Under this approach, network facilities are initially paid for by all users of the CAISO grid and then reimbursed on a *pro rata* basis by renewable energy generators as they come on-line.

On April 19, 2007, the FERC Commissioners unanimously issued an order granting CAISO's petition and encouraged other states to adopt the third category approach. CAISO will now prepare and submit for FERC approval an amendment to its tariff incorporating the new policy. For more about FERC's decision, visit <http://www.ferc.gov/press-room/press-releases/2007/2007-2/04-19-07-E-5.asp>.

Contact Us!

Please send updates or suggestions for future editions to:

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We welcome your
feedback!

For More Information

www.nationalwind.org

www.westgov.org

www.westgov.org/wieb/

www.awea.org

www.uwig.org

NWCC Activities

The “third category” will be one of the featured topics on NWCC’s June 19th Transmission Update call at 1 pm Eastern Time. To join the Transmission Update listserv, contact Katie Kalinowski, NWCC Outreach Coordinator, at kkalinowski@resolv.org. The [August / September NWCC Transmission Update](#) provides more information about the petition for declaratory order.

FERC issues Order 890

The [Federal Energy Regulatory Commission \(FERC\)](#) issued [Order 890](#) on February 16, 2007, modifying its *pro forma* open access transmission tariff adopted through Order 888. FERC intended Order 890 to:

- Address various ambiguities in the open access transmission tariffs that every transmission provider had to file to comply with Order 888
- Provide greater transparency and certainty to transmission customers and providers
- Give greater impetus and standardization to regional transmission planning; and
- Institute conditional firm and planning redispatch provisions.

Order 890 requires transmission planners to develop strawman transmission planning proposals, intended to develop consistent principles except for cost allocation which varies by region. FERC is holding technical conferences to review and discuss these strawman proposals in June 2007. The technical conference meeting schedule is available at <http://www.ferc.gov/EventCalendar/EventDetails.aspx?ID=3315&CalType=%20&Date=6%2f4%2f2007>.

NWCC Activities

The [National Association of Regulatory Utility Commissioners \(NARUC\)](#), the [Western Governors’ Association \(WGA\)](#), and NWCC co-hosted a webcast entitled [FERC Order 890: What Does It Mean For The West?](#); click on the webcast title for a summary of the presentations. The webinar focused on the Order 890 issues of most importance for wind power, i.e., conditional firm, energy imbalances and redispatch, and transmission planning. Featured speakers included Dan Hedberg and Mason Emnett, FERC; Grace Soderberg, NARUC; Natalie McIntire, Renewable Northwest Project; Rob Gramlich, American Wind Energy Association; and Rob Kondziolka, Salt River Project & Southwest Area Transmission.

DOE issues draft Southwest Area National Corridor

The U.S. Department of Energy (DOE) took the next step with its National Interest Electric Transmission Corridors work by naming two draft National Corridors—the draft Southwest Area National Corridor and the draft Mid-Atlantic Area National Corridor. The Southwest Area National Corridor includes counties in California, Arizona, and Nevada. These corridors both apply to Critical Congestion Areas as identified in DOE’s August 2006 National Electric Transmission Congestion Study. This website <http://nietc.anl.gov/nationalcorridor/index.cfm> has the federal register notice and maps of the draft corridors.

Opportunities to comment on the draft corridors are available. Through July 6, 2007, comments may be submitted through the DOE website [here](#). DOE is also hosting public meetings during May and June. The San Diego public meeting was on May 17th and meetings in Phoenix and Las Vegas during June are expected to be announced soon.

NWCC Activities

The [April / May 2006 NWCC Transmission Update Brief](#) provides further details on the Energy Policy Act 2005 requirements for DOE to study transmission congestion and designate National Corridors.

Colorado governor signs legislation encouraging new renewable energy transmission

Colorado Governor Bill Ritter signed [Senate Bill 100](#) on March 27, 2007, which encourages new transmission line construction to access more renewable energy in the state. Using the term “Energy Resource Zones” to describe areas where “transmission constraints hinder the delivery of electricity to Colorado consumers, the development of new electric generation facilities to serve Colorado consumers, or both,” S.B. 100 requires electric utilities subject to rate regulation to identify areas with high wind power potential and on a biennial basis designate Energy Resource Zones. The utilities are then required to develop construction plans to improve transmission capacity and they may start to recover investments during construction. This approach is intended to provide transmission in advance of clean generation and thereby encourage more wind energy development.

At the same signing ceremony for S.B. 100, Gov. Ritter also signed House Bill 1281, doubling the state’s Renewable Portfolio Standard to 20 percent by 2020 for large investor-owned utilities and 10 percent by 2020 for municipal utilities and rural electric providers. HB 1150, creating the Colorado Clean Energy Development Authority is pending the Governor’s signature. For more information on these developments, visit http://www.eere.energy.gov/news/news_detail.cfm/news_id=10674. or <http://www.interwest.org/documents/index.html> under “SB 100”

New Mexico creates Renewable Energy Transmission Authority

On March 5, 2007, New Mexico Governor Bill Richardson signed [House Bill 188](#) to create a New Mexico Renewable Energy Transmission Authority (RETA). The RETA has responsibility for planning, financing, acquiring, and building transmission infrastructure. A one-time appropriation of \$1 million is being requested in the legislature to start the RETA; thereafter the Authority will rely on revenue from projects it initiates and will fund investments by issuing bonds. The RETA may designate intrastate transmission corridors, as well as work with other states on interstate corridors and transmission lines. The Authority will only pursue projects if transmission needs are not being met by public utilities or other entities. Through the RETA, New Mexico aims to increase its renewable energy development in-state and for export. A factsheet on H.B. 188 is available [here](#).

Like Colorado, New Mexico also increased its renewable portfolio standard in March 2007. The new RPS, part of [Senate Bill 418](#) signed by Gov. Richardson, calls for 15 percent renewable energy by 2015 and 20 percent by 2020 for regulated utilities. Rural electric cooperatives were added to the RPS, with a requirement of 5 percent renewable energy by 2015 and 10 percent by 2020.

Western Wind Integration Study Commences

DOE/NREL and GE kicked off the Western Wind Integration Study in a stakeholder meeting on May 23, 2007 at NREL in Boulder, CO. The study will examine costs of operating impacts from variability and uncertainty of wind and solar power on the grid for major control areas in Nevada, Arizona, New Mexico, and possibly Colorado as well. Wind and solar resources from a broad footprint across the West will be considered along with examination of long-distance transmission. About 50 key participants attended the session, including staff from utilities, transmission providers, public utility commissions, NGOs and the wind industry to provide input into assumptions, methodologies, scenarios, and overall scope of the study. Wind and solar data for the study is expected to be completed by late 2007 and simulations and analysis are to be completed and lessons learned will be developed by the end of 2008. Please contact Debra Lew at debra_lew@nrel.gov if you would like more information about this study.

SCE files advice letter for planning to access renewables

Southern California Edison (SCE) filed a [revised Advice Letter](#) on April 2, 2007 with the California Public Utilities Commission (CPUC) requesting its approval of a memorandum account to study feasibility of accessing wind, solar, and geothermal resources in California's Salton Sea region and Inyo and Eastern San Bernardino Counties, western Nevada, and western Arizona. SCE's studies will include initial transmission facility scope of work, likely transmission routes, preliminary environmental surveys

identifying potentially sensitive areas, and cost estimates. The advice letter seeks authority to record up to \$6 million in incremental Operations and Maintenance costs to conduct studies.

Job Announcements

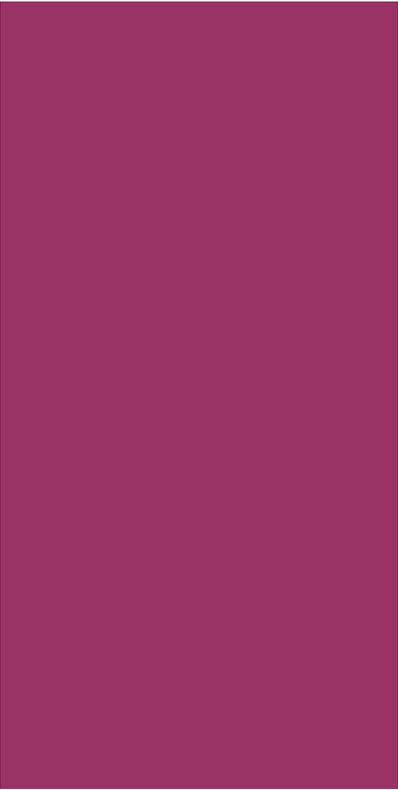
AWEA Manager of Transmission Policy

The [American Wind Energy Association](#) is seeking a Manager of Transmission Policy. The Manager will represent the wind industry in transmission activities, coordinate member input into the development of policy positions, facilitate exchange of information between members, handle press inquiries on transmission-related issues, and advocate policy positions that advance wind industry interests. Interested applicants should send a resume and salary requirements by e-mail to policyjobs@awea.org or by regular mail to The American Wind Energy Association, 1101 14th St NW, Suite 1200, Washington, DC 20005.

NWCC Western Transmission Leadership Group

Recognition and thanks to the members of the NWCC Western Transmission Leadership Group (WTLG) for their guidance and action to make more transmission available for renewable energy:

Bob Anderson, Bob Anderson Consulting	Debra Lew, National Renewable Energy Laboratory
Jeff Anthony, American Wind Energy Association	Steve Lindenberg, U.S. Department of Energy Carl Linvill, Aspen Environmental Group
Hap Boyd, GE Wind Energy	James Lyons, U.S. Department of Energy
Jim Byrne, Rocky Mountain Area Transmission Study	Natalie McIntire, Renewable Northwest Project
Tom Carr, Western Interstate Energy Board	Michael Milligan, National Renewable Energy Laboratory
Brian Connor, U.S. Department of Energy	Fred Morse, Morse Associates
Craig Cox, Interwest Energy Alliance	John Nielsen, Western Resource Advocates
Tom Darin, Western Resource Advocates	David Olsen, Center for Energy Efficiency and Renewable Technologies
Ed DeMeo, Renewable Energy Consulting Services	Amanda Ormond, The Ormond Group
Steve Ellenbecker, Wyoming Governor's Office	Brian Parsons, National Renewable Energy Laboratory
Ned Farquhar, Natural Resources Defense Council	Kevin Porter, Exeter Associates
Larry Flowers, National Renewable Energy Laboratory	Rhone Resch, Solar Energy Industries Association
Karl Gawell, Geothermal Energy Association	Rachel Shimshak, Renewable Northwest Project
Bob Gough, Intertribal Council on Utility Policy	Eric Simons, Competitive Power Ventures
Rob Gramlich, American Wind Energy Association	



Rich Halvey, Western Governors' Association	Robert Sims, AES Wind Generation
Roger Hamilton, West Wind Wires	Charlie Smith, Utility Wind Integration Group
Pamela Jacklin, Stoel Rives	Brian Smith, National Renewable Energy Laboratory
Mike Jacobs, UPC Wind	Beth Soholt, Wind on the Wires
Alyssa Kagel, Geothermal Energy Association	Steve Wegman, South Dakota Public Utilities Commission
Doug Larson, Western Interstate Energy Board	John White, Center for Energy Efficiency and Renewable Technologies
Ron Lehr, American Wind Energy Association	Andrew Young, Horizon Wind Energy