

Western Area Power Administration

Transmission Customer Meeting
January 18, 2008



Western Area Power Administration
Sierra Nevada Customer Service Region



Agenda

- FERC Order 890 Update – Morteza Sabet
- CVP Transmission System – Mariam Mirzadeh
- NERC Compliance – Arun Sethi
- FY 08 Revised O&M Numbers - Sean Sanderson



FERC Order 890

Morteza Sabet



FERC Order 890

- Although Western is a non-jurisdictional entity, Western intends to conform to the “spirit and intent of FERC Order 890” to the extent it does not cause Western to conflict with its statutory mission(s)
- Western presently provides transmission service under its Open Access Transmission Tariff (OATT). The most current version of Western’s OATT is posted at:
<http://www.wapa.gov/transmission/pdf/OATT022607.pdf> and became effective December 1, 2007.



FERC Order 890

- Western's most recent substantive OATT amendments were filed and approved prior to FERC's issuance of its Final Rule in Dockets. RM05-17-000 and RM05-5-000 (Order No. 890).
- To date, Western has yet to file any OATT amendments to incorporate FERC's Order 890 requirements.
- Western plans to file conforming amendments to its OATT to incorporate the requirements of FERC Order 890. Before submitting any conforming amendments, Western intends to seek comments from interested stakeholders.



FERC Order 890

- At a minimum, any future Western Order 890 conformance filing will include the requirement for regional and sub-regional transmission planning.
- As a non-jurisdictional entity, Western will continue to work with the industry and FERC to comply with the spirit and intent of Order 890 to the maximum extent practicable.
- Western anticipates beginning its Order 890 compliance filing efforts in the first half of calendar year 2008.



CVP Transmission System

Mariam Mirzadeh



CVP Transmission System

Folsom 230-kV Loop

- A baseline funding and an agreement in principle w/SMUD for this project is secured.
- Project is being reviewed for approval to proceed by Western Managers.
- Environmental and Design & started in Dec 2007.
- Expect to be in-service in late 2009.





CVP Transmission System

SVS Project

- The preliminary design & construction is now planned for in-service date of Oct 2010.
- Preferred alternative. Final (draft) SEIS/EIR is currently out for final review by Western, SMUD and Roseville.
- Previous extension to LOA and revised schedule (exhibit A) were signed by SMUD and Roseville.
- Upcoming Key dates are as follows:
 - Administrator Approval - February 2008
 - Final Supplemental EIS/EIR - March 2008
 - ROD - April 2008





CVP Transmission System

Shasta DBDB

- The Shasta Substation main bus will remain in 3 bus sections until the DBDB project is completed.
- The rejoining of busses will begin during the later part of 2008, preceded by interagency coordination of control and protection.
- Western's draft construction specification/Contract is under review.
- Major HV electrical equipment (breakers, switches, instrument transformers) have been procured with spring 2008 deliveries.





CVP Transmission System

Shasta DBDB

- Western will replace its control scheme (panels, relays, etc) by July 2008 in preparation for the DBDB cutover, pending construction completion and interagency coordination.
- Outdoor construction & HV equipment placement is expected to begin July 2008 & is expected to complete by October 2008





NERC Compliance

Arun Sethi



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NERC Compliance

- Western Self-Certified TO and TOP functions for CY 2007
- PSE and TSP functions will be certified by March, 08
- PA, TP, RP functions will be certified by September, 08





NERC Compliance

- WECC will Spot Check following standards:
 - BAL-002-0 – Disturbance Control Performance
 - EOP-008-0 – Plans for Loss of Control Center Functionality
 - FAC-003-1 – Vegetation Management Program
 - PRC-005-1 – Transmission and Generation Protection System Maintenance and Testing



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NERC Compliance

- Readiness Evaluation in March, 08
- On-site Audit in December, 08



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FY 08 Revised O&M Numbers

Sean Sanderson



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FY 2008 Revised O&M Numbers

| | (\$ in millions) |
|--|-----------------------|
| Total FY2008 Appropriated O&M requirement | 58.346 |
| SCADA Replacement (Capital Item) /Note 1 | (2.400) |
| Homeland Security (HSPD-12) mandated security upgrades (Capital Item) /Note 2 | (0.500) |
| IRAQ support costs /Note 3 | (1.000) |
| Reclassified RRADs item (Capital Item) /Note 4 | (1.300) |
| Advance purchase of Elverta Sub PCBs (Capital Item) /Note 5 | <u>(0.800)</u> |
| Total decrease of FY08 Appropriated requirement | <u>(6.000)</u> |
| Total O&M in FY08 Spend Plan | 52.346 |

(As of 1/18/08 the total FY08 allotment had not been received)



FY 2008 Revised O&M Numbers

Notes:

- Note 1/ SCADA project estimate is currently \$1.8M (a decrease of \$1.7M from the original estimate of \$3.5M). The \$2.4M reduction in the table above depicts a project decrease of \$1.7M, an advance purchase of \$0.5M in FY07 (see additional information in Note 5 regarding advance purchases), and utilization of TANC funds of \$0.2M. The remaining \$1.1M is to be funded in FY08.
- Note 2/ Postponed until FY09 awaiting additional DOE guidance (Smart card for computer and card key access).
- Note 3/ Western implemented a policy in FY08 for allocating the costs associated with Western support for Administration-mandated national interest activities. Originally estimated at \$1.2M.
- Note 4/ By combining a RRADs O&M funded capital item with a capital construction project (connection of Tracy 230/69kV spare transformer to Bay 8 to be done as part of the Tracy double-breaker-double-bus project), Western was able to utilize construction funding rather than O&M funding.
- Note 5/ Receipt of the FY07 allotment as an annual CR (Continuing Resolution) drove more supply/equipment dollars than anticipated enabling the advance purchase of this FY08 capital requirement.



Questions/Discussion



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