

# Overcoming Institutional Barriers to Infrastructure Development

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January 31, 2012





# Lauren's Initiatives

1. Rapid Response Team for Transmission
2. Power Marketing Administrations
3. Project Development in the Southwest
4. Congestion Study and NIETC Designations
5. Miscellaneous
  - EPA Regulations
  - Market Power
  - 368 Corridors

# RRTT = Rapid Response Team for Transmission

## Background

- Section 216(h) of EPA Act '05
- Nine Agency MOU – Oct. 2009
- Transmission Cabinet
  - Designated 7 Pilot Projects



RRTT Pilot Projects



DOD



CEQ



FERC



USDA



DOE



ACHP



EPA



DOI



DOC

# RRTT - Goal

- Goal = expedite federal evaluation of transmission applications
- Increase efficiency in administration of federal law
- Maintain effectiveness of federal law

# RRTT – Increasing Efficiency

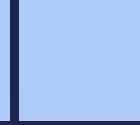
- Transform federal permitting to integrate all agencies into the same process
- Evaluate the projects with a perspective on the overall scope of the project

# RRTT – Transform Process

1. Coordinate all fed agencies
2. ID fed approvals/reviews/consults
3. Coordinate schedules
4. Designate nationwide agency teams
5. Train staff

# RRTT – Each Project

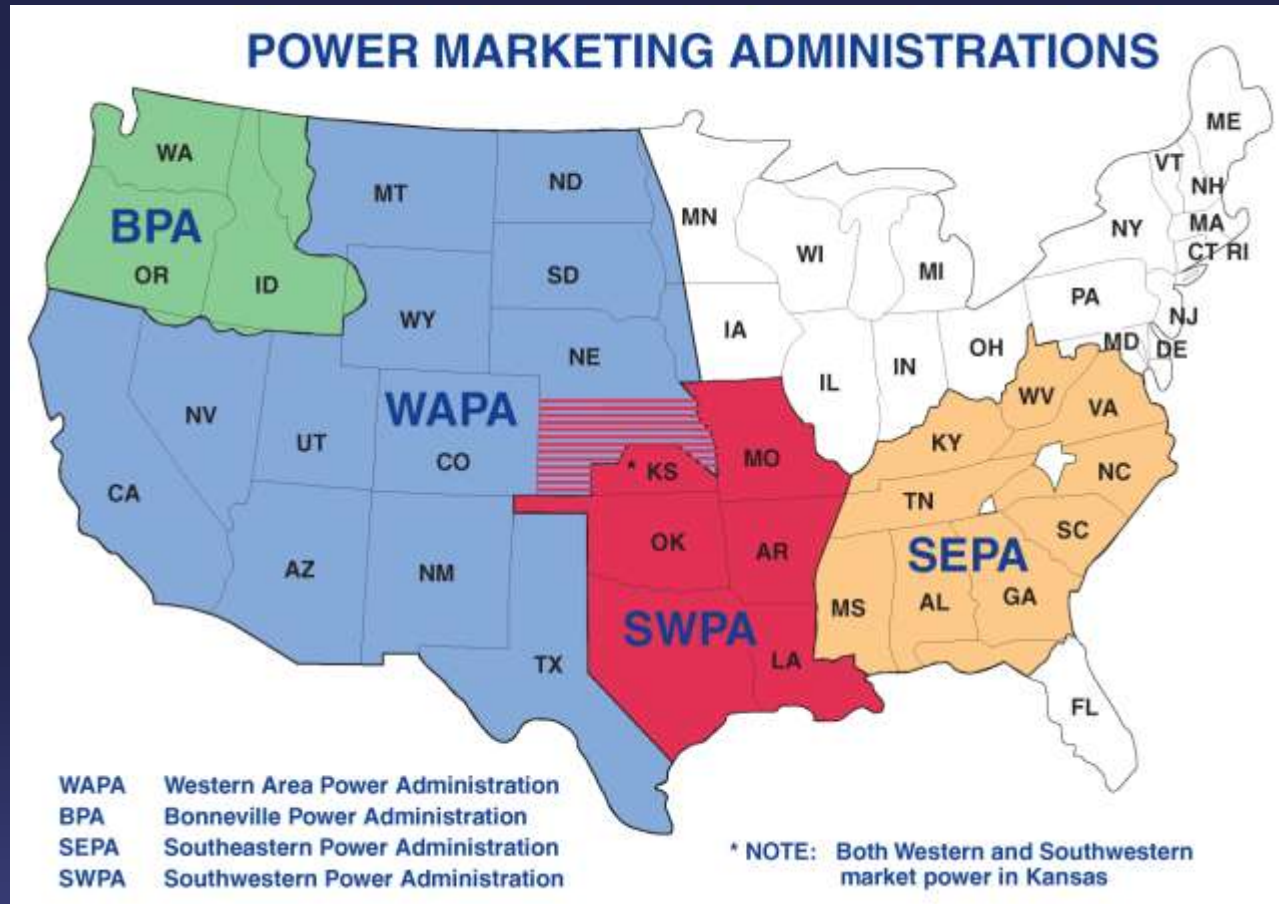
1. Create dashboard - track progress
2. Regular meetings
3. Tracking of overall fed progress
4. Problems/delays addressed



# POWER MARKETING ADMINISTRATIONS



# PMA Marketing Areas



# FY 2010 PMA Statistics

	Transmission lines (miles)	Substations (all voltages)	Powerplants <sup>1</sup>	Installed capacity (MW)	Customers <sup>2</sup>	Total Power & Transmission Rev (millions of dollars)	Sales (billions of kWh)	Percent of sales in marketing area <sup>7</sup>
<b>Bonneville</b>	15,213	263	31	22,363 <sup>3</sup>	276	\$3,055.1 <sup>4</sup>	85.5 <sup>6</sup>	35 <sup>7</sup>
<b>Southeastern</b>	N/A	N/A	22	3,392	489	\$247	7.7	4
<b>Southwestern</b>	1,380	25	24	2,173.7	103	\$201 <sup>5</sup>	7.6	7.44 <sup>8</sup>
<b>Western</b>	17,107	306	57	10,479	682	\$1,159.8	37.3	5
<b>Total</b>	33,700	594	134	38,407.7	1,550	\$4,662.9	138.1	N/A

- Plants are primarily owned by the Federal government and operated primarily by the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation. Production is marketed by the power marketing administrations.
- Includes firm and nonfirm power customers and project use customers.
- Nameplate rating for federally owned generation from BPA's 2010 "White Book" on loads and resources.

- Total operation revenue, as reflected on page 31 of BPA's 2010 Annual Report.
- Not an audited number.
- FY 2008 number from 2010 BPA Rate Case Wholesale Power Rate Final Proposal, Statements A-F, WP-10-FS-BPA-09, July 2009.
- Approximate percentage from the FY 2012 Congressional Budget.
- Calculated from 2009 data.

# PMA's: Borrowing Authority

## PMA's:

- WAPA
- BPA




## WAPA:

- \$3.25 billion
- Transmission for renewables
- One terminus in WAPA's service territory

## BPA:

- Additional \$3.25 billion; total \$ 7.7 billion
- Transmission, hydro, efficiency, fish & wildlife mitigation

# WAPA TIP Projects in Execution

		Project	WAPA Role	WAPA Owner-ship	Projected total cost	WAPA proposed financing	Amount borrowed to date
	MATL Project	New t-line	Financier	Minority owner	\$306M	\$161M	\$161M
	TWE Project	Development efforts (EIS, permits, system studies) possibly leading to a new t-line	Co-developer	TBD	\$3,000M	TBD – committed \$25M for development	\$5.2M
	ED5-PVH Project	New t-line plus capacity in another utility's t-line	Sole developer	100% owner	\$91M	\$91M	\$10.1M

# Section 1222 – Congestion

## PMA:

- WAPA
- SWPA

## Scope:

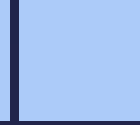
- A. Located in a NIETC and will reduce congestion, or
- B. “necessary to accommodate actual or projected increase in demand for electric transmission capacity, consistent with:”
  - Needs identified by Transmission Organization or Reliability organization; and
  - Consistent with efficient and reliable operation of the grid

# Section 1222 – Congestion

- The Secretary of Energy “in consultation with the applicable PMA Administrator” makes the decision that the Project meets “eligibility requirements”.
- \$100,000,000 cap between SWPA & WAPA.
- Use Federal condemnation authority.
- All work will be done through Advance Funding Agreement.

Clean Line – SWPA, submitted.

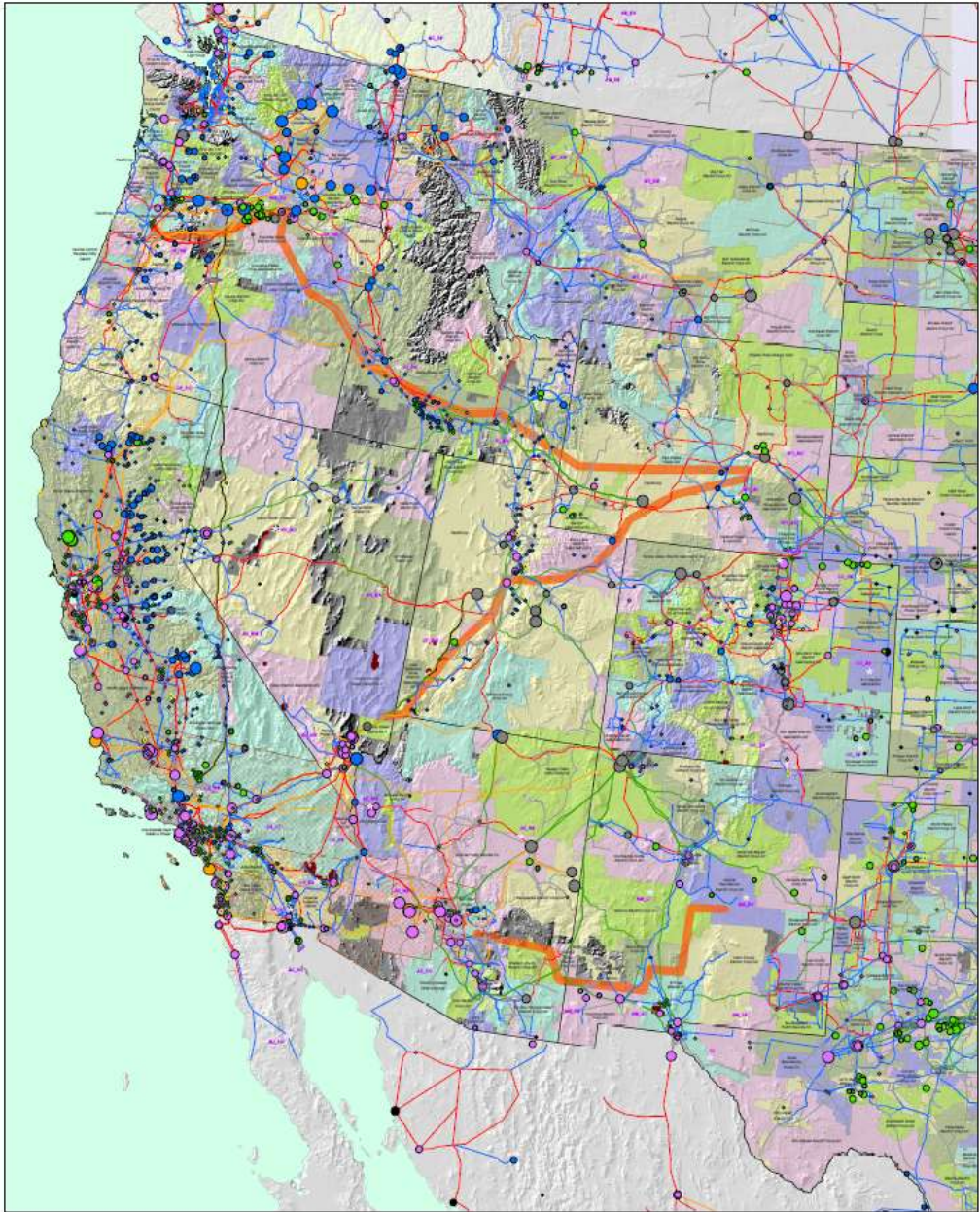
SunZia – WAPA, to be submitted.



# PROJECT DEVELOPMENT: DOE'S CONVENING POWER



# Existing Electricity Generation and Transmission in the Western United States



This map was produced by the National Renewable Energy Laboratory for the U.S. Department of Energy.

January 15, 2011





# Project Development: CA, NV & AZ

## **Background: Multiple initiatives have failed to produce steel in the ground:**

- Western Renewable Energy Zones Initiative
- California Renewable Energy Transmission Initiative
- DOE/DOI Solar PEIS
- WECC – TEPPC and RTEP
- Others

## **Next Steps:**

- Meet with purchasers of renewable energy.
- Identify reasons why purchasers are opting for more expensive local renewables.
- If business case for longer transmission lines is economic, then DOE convenes the Chickens, the Eggs, and those who Feather the Nest.



# TRIENNIAL CONGESTION STUDY & DESIGNATION OF NAT'L CORRIDORS

# 2012 Triennial Congestion Study



- Use existing studies to ID congestion
- Narrower areas of congestion
- Public Input: December workshops and written comments due 1/31/12
- DOE/FERC collaboration

# National Corridors - 2013

- Will identify potential project areas
- Will publish request for information or solicit statements of interest before beginning designation process
- Only if parties are interested in resolving congestion within a potential project area will DOE proceed with considering a designation.
- DOE/FERC Collaboration



The End