



Department of Energy
Western Area Power Administration
P.O. Box 281213
Lakewood, CO 80228-8213

SEP 25 2012

MEMORANDUM FOR THE DEPUTY SECRETARY

FROM: ANITA J. DECKER
ACTING ADMINISTRATOR *Anita J. Decker*

SUBJECT: Western's Agency Targets Support DOE's Strategic Plan

Annually, the Western Area Power Administration (Western) sets agency-level targets to measure progress toward achieving its long-term strategic objectives (attached). These objectives support Western's mission to market and deliver clean, renewable, reliable, cost-based Federal hydroelectric power and related services, and they support Western's vision to provide premier power marketing and transmission services to customers. Western's strategic objectives contribute to enhancing America's energy security and to sustaining our nation's economic vitality.

Western's fiscal year 2013 targets support the objectives of the Secretary's Power Marketing Administration memo of March 16, 2012, to build a more secure and sustainable electric sector and align with the Department of Energy's (DOE) Strategic Plan goals. Many Western targets directly support DOE's first goal to transform the nation's energy system and to secure U.S. leadership in clean energy technologies. The targets emphasize Western's commitment to protecting the grid and facilitating the transition to a more resilient and flexible electric grid.

To modernize the electric grid, Western will participate in regional Smart Grid projects to assess emerging technologies. Through the Western Interconnection Synchrophasor Program (WISP), Western will update and maintain its phasor measurement units and phasor data concentrator. An outcome will be the WISP Wide Area Network that will provide important operations data and visualization tools. Also, Western will provide streaming real-time data to the Mid-West Independent System Operator through synchrophasors.

To expand the grid, Western's Transmission Infrastructure Program (TIP) will facilitate renewable energy development and new transmission. Specifically, Western will construct the Electrical District 5 – Palo Verde Hub project that will connect a renewable-rich zone south of Phoenix, Arizona, with the Palo Verde market hub, a major electrical trading hub in the western United States. Financed by Western's TIP, the project will increase transmission capacity to deliver renewable energy, primarily solar, to consumers in Arizona, southern Nevada, and southern California. This line is scheduled for completion in 2015.

To enable the integration of renewable resources and optimize the system, Western will enhance services for the grid by offering intra-hour scheduling to increase the grid's and the market's ability to respond to supply and demand fluctuations, particularly for variable energy resources. Western will continue to participate in and monitor Regional and West-wide Forums on Energy

Imbalance Market (EIM) Proposals in order to understand and to keep abreast of the power industry's market design efforts to establish an EIM and to represent Western's interests effectively. Western will be appropriately ready and positioned to implement EIM should a decision be made to join or to actively participate in a West-wide EIM.

To address current and future demands on the transmission system, Western will invest in its infrastructure with available funding and will improve and mature its use of risk-based asset management practices to ensure that funding is applied to the most critical capital needs. To fill the gap in available funding for capital improvements, Western will make progress in its strategy for a sustainable capital funding portfolio to ensure Western has sufficient means to sustain its power and transmission assets.

Western will continue to be a leader in sustainability. It will promote and implement cost-effective strategies through its sustainability action plan with a focus on sustainable acquisition, electronic stewardship, buildings, and fleet management.

Western's targets also support DOE's fourth goal to achieve operational and technical excellence and to implement a performance based culture. Western will dedicate significant resources to ensure it continuously improves systems and processes. For example, Western will continue to improve its operations and transmission services processes and activities based upon recommendations from the Operations Study issued in August 2012. Also, Western's Operations Consolidation Implementation Project will reduce the number of control centers and establish common tools and business processes, providing centralized dispatch with fully staffed backup centers.

Western will strongly focus on its workforce, safety, diversity, inclusion, and employee engagement. Western will develop a specific multi-year plan that incorporates the definitions and goals of diversity and inclusion set forth in DOE's Diversity and Inclusion Strategic Plan. Also, Western will cultivate an environment to further retention by encouraging collaboration, flexibility, and fairness to enable individuals to contribute at their full potential. Western will benchmark employee satisfaction, determine areas of concern, and take appropriate steps in response.

We are to support DOE's strategic goals and will continue to report our progress in meeting our FY 2013 targets.

Attachments:

Agency Target Summary
Alignment Crosswalk – Summary
Alignment Crosswalk - Detail

cc:

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