



Western Interstate Energy Board

Written Remarks of Maury Galbraith Executive Director, Western Interstate Energy Board

Competitive Transmission Development Technical Conference
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Maury Galbraith
Executive Director

Chairman Bay, Commissioners, and Staff, thank you for inviting me to participate in today's technical conference. My name is Maury Galbraith, I am the Executive Director of the Western Interstate Energy Board (WIEB or Board); an organization of eleven western states and three Canadian provinces. The governor and premier of each state or province appoints a member to the Board. WIEB and the Western Conference of Public Service Commissioners jointly support the work of the Committee on Regional Electric Power Cooperation (CREPC) to improve the efficiency of the electric power system in the West.

My remarks this afternoon are focused on the identification and assessment of the need for regional and interregional transmission facilities. I have two short take-away messages for you today:

1. The long staple approach to regional transmission planning used by many of the planning regions in the West is insufficient to establish the need for regional transmission projects in the West; and
2. The arm's length approach to interregional coordination used by all of the planning regions in the West is insufficient to establish the need for interregional transmission projects in the West.

The Long Staple Approach to Regional Transmission Planning

The first step used by many of the planning regions in the West to construct a regional transmission plan is to gather and combine the generation and transmission projects included in each of their funder's local transmission or

integrated resource plans. The data, enabling assumptions, and scenarios that supported these projects at the local level may, however, lack consistency and coherence when viewed from a regional perspective. For example, regional economics may not support each local utility constructing generation and selling excess power into the wholesale market without a significant price response or without energy curtailment. The need for regional transmission facilities cannot be established solely on local utility integrated resource plans, it must be established on the basis of robust, independent, and transparent analysis at the regional level.

Today, the long staple approach to regional transmission planning results in the plans having little or no impact on the deliberations of state utility regulators in the West. A good first step to fixing this problem would be to require an evaluation of the consistency and coherence of the data and input assumptions gathered from local transmission and integrated resource plans prior to allowing these inputs to determine the need for regional transmission.

The Arm's Length Approach to Interregional Coordination

A similar problem exists when the western planning regions rely on regional transmission plans to assess the need for an interregional transmission project. The data, enabling assumptions, and scenarios used at the regional level may lack consistency and coherence when viewed from the interregional or interconnection-wide perspective. For example, one region may conclude that a proposed interregional transmission project is beneficial because it will relieve congestion on a historically constrained transmission path. The other region, however, may conclude that the same project is not needed or beneficial because significant deployment of distributed energy resources within the region will obviate the need to relieve the congestion. Robust, independent, and transparent analysis at the interregional or interconnection-wide level is needed to reconcile or resolve these types of differences.

The interregional coordination procedure used by all of the planning regions in the West is not equivalent to interregional or interconnection-wide planning and should not be considered an adequate substitute. The coordination is arm's length and does not provide a transparent record or source of information and analysis that state policymakers and regulators can use to evaluate the need for interregional transmission facilities. A good first step to fixing this problem would be to require the planning regions to conduct a joint assessment of proposed interregional transmission facilities from the perspective of their joint footprint or from an interconnection-wide perspective.

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Commissioners and fellow panelists, thank you again for the opportunity to participate in today's conference. I look forward to our continued dialogue on these important matters.