



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

CORPORATE STRATEGY

December 20, 2010

In reply refer to: S-7

To: Bonneville Power Administration Customers and Interested Parties:

I am pleased to enclose for your review the Bonneville Power Administration (BPA) draft work plan for its wind integration efforts in fiscal year 2011, our Wind Integration Team (WIT) Work Plan 2.0. We would appreciate your comments on this work plan by Jan. 21, 2011. These are our high-priority WIT efforts for the coming year. All build on efforts already underway that have proven valuable to BPA and to the region.

The WIT 2.0 Work Plan (<http://www.bpa.gov/corporate/WindPower/docs/WIT-2-0-Work-Plan-V2.pdf>) builds on the success of our June 2009 WIT work plan. That work plan identified five pilot projects with specific performance targets. By October 2010, we met all those targets and more and launched a sixth project. All six of these pilots are well underway, as described in a recent [fact sheet](#).

We have much more to achieve. We now have more than 3,000 megawatts of wind power in our balancing authority area and expect this amount to double in the next few years. Balancing reserves originally designed to adjust generation output for load fluctuations now also fill a much larger role – counterbalancing unscheduled ramps in wind power output. BPA already has seen wind output comparable to more than 50 percent of its load within an hour and wind power output swings exceeding 2,400 megawatts within an hour.

The Federal Columbia River Power System can accommodate generation swings of that speed and magnitude today because of the work customers, the wind community, and other stakeholders have done with us over the last few years. Together, we have invented new reliability tools, improved wind generation forecasting, and improved wind generation scheduling accuracy. Some of the wind projects in our balancing authority area are beating the 30-minute persistence scheduling accuracy metric assumed in our 2010-2011 generation imbalance reserve service rates.

WIT 1 has been a collaborative effort with highly productive results. Thank you all for helping to make it work.

The WIT 2.0 Work Plan expands these proven efforts. We are undertaking the next natural steps to expand within-hour scheduling and use of dynamic transfer capability.

We will work with customers to evaluate and see whether and how much we can enlarge opportunities for customer-supplied generation imbalance. At the same time, we will further

explore opportunities to increase BPA's supply of imbalance reserves through purchases from third parties. We are continuing to build our in-house wind forecasting system. We will create the internal tools necessary for BPA to use the Joint Initiative's regional platform for intra-hour scheduling, the Intra-Hour Transaction Accelerator Platform, once it is available.

We will continue to seek customer and stakeholder involvement in these efforts. Some, such as dynamic transfer business practices, are currently undergoing public review. Others, such as the CSGI and ITAP, have schedules that are linked directly to BPA's schedule for setting its power and transmission rates for fiscal years 2012-2013 or to other parties' initiatives.

We have scheduled the public meeting to discuss the draft WIT 2.0 work plan for the morning of January 13, 2011, from 9:00a.m. to 12:00p.m., in the General Services Administration auditorium at BPA headquarters in Portland. If you plan to attend the meeting on the WIT 2.0 work plan, please RSVP to WIT Program Manager Eric King at evking@bpa.gov so we will know how many people to expect.

A phone bridge will be set up for those who cannot attend in person. The phone bridge number is 503-230-5566. The passcode is 9052#.

Please submit any written comments on the draft WIT 2.0 Work Plan by January 21, 2011, to Eric King at evking@bpa.gov. If you have immediate questions about any of the WIT 2.0 projects, please contact Mr. King by e-mail or at 503-230-55236.

To remain informed of opportunities to participate in WIT 2.0 projects, please sign up for our [WIT mailing list](#). You will also receive a monthly WIT Update. Those who have a technical or commercial interest in BPA business practices should sign up for Transmission Services' [TechForum](#) e-mail list.

Thank you again for your interest and participation in our wind integration efforts. With your continued support and involvement, we will further adapt the BPA transmission grid to support large amounts of variable energy resources reliably, with costs allocated to associated benefits, and with environmental integrity.

Sincerely,

/s/Elliot E. Mainzer
Executive Vice President
Corporate Strategy

cc:
WIT Distribution List – sent electronically