

# Transmission Investment Discussion of Barriers and Risks

Just in time Transmission vs. Transmission for future needs

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Wind Summit  
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# Transmission Investment Discussion of Barriers, and Risks

- **Proposed transmission projects**
- **PGE's Southern Crossing**
- **Challenges**
  - ✓ Permitting
  - ✓ Needs issues and approval mechanism
  - ✓ Cost recovery

# Meeting the Transmission Need

- **We share BPA's concern about lack of transmission.**
  - Congestion could bring wind development east of Cascades to a standstill.
- **Transmission needed to meet Renewable Energy Standard.**
  - OPUC has directed PGE to explore new options for transmission.
- **BPA can't be expected to do this alone.**
  - IOUs willing to do our part to meet our customers' growing demand for renewable power, back-up generation.



# Transmission: Southern Crossing Project

## Project Description:

- **Single circuit 500 kV line: Target capacity : 1500 MW. (Double circuit option to be evaluated.)**
- **Potential additional wind generation interconnection – 400+ MW.**
- **Possible route: Coyote Springs to Boardman to vicinity of Warm Springs (Juniper Flat) to Salem (Bethel Substation) ~ 200 miles.**
- **This route would parallel PGE's existing Boardman-Slatt 500 kV line, Round Butte-Bethel 230 kV line and existing BPA lines – minimizing new right-of-way.**
- **Stakeholder/public engagement this summer/fall. Many opportunities for public input in three-year permitting process; alternate routes will be identified.**
- **Commercial operation target: 2015.**

# The Permitting and Needs Challenges

- **Do you permit what you need for now or do you permit to meet future need?**
- **Serious differences between various agencies and between federal, state, and tribal governments.**
- **Needs Issues**
  - ✓ IRP acknowledgment/certificate of public convenience and necessity.
  - ✓ Role of sub-regional groups in the public necessity certification process.

# Cost Recovery Issues

- **In the last decade, with advent of “Open Access,” the environment for transmission investment has radically shifted.**
- **The prudence test.**
- **Return on construction work in progress (CWIP).**
- **How does change in commissioners and staff affect projects and project decisions?**
- **Multi-jurisdictional alignment (FERC, multi-state).**



# Just for Fun

