



**WESTERN RESOURCE**  
ADVOCATES

**Statement of Gary Graham**  
**Director Lands Program, Western Resource Advocates**  
**Western Area Power Administration Workshop**  
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**WAPA Can Help Avoid Gridlock over the Grid**

Thank you for this opportunity to provide comments to the Western Area Power Administration and the Department of Energy at the Loveland workshop on the role of Power Market Administration within the electricity sector. My name is Gary Graham and I direct the Lands Program for Western Resource Advocates, an environmental law and policy non-profit organization focused on the interior West. Although I am also the Chair of the Scenario Planning Steering Group for the Regional Transmission Expansion Planning for the Western Electricity Coordinating Council, my comments today represent only Western Resource Advocates.

The ability of the electricity grid to meet the demands of the future depends on decisions we make today. And there is a lot at stake in the outcome of those decisions including our economic and environmental well-being, both of which are inextricably connected to the grid. This series of workshops for the Power Marketing Administrations has demonstrated strong differences in perspectives and opinions among WAPA's stakeholders on the need for the measures to modernize the grid.

Unfortunately, as we have seen with the politics of our country these days, such differences can lead to decision-making gridlock. The Western Area Power Administration, given the extent of transmission in the region and the 15 state marketing area, should lead the way past this gridlock by actually focusing their efforts and those of WAPA stakeholders on the actual challenges outlined by the Department of Energy memo and pre-meeting materials including that:

- the grid infrastructure is aging,
- there is a great need to rapidly share technical and other information across Western Interconnection in a seamless and efficient manner,
- there will be a growing need to incorporate renewable energy into the grid,
- extreme weather events and other climate changes will threaten performance of the grid,
- growing populations will significantly increase demand in parts of the region, and

- technological advances like electric cars will place additional demands on the grid while other advances will create energy sharing opportunities.

WRA supports the recommended solutions to these challenges as presented in the DOE materials and recommends that WAPA encourage all regional stakeholders to focus their energies on:

- Enhancing grid flexibility and resiliency
- Preparing for and promoting integration of renewable resources,
- Coordinating operations with regional Balancing Authorities,
- Advocating for and participating in an Energy Imbalance Market
- Scheduling on an intra-hour basis
- Centralizing dispatch
- Minimizing cyber security risks
- Strengthening relations with other owners and operators,
- Participating more effectively in regional planning, and
- Developing greater efficiency and cost savings through partnering with others in planning, building and operating the grid

WRA acknowledges the challenges WAPA must overcome to help lead the region toward grid modernization. As part of U.S. Department of Energy, WAPA has responsibilities that reflect recent national policies as well as their historical responsibilities. That they are part of the federal government creates tension for some WAPA partners that would just as soon have the federal government stay out of the electricity business in the West. Some of the preference customers that have benefited from WAPA for decades seem to think that they should be able to uniquely dictate priorities for WAPA. Most also assert that they are already achieving the goals of a modernized grid. While this assertion is certainly true for some utilities and regions, it is far from true for the entire WAPA region. These considerations combined illustrate the magnitude of the challenge facing WAPA.

There are two actions, among others, that could assist WAPA with this leadership challenge. A national clean energy standard would send a clear, clean message that all parts of the electricity sector have important roles to perform. In the absence of such policy, or in addition to it, additional and annually reliable Congress funding appropriations commensurate with their responsibilities would help a great deal.

All of these actions can, and should, be conducted while keeping consumer costs and risks at a minimum. There is uncertainty associated with the costs of these actions, how they will be recovered, and who will benefit. Such uncertainty, however, is best addressed professionally,

rigorously, and objectively rather than simply evaluating costs and benefits the way they have been done for decades.

Deferring decisions and actions on these challenges will also accrue costs to customers in many ways. The *Western Grid 2050*, recently published by the Western Grid Group, documents that more than \$200 billion will be invested in the grid by 2030. So there is a great deal at stake and failure to make wise, intentional choices now could saddle future electricity consumers with stranded costs, damage the natural environment, deprive job seekers of employment opportunities and leave western businesses with a grid that causes a competitive disadvantage in global markets.

Consequently, rather than dig our heels in over parochial and process issues, let's take the bull by the horns and demonstrate to a jaded public that there is still capacity in America to tackle big issues. Our grand kids and great grand kids will thus look back at this time, admire our work, and thank us for making the common sense decisions and taking the common sense actions that contribute to their quality of life.

I close by thanking WAPA for your existing efforts to integrate renewable energy into the grid and for hosting these public meetings.