



U.S. Department of Energy

Office of Electricity Delivery and Energy Reliability

DOE Support for Interconnection-Level Analysis and Planning

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Broad Recognition Today That ...

- **Even with stronger energy efficiency programs, large amounts of new generation capacity will be needed in the next two decades.**
- **Much of this generation will be remote from load centers and in areas where existing transmission capacity is limited.**
- **To achieve our objectives of reducing carbon emissions and displacing petroleum fuels from the transportation sector, we need to build much stronger transmission networks.**



Need for Interconnection-Level Planning Studies is Critical

- **Needed:** At the interconnection level, a body of analysis that identifies new or greatly-upgraded lines required under a wide range of potential futures.
- **Analyses must be transparent and produced through collaboration among industry experts and representatives from states, federal agencies, and key NGOs.**
- **Collaboration is essential to achieving results that key stakeholders will regard as objective and sufficient.**



DOE Will Support Such Studies

- **The American Recovery and Reinvestment Act of 2009 (Recovery Act) recognized the need for such studies, and gave DOE funds to support such work.**
- **Iterative long-term interconnection-level analyses will be needed for many years to come.**
- **Funds provided by DOE under the Recovery Act will be near-term “seed money” to help get this urgent work under way – but industry will have to provide long-term support.**
- **Studies must be interconnection-wide. Participation by appropriate entities from Canada and Mexico will be important.**

Competitive Procurement Process

- DOE's "Funding Opportunity Announcement" (FOA) of June 15 announced plans to award up to \$60 million for collaborative analysis and planning.
- Two broad topics:
 - A. Interconnection-level analysis and planning.
 - B. Cooperation among states on electric resource planning and priorities.
- DOE expects to make at least six awards – three under each topic, corresponding to the geographic areas served by the three interconnections (Eastern, Western, and Texas).
- Applications must be filed by August 14, 2009. DOE expects to announce selections by November 2, 2009, and to make awards by December 31, 2009.

Key Considerations

- **Scope of planning entities' mission:**
 - Analysis of a wide range of alternative futures.
 - Analysis of any problems or issues affecting magnitude and location of future transmission requirements.
 - Development of integrated interconnection-level plans.
- **Collaboration with states and NGOs will be essential. DOE expects that a planning entity's analytic team will take strategic direction from a multi-constituency steering group. At least 1/3 of the members of that group must be state officials.**
- **Need for systematic attention to risks, uncertainties, and basic questions about alternative network designs.**

Questions?





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