

Michael O. Leavitt
Governor
210 State Capitol
Salt Lake City, UT 84114



State of Utah



State of Wyoming

Dave Freudenthal
Governor
State Capitol
Cheyenne, WY 82002

ROCKY MOUNTAIN AREA TRANSMISSION STUDY (RMATS) CHARTER

This charter sets forth the basic operating goals, principles and operating procedures for the Rocky Mountain Area Transmission Study.

PURPOSE

The purpose of the Rocky Mountain Area Transmission Study is to identify in an open and public process, potential generation projects in the Rocky Mountain sub-region and the electric transmission needed to support these projects. With broad stakeholder involvement, this framework for regional collaboration will help to improve the Western interconnection by identifying technical, financial and environmentally viable projects for siting, investment and development in the near future. The process will also identify any potential obstacles to prudent development of these needed facilities.

BACKGROUND

A transmission planning framework for the entire western region has been initiated and several sub-regional planning efforts are underway within the western region. There are important processes underway to evaluate local generation, efficiency and demand-side options within the jurisdiction of single utilities. However, there is no forum for developing information on generation and transmission options that involve multiple load serving entities and generation developers within the Rocky Mountain sub-region. This project will generate information on such generation and transmission options that will be valuable to utilities, project developers and regulatory agencies.

In August, 2001, in the wake of an electricity crisis that held the West in its grip for many months, a report was presented to the Western Governors' Association (WGA), entitled *Conceptual Plans for Electricity Transmission in the West*. This study revealed that new transmission and generation infrastructure located remotely from population centers can produce benefits for consumers throughout the West. This investment strategy was shown to be the best means to ensure growing electricity demands in the West are met with a diverse portfolio of resource options, including renewables and coal, to avoid the West putting all its eggs in the basket of heavy dependence on new natural gas fired generation.

Unfortunately, to date there has not been adequate follow-through on the findings presented to the WGA two summers ago. The study prepared for WGA was conceptual, and didn't identify specific projects or embark on the detailed work toward establishing financial viability, obtaining approvals, siting and construction. This planning process will focus on the Rocky Mountain sub-region, particularly the States of Colorado, Idaho, Montana, Utah and Wyoming and move the planning process forward to identify specific transmission projects in the sub-region for potential development.

STAKEHOLDER INVOLVEMENT

Broad participation in the Rocky Mountain Area Transmission Study is encouraged. Western interconnection electric utilities, independent power producers, merchant transmission entities, rural electric generation and transmission cooperatives, municipalities, federal power, transmission and marketing agencies, renewable and thermal resource project developers, fossil fuel producers, demand-side management experts, power brokers, financiers, entrepreneurs, state and federal regulators, legislators and other officials, state energy office representatives, consumer and environmental groups, and anyone else interested in regional electric generation and transmission planning are invited to participate.

PART 1. Goals

- a. Secure and commit the resources to the planning process needed to make it a success.
- b. Identify technically, financially and environmentally viable generation projects with potential for development in the Rocky Mountain sub-region in the near future.
- c. Identify necessary transmission infrastructure to support such development.
- d. Evaluate needs, alternatives, costs and benefits of generation and transmission within the Rocky Mountain sub-region.
- e. Identify potential obstacles to the siting and construction of potential transmission projects.
- f. Identify necessary financial and technical resources to enhance the successful development of needed transmission.
- g. Develop necessary information to facilitate regulatory approvals of new transmission.
- h. Complete the Rocky Mountain Area Transmission Study in six months.

PART 2. Principles

- a. Include all interested stakeholder individuals or groups in the Rocky Mountain Area Transmission Study.
- b. Work together for effective solutions in a balanced open and inclusive public process.

- c. Conduct analysis of generation and transmission alternatives based on data, assumptions, and scenarios developed by participating stakeholders.
- d. Consider every need, generation technology and location option that is appropriate for the sub-region.
- e. Evaluate all potential transmission alternatives within the sub-region.
- f. Identify the costs and benefits of generation and transmission options for serving electricity needs of consumers that make operational, economic, and environmental sense for the sub-region.
- g. Cooperate and coordinate with the region-wide SSG-WI planning effort and other sub-regional planning efforts.
- h. Cooperate and coordinate with WECC in order to ensure maintaining or improving system reliability.

PART 3. Operating Procedures

- a. The Rocky Mountain Area Transmission Study will be informed and guided by the Enlibra Principles¹ adopted by the Western Governors' Association.
- b. The Study will be a front-end planning process that will evaluate needs, alternatives, costs and benefits of generation and transmission within the Rocky Mountain sub-region.
- c. The Study will be facilitated by an independent third party facilitator.
- d. Three stakeholder meetings will be held to help develop and implement the Study.
- e. A Steering Committee will be formed at the kick-off meeting to direct the Study and, as necessary, approve modeling assumptions.
- f. Working Groups will be formed at the kick-off meeting to carry out the work of the planning process. Initial expectations are that a Resource Additions Workgroup, a Transmission Additions Workgroup, a Load Forecasting Workgroup and a Report Writing Workgroup will be established.
- g. PacifiCorp will perform the technical studies based on assumptions and scenarios developed by participating stakeholders, and provide an in-kind contribution of resources to perform this work.

APPROVAL

This Rocky Mountain Area Transmission Study Charter was approved by the Study Steering Committee at its October 14, 2003, meeting.

¹ In practice, *Enlibra* is a philosophy that recognizes successful policy implementation is best accomplished through balanced, open and inclusive processes at the appropriate geographic level. Interested stakeholders work together to formulate critical issue statements and develop local solutions based on analysis of ecological, economic, social and political factors specific to the geography of the issue. In the end, plans that are developed under the *Enlibra* framework benefit from having more public support and increased chances of involved parties staying committed to the implementation of the solutions identified through the process.