

STEP Initial Upgrades Sub-group

Progress Report to STEP

November 4, 2003

Bob Smith – Sub-group Chair

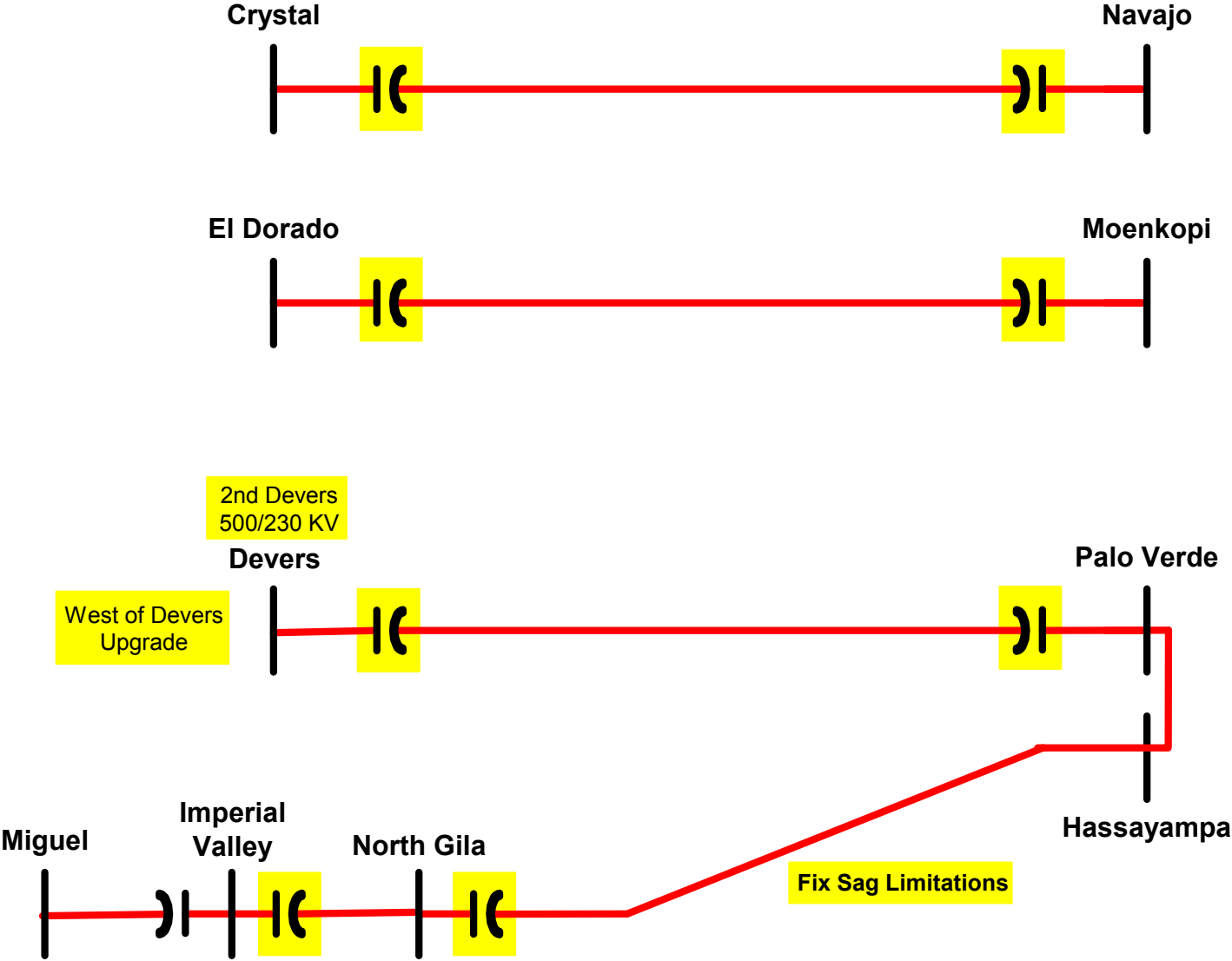
Sub-group Activities

- Initial Conference Call October 24th
- Approved goal:
 - “Develop a project that the wire owners will implement to up-rate their facilities so that they can share in the allocation of the resultant increased scheduling capability on Path 49”
- Owners
 - APS, IID, LADWP, NPC, SCE, SDG&E, USBR (CAP)
- First meeting scheduled Nov 14 in Phoenix

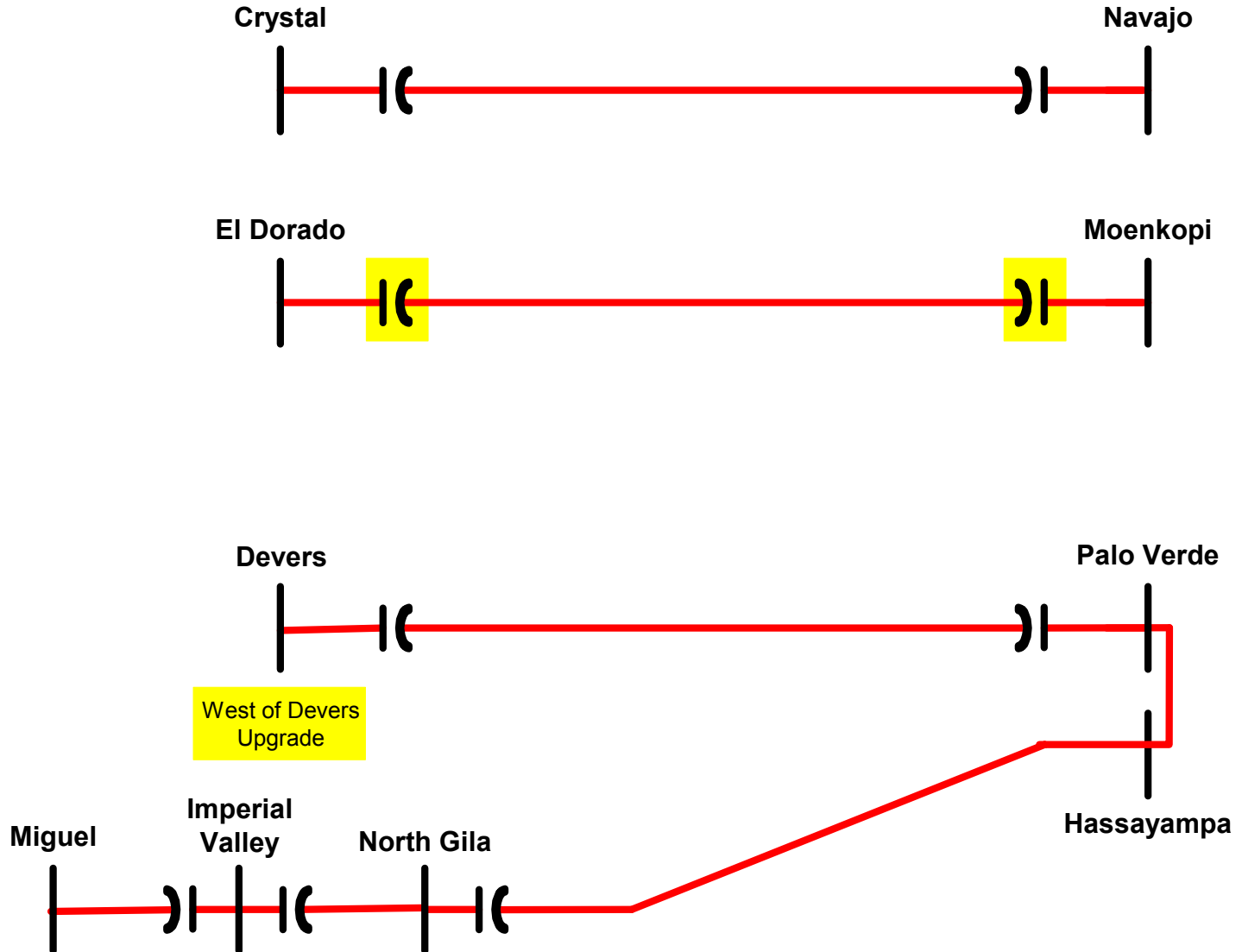
Primary Issues Discussed

- Scope of initial upgrades
- Need for additional technical work
- Timeline – Spring 2006
- Allocation of increased scheduling capability

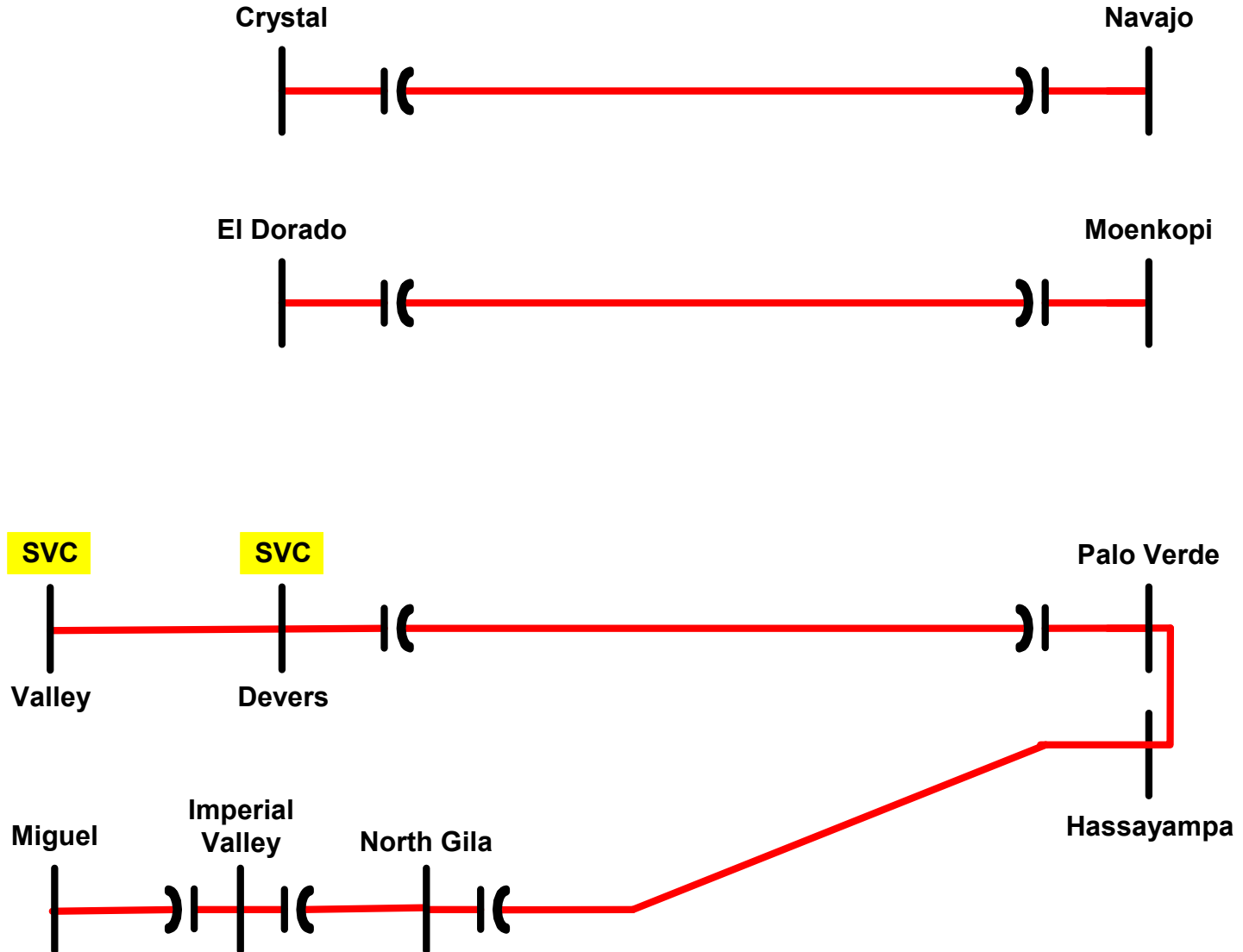
STEP INITIAL UPGRADES



STEP INITIAL UPGRADES NOT INCLUDED IN PATH 49 UPGRADE PROJECT SCOPE

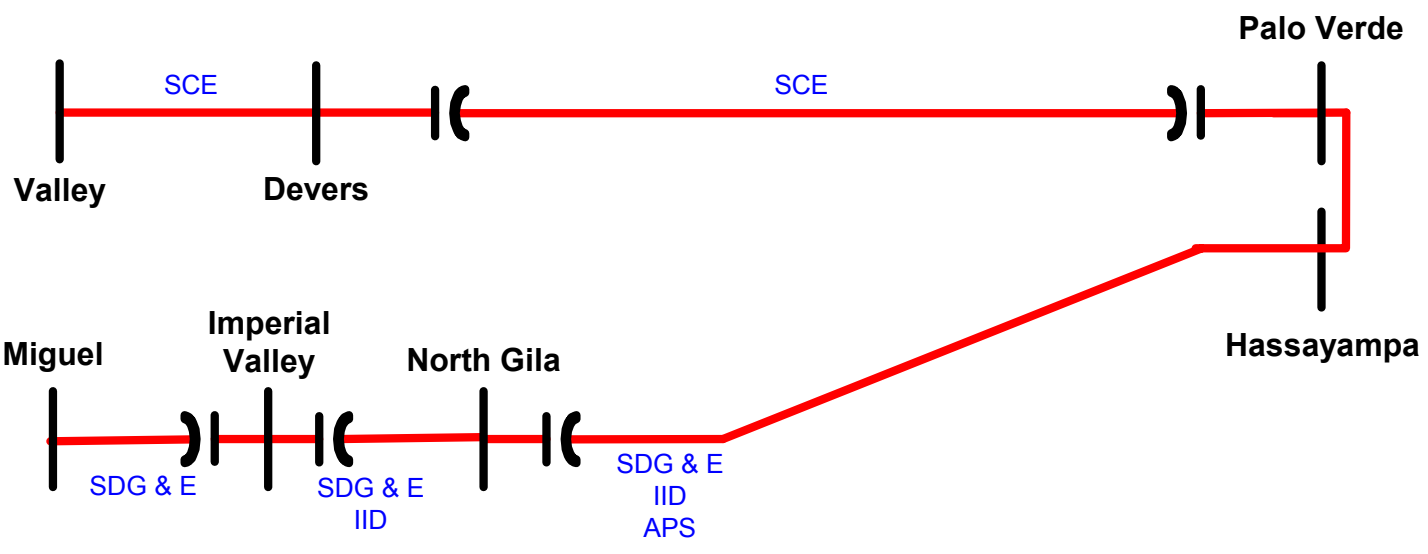
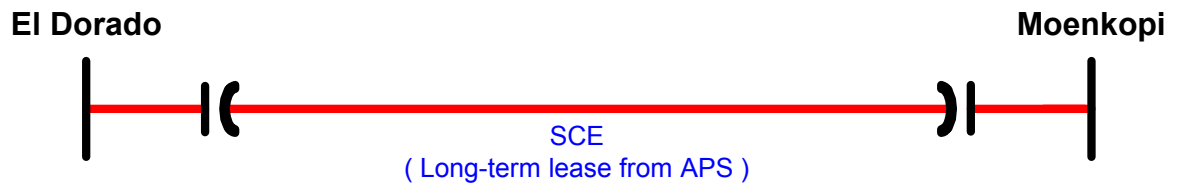
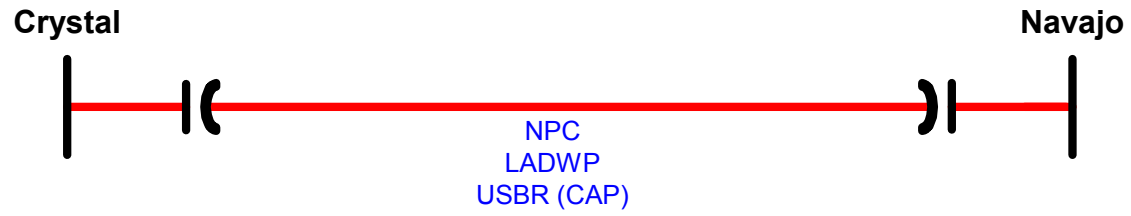


PATH 49 UPGRADE PROJECT SCOPE NOT INCLUDED IN STEP INITIAL UPGRADES



Plan to Determine Scope

- Operating Entities develop facility list
 - Present rating
 - Equipment status
 - Any other limitations to up-grade
 - Future work plans
- Work through Peer Review Groups
 - Path 49 Project for minimum upgrades
 - PV Devers #2 for additional requirements
- Include CAISO economic analysis



Allocation of Increased Capability

- Build on existing principles
 - Arizona-California EHV Transmission System Operating Principles (1986)
 - Includes principles for allocation of transfer capability increases due to
 - Facility changes in AZ-CA EHV system
 - Revised operating study assumptions
 - Facility changes other than in AZ-CA EHV system