

Regional Engagement Committee Meeting

March 19, 2026

Agenda

- » Welcome and Opening Remarks
- » Review of Critical Paths
- » Benefits Assessment
- » Next Steps
- » Public comment

Critical Paths for WestTEC Study

- » **Critical path for WestTEC 20-year Study is Case & Methodology Development**
- » **Cases and methodologies developed for the Reference Case also constitute progress for the two alternative scenarios (Flux & Core)**
- » Critical Path #1: PCM Model Development
 - » Preliminary model development for SRA/IDA case development (complete)
 - » Development of Contingencies in Congestion Assessment PCM (~200 PCM contingencies identified; model testing underway)
 - » BC Model Topology (ES seeking approval)
 - » Hydrogen Re-Mapping (complete by end of week)
- » Critical Path #2: SRA Model Development
 - » Case Development (ongoing)
- » Critical Path #3: IDA Model Development
 - » Condition/Flowgate Selection (ongoing)

Benefits Assessment

- » A large part of making the 20-Year study “actionable” is quantifying transmission benefits
 - » WestTEC study plan proposed 7 benefits
- » Energy Strategies proposed a counterfactual-based benefits methodology at the January All-Committees Meeting
 - » Benefits were proposed to be assessed for a “core” WestTEC portfolio of:
 - » 10-year transmission projects **not** under or near construction
 - » 20-year transmission projects persistent across the three study scenarios (reference, flux, and core)

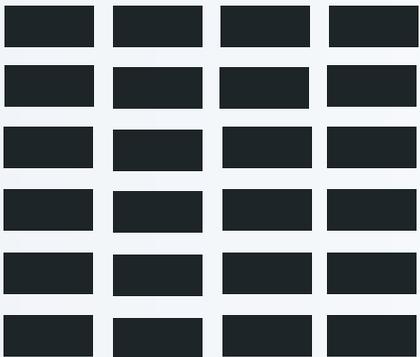
Benefits Outlined in WestTEC Study Plan

Benefit	Description (Similar to WestTEC Study Plan)
Operational & Congestion Efficiencies	Change in annual adjusted production cost (APC), capturing reductions in short-run generation production costs to serve load due to reduced congestion and/or curtailment (including reduced transmission energy losses; can be enhanced to reflect outage-related impacts if modeled).
Improved Resource Adequacy (reduced loss of load probability)	Load diversity savings from greater inter-area transfer capability, enabling balancing areas to share resources that could otherwise be constrained and potentially avoid construction of capacity resources.
Capacity Savings from Reduced Peak Energy Losses	Savings in capacity costs from reduced peak energy losses, lowering the total generation capacity required to meet peak demand.
Extreme Event Mitigation (resilience benefits)	Change in cost of unserved load and/or production under tail-event stressed conditions (high loads, generation unavailability, transmission outages, weather and other factors); valued using VOLL for avoided load curtailments.
Increased Resource Access	Savings from accessing higher-value resources due to transmission expansion; estimated via counterfactual scenarios and reflected as reductions in capital costs of the resource portfolio.
Avoided Emissions	GHG emission reductions due to transmission expansion and enabled resources, quantified using carbon cost and discount rate analysis.
Avoided or Deferred Reliability Upgrades	Avoided cost of reliability upgrades that would otherwise be needed; identified via powerflow results comparing facility loading (near/over thermal limits) with and without the transmission portfolio and estimating upgrade/replacement costs.

Proposed Approach: Detailed Review

Reference Case

10-year portfolio



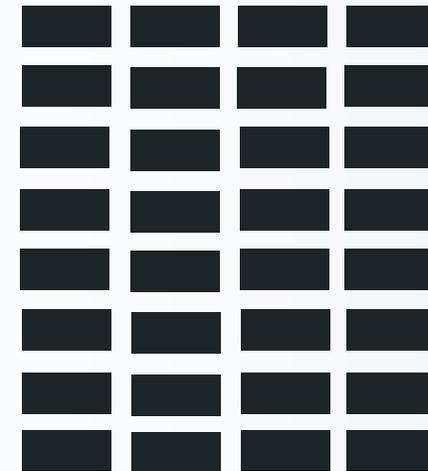
Core Scenario

10-year portfolio



Flux Scenario

10-year portfolio



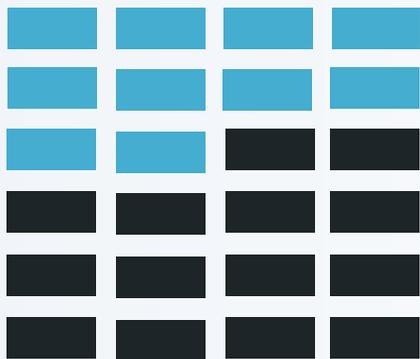
The 20-year assessments all include the same **10-year horizon portfolio** and **identify transmission needed** in response to each scenario

Represents portfolio of transmission projects identified for each 20-year scenario

Proposed Approach: Detailed Review

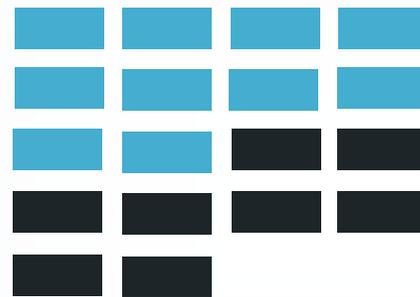
Reference Case

10-year portfolio



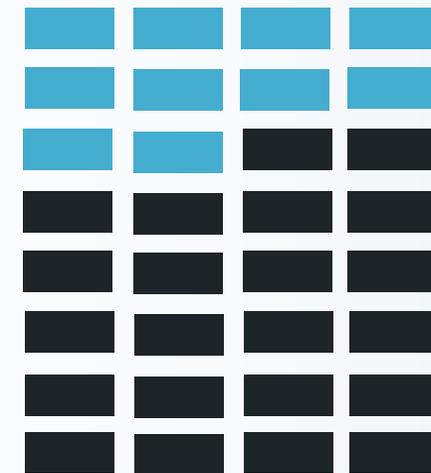
Core Scenario

10-year portfolio



Flux Scenario

10-year portfolio



We anticipate that each scenario will result in some transmission common amongst all scenarios – “**persistent upgrades**” – and some transmission upgrades **unique to a scenario**

Proposed Approach: Detailed Review

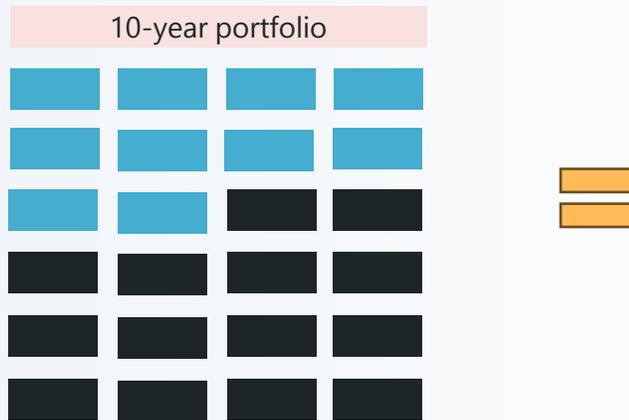


We propose to quantify the benefits of a discrete set of projects over a 20-year implementation horizon that includes **10-year horizon upgrades** *not yet under construction* and **persistent upgrades** in 20-year scenario analyses. These upgrades represent a “least regrets” set of transmission investments for the region over the approaching 20-year and therefor may benefit from an assessment of business case (e.g., benefit-to-cost) to spur development.

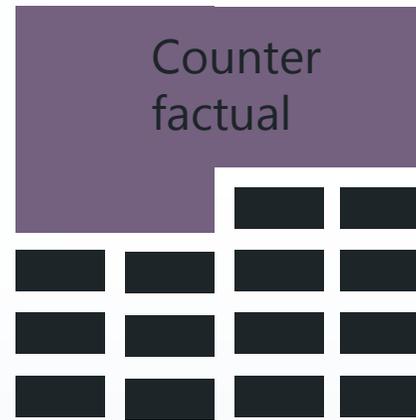
As WestTEC is iterated upon in future cycles, this set of planned and persistent upgrades may change and the analysis can be updated.

Proposed Approach: Detailed Review

Reference Case



Reference Case [Counterfactual]

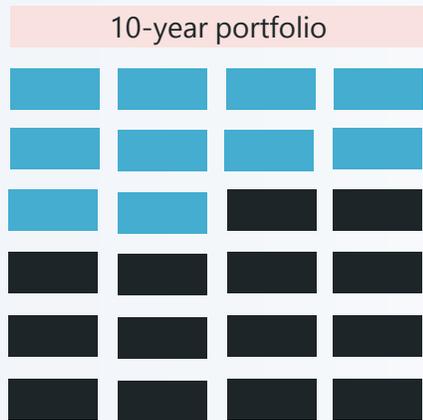


The benefit study will be performed based primarily on the Reference Case scenario and a set of **counterfactual transmission upgrades** will be developed.

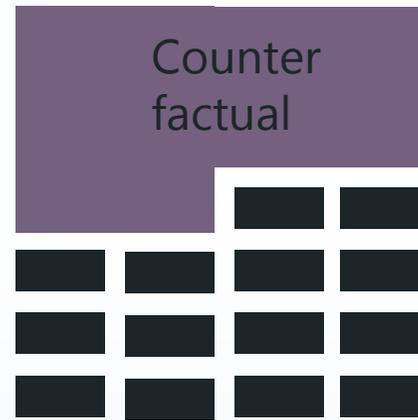
These upgrades will not be interregional in nature and will be primarily “local” or piecemeal upgrades identified via some automated studies – the status quo if WestTEC’s interregional expansion mission is not realized.

Proposed Approach: Detailed Review

Reference Case



Reference Case [Counterfactual]



E3 has begun work on a counterfactual reference case capacity expansion model & plans to present results at the April All-Committees Meeting

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Benefits Sub-Committee

- » Comprised of 4 WATT members and 4 REC members
 - » Will meet outside of scheduled meeting times, but will report updates to committees meeting
 - » Bulk of work will occur late April through June
- » Goal is to have a smaller group of stakeholders from each committee intimately familiar with the benefits calculation
 - » REC involvement is to bring “awareness” of other similar processes and to ensure accurate communication of benefits in the 20-year study report

Benefits Sub-Committee

- » Seek feedback from REC today on key goals of benefits quantification:
 - » What would make the benefits calculation/methodology a success?
 - » What parts of benefits are confusing?
 - » What would you like REC members in the sub-committee to achieve?

Next Steps

- » Next REC meeting will be held May 21st
- » Next All-Committee meeting will be April 23
- » Any feedback or questions, please email GDS:
 - » gillian.mccullough@gdsassociates.com
 - » kyra.green@gdsassociates.com
 - » annie.capper@gdsassociates.com

Public Comment