



Department of Energy
Western Area Power Administration
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MEMORANDUM FOR THE DEPUTY SECRETARY

FROM: ANITA J. DECKER
ACTING ADMINISTRATOR

Anita Decker

SUBJECT: Western's FY 2012 End of Year Target Summary Scorecard

Annually, the Western Area Power Administration (Western) sets, tracks, and reports on agency-level targets to measure progress toward achieving its long-term strategic objectives. Western's preliminary FY 2012 End of Year Target Scorecard is attached along with a Summary Alignment Crosswalk that shows how Western's targets aligned with the Department of Energy (DOE). In addition to aligning with DOE's Strategic Plan, Western's targets align with objectives of the Secretary's Power Marketing Administration memorandum of March 16, 2012, to build a more secure and reliable electric transmission grid.

In FY 2012, Western helped to modernize the electric grid, by participating in regional Smart Grid projects to assess emerging technologies. Through the Western Interconnection Synchrophasor Program Western installed a phasor measurement unit (PMU) at its Mead Substation that is now streaming data under a non-disclosure agreement. In addition, Western installed and programmed four other PMUs that are streaming real-time data to be shared between Western and the Mid-West Independent System Operator once we have MISO's information sharing agreement. Work on these initiatives will carry forward into FY 2013.

To expand the grid, Western's Transmission Infrastructure Program facilitated substantial renewable energy development and new transmission through three major projects. Western facilitated the construction of the Montana Alberta Tie-Ltd Project. We also facilitated Enbridge's prepayment of the outstanding Western loan of approximately \$151 million. Also, as planned, Western began funding the Electrical District 5-Palo Verde Hub Project and commenced associated construction activities. Funding of the TransWest Express Project (TWE) development activities commenced according to the funding agreements and contracts, and Western provided payments totaling more than \$8 million to TWE for reimbursement of development costs.

To enable the integration of renewable resources and optimize the system, Western offered intra-hour scheduling to increase the ability to respond to supply and demand fluctuations, particularly for variable energy resources. Western also continued to participate in and monitor Regional and Western-wide Forums on Energy Imbalance Market (EIM) Proposals in order to keep abreast of the power industry's market design efforts to establish an EIM and to represent Western's interests effectively. As a result, Western expects we will be ready and positioned to implement EIM should a decision be made to join or to participate actively in an EIM regional or sub-regional effort.

Western continued to formalize its integrated asset management practices to better support decision-making regarding transmission infrastructure capital investments. Western completed the first phase of development of the Asset Management Program Improvement Project and initiated the second phase of the project. The outcomes of this project, expected in FY 2014, will help Western ensure infrastructure investment decisions are prioritized to ensure we address the most critical capital needs with the available funds.

In FY 2012, Western also supported DOE's fourth goal to achieve operational and technical excellence and to implement a performance based culture. For example, Western completed a comprehensive Operations Study that lays the groundwork for improving operations and transmission services processes and activities. Priority study recommendations will be identified and addressed in FY 2013. Also, Western's Operations Consolidation Implementation Project made material headway in reducing the number of control centers and establishing common tools and business processes, providing centralized dispatch with a fully staffed backup center. Western made substantial progress towards zero reportable violations with only 12 alleged violations in FY 2012, the lowest in three years, a year with completion of three full Western Electricity Coordinating Council audits across Western's system.

Western focused strongly on its workforce, safety, diversity, inclusion, and employee engagement. Western developed and implemented a competency-based employee/leadership development program for potential executive leaders. Based upon end of year results, Western exceeded its targets for time-to-hire, veteran and disabled veteran hiring and disability hiring and targeted disabilities. The overall results for increases in diversity are pending end of year analysis. On safety, Western exceeded its lost workday target with a total recordable case rate below 70 percent and a lost workday case rate below 90 percent of the industry standards.

We will continue to support DOE's strategic goals into FY 2013 and will continue to report our progress.

Attachments:

FY 2012 End of Year Scorecard
Alignment Crosswalk – Summary

cc:

LaVerne Kyriss, Acting Assistant Administrator for Corporate Liaison
Western Area Power Administration