

Role of Power Marketing Agencies (Western Area Power Administration)

**Doe Office of Indian Energy Tribal
Leader Forum
Leveraging Renewable Resources
to Support Military Energy
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Penny Casey
Western Area Power Administration**



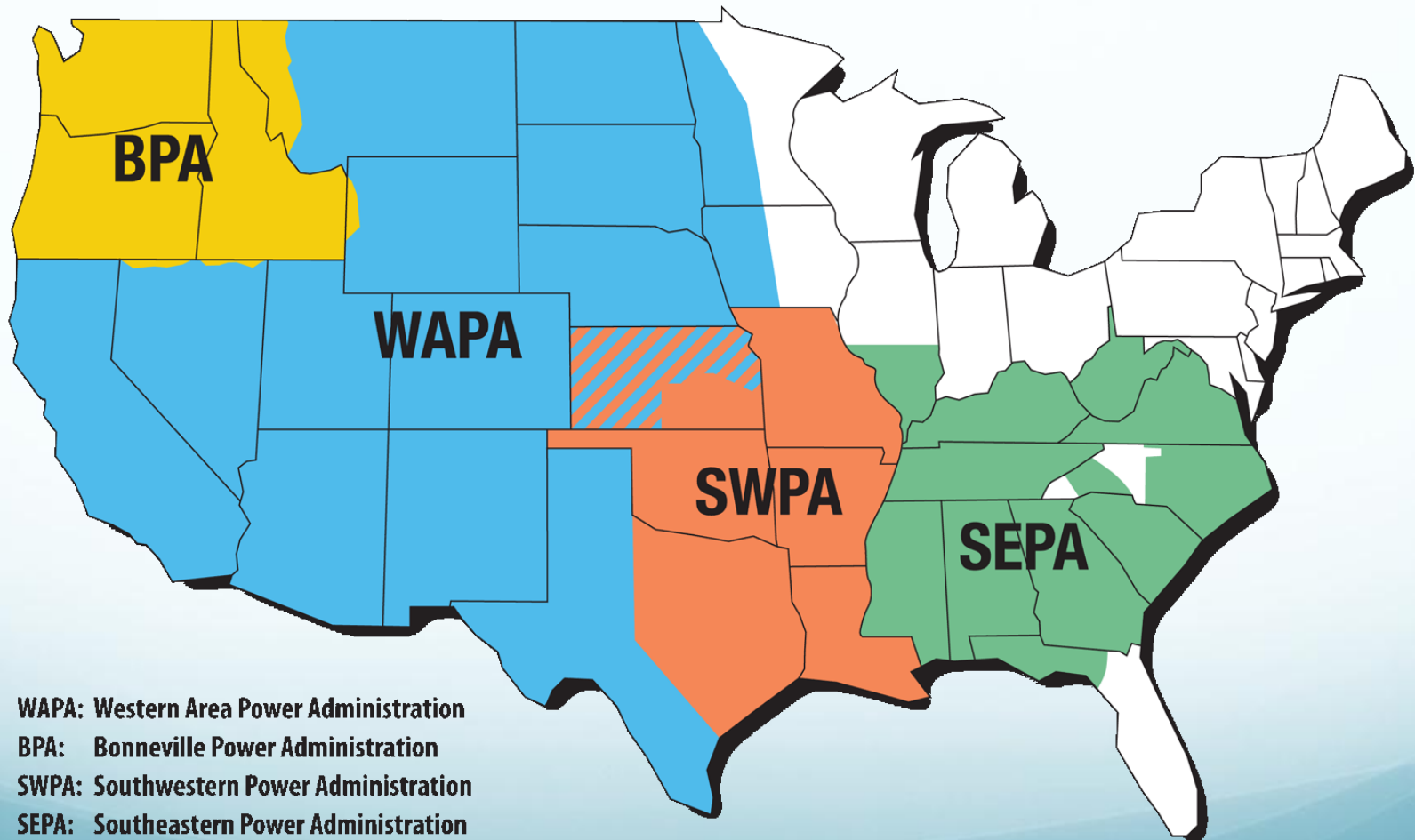
Presentation Overview

- Power Marketing Administrations
- Overview of Western Area Power Administration
- Renewable Resources for Federal Agencies Program
- Assisting Tribes with Renewable Energy Development

Power Marketing Administrations

- Federal agencies formed under the Department of Energy Organization Act (1977) responsible for marketing hydropower primarily from multi-use water projects operated by the Bureau of Reclamation, the Army Corps of Engineers, and the International Boundary & Water Commission
- 4 Distinct PMAs under the Department of Energy
 - Western Area Power Administration (WAPA)
 - Bonneville Power Administration (BPA)
 - Southeastern Power Administration (SEPA)
 - Southwestern Power Administration (SWPA)

POWER MARKETING ADMINISTRATIONS



WAPA: Western Area Power Administration
BPA: Bonneville Power Administration
SWPA: Southwestern Power Administration
SEPA: Southeastern Power Administration

Overview of Western

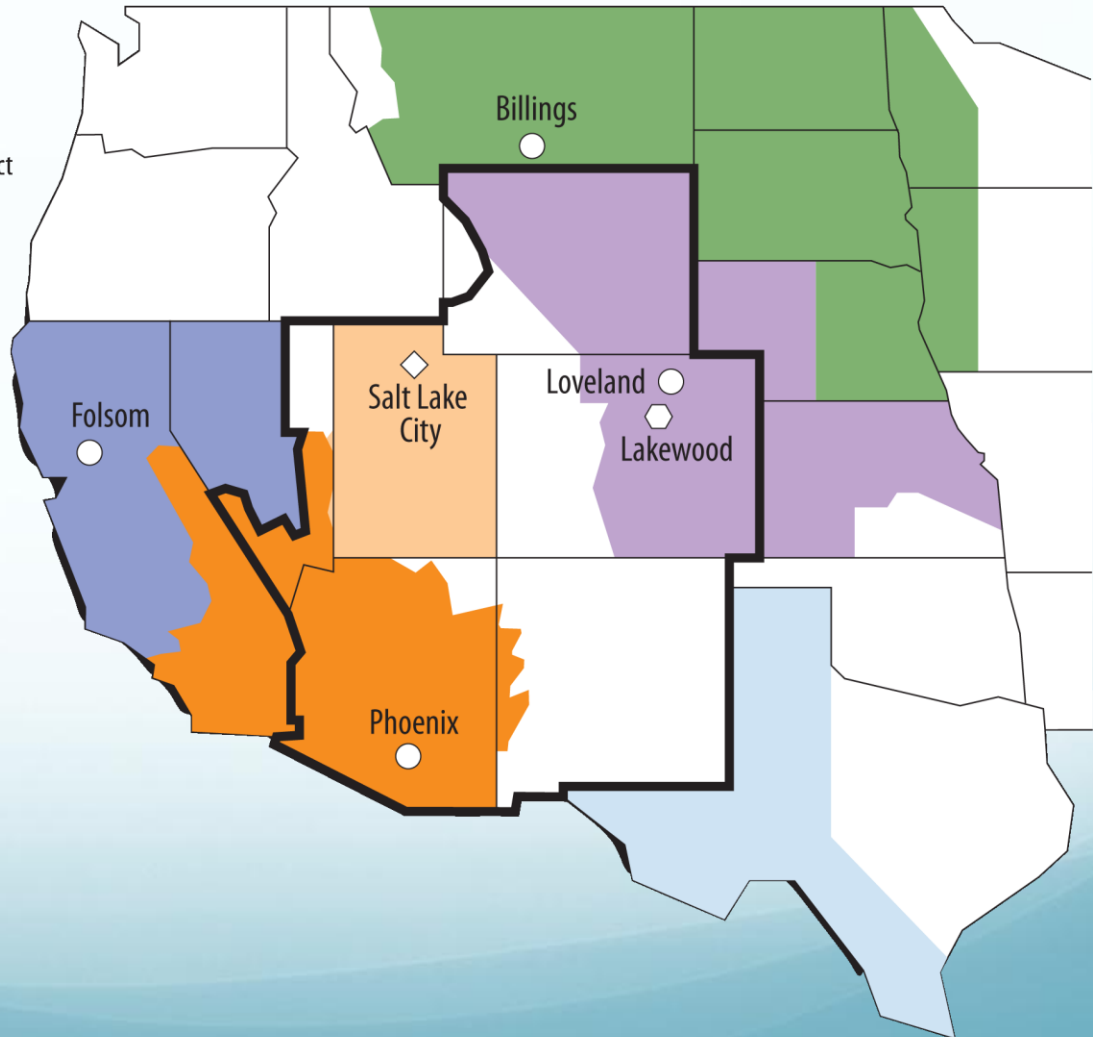
- Mission
 - Market and deliver reliable, cost-based hydropower
 - Provide reliable transmission of power for the western part of the U.S.
- Markets 10,479 MW from 57 Federal hydropower projects owned by BOR , Corps, and IB&WC
- 17,100 miles of high-voltage transmission line across 15 states

Overview of Western

Western marketing areas and offices

Marketing area boundaries

- Central Valley and Washoe projects
- Parker-Davis, Boulder Canyon and Central Arizona Project
- Falcon-Amistad Project
- Provo River Project
- Loveland Area Projects
Pick-Sloan Missouri Basin Program – Western Division and Fryingpan-Arkansas Project
- Pick Sloan Missouri Basin Program – Eastern Division
- Salt Lake City Area/Integrated Projects
Colorado River Storage Project, Collbran, Rio Grande, Seedskadee and Dolores projects
- State Boundaries
- Regional Office
- Corporate Services Office
- CRSP Management Center



Renewable Resources for Federal Agencies

- Provide technical support to Federal agencies in meeting their renewable energy goals
- Increase options for acquiring renewable resources by Feds, i.e., RECs, RE, Onsite RE
- Supports U.S. and DOE policies to promote renewable energy:
 - Executive Order 13423
 - EPAAct 2005
 - Executive Order 13514

Western's Authority

- Reclamation Act of 1902, Reclamation Act of 1939, DOE Organizational Act of 1977
- Western relies on the Economy Act, 43 U.S.C. 1535, to provide assistance to Federal agencies. 43 U.S.C. 485h(c) spells out Western's power marketing authority, which allows Western to enter into contracts for periods not to exceed forty years.

RRFA Services - RECs

- After completing a Statement of Intent, contracts, including interagency agreements, Western issues an RFP for the participants' desired product. Suppliers submit proposals which Western evaluates based on the RFP and participants' needs as stated in the IA.

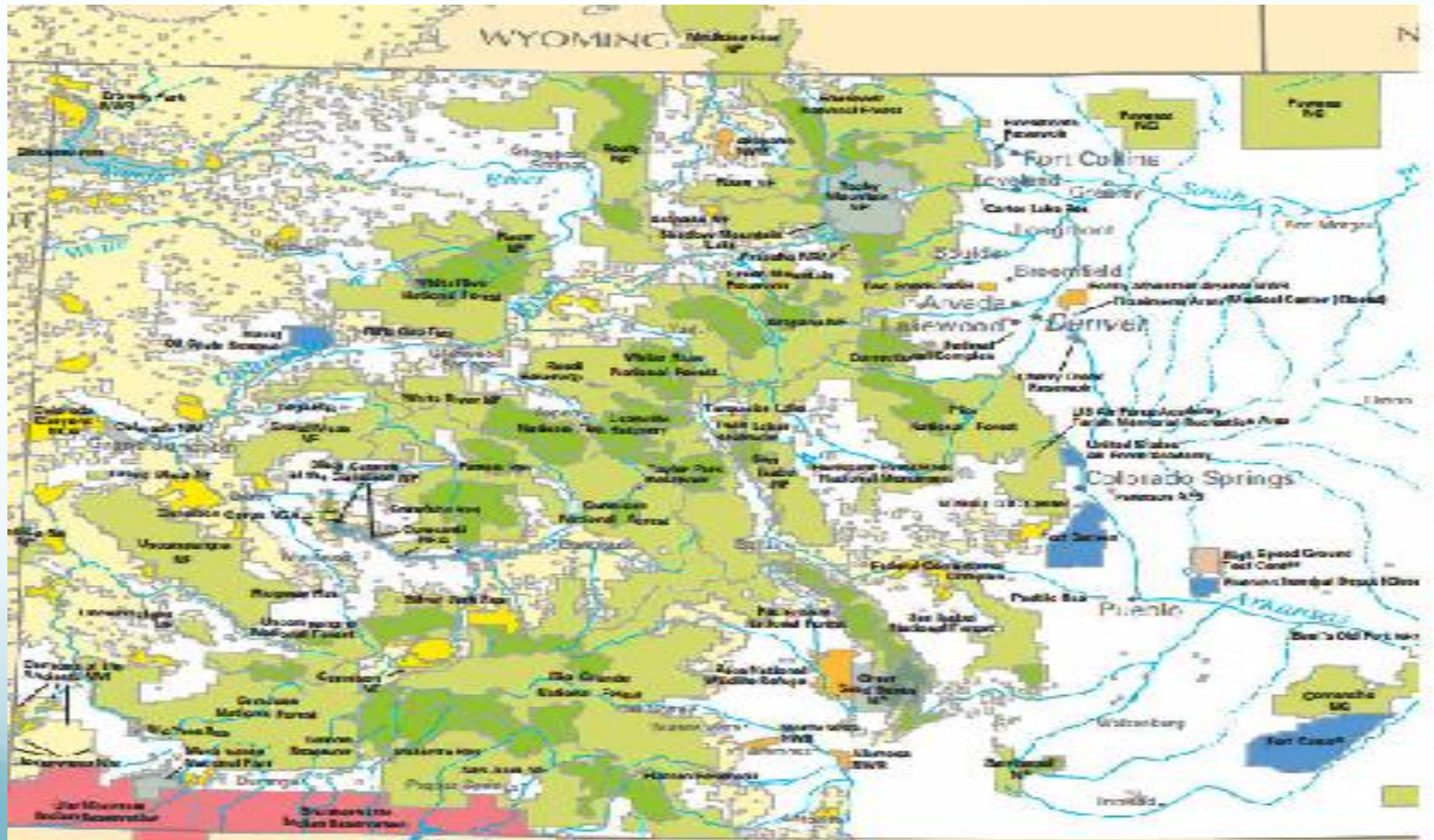
What is a REC?



- A REC represents the attributes of renewable energy generation that can have value separate from commodity electricity

RRFA Services – RE Delivered to Site

- A Federal agency that is also a Western customer may be able to have Western buy and deliver renewable energy to its facility.



RRFA Services – RE Onsite Generation

- 3rd party-owned renewable energy project on Federal facility or Federal lands within Western's service territory
- Federal agency selects the renewable developer and provides land or roof space to the supplier through a lease, easement, license or other appropriate document
- Western uses its Power Marketing Authority (not FAR) to negotiate the PPA terms and conditions.

Fort Carson PV Project Example

- 2 MW, 3200 MWh 1st year (~2% of load)
- Fixed energy rate
- 17-year contract, with 3-year options (using Western)
- No cost 20 year lease (using 10 U.S.C. 2667 lease authority)
- RECs sold to Xcel Energy (20-year contract)
- Project completed January 2008

Hawthorne Pre-Feasibility Trans. Study

- Review existing transmission facilities for a 30 MW and 300 MW geothermal plant
- No attempt to look at generation amounts in increments
- Study was a high-level analysis with no power flows
- Some estimated interconnection costs provided

Hawthorne Pre-Feasibility Trans. Study

- Two interconnection options for 30 MW plant:
 - NV Energy 120-kv line
 - Dixie 230-kv line
- ATC available at time of report up to 30 MW



WAPA working with OIEPP and assisting tribes with renewable development

- WAPA looks for opportunities that promote renewable development and bring benefits to both Tribes and WAPA.
 - Identify potential renewable sites adjacent to WAPA transmission lines.
 - Assist with market assessments to locate potential renewable energy off takers.
 - Assist with analysis needed to help off taker make economic decisions, i.e. congestion analysis.
 - Assist tribes in understanding the transmission and interconnection process.

Assessing Interest in Tribal Projects

- Conducted to Requests for Interest (RFI)
 - **Inter-Tribal Council on Utility Policy (ICOUP)**
 - March 2007, requested support from Western
 - July 2007, UGP issued RFI to all customers in UGP
 - Multiple 20 MW/up to 50 MW projects at up to six locations
 - Provided four expressions of interest to ICOUP for action
 - **Cheyenne River Sioux Tribe**
 - March 2012, requested support from Western
 - April 2012, issued RFI to all customers in UGP
 - 99MW Tate Topa Wind Energy Project
 - Provided 22 expressions of interest to the Tribe for action

Points of Contact

- Western's RRFA Program:
www.wapa.gov/powerm/pmtags.htm
- Randy Manion, Western Corporate Service Office, Manion@wapa.gov, 720-962-7423
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