OHIO VALLEY ELECTRIC CORPORATION

Open Planning Meeting

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<u>Outline</u>

History

- Changes affecting the OVEC transmission system
- Participation in the Reliability *First* Process
- Monitoring PJM, MISO and LGEE Developments
- OVEC Planning Study Process
 - Review of Recent Studies
 - Presentation of Latest Transmission Plan
 - Discussion of 2012 Transmission Plan Development
- Input from Stakeholders
- Next Steps
- Questions

Ohio Valley Electric Corporation (OVEC) OVEC was formed in the early 1950s by its neighboring utilities to supply the DOE's uranium enrichment facility in Southern Ohio

- Due to its critical function, OVEC's system was designed using stringent planning criteria with multiple interconnections
 - Load served was about 2,000 MW
 - Current load at facility approximately 35 MW

Ohio Valley Electric Corporation (OVEC)

- OVEC owns 2 generating stations, with approx. 2,250 MW of nameplate capacity
- One non-OVEC generator is radially connected to the jointly owned Pierce station
- OVEC has a network of approx. 776 circuit miles of 345 kV lines in Indiana, Kentucky and Ohio, and 4 stations. A 5th customerowned station also lies within the OVEC Balancing Authority Area.
- The OVEC BA has 3-138 kV and 12-345 kV transmission interconnections



RECENT, ONGOING or UPCOMING CHANGES

Kyger Creek

•Breaker replacements and relay upgrades continuing – expected to be completed in 2013

Dearborn

Retire Breakers DA & DD (creates Clifty-Buffington ckt.)
Retire & remove N.O. Tanners – Dearborn #2
Dearborn work was accelerated – Large volume oil-filled equipment was removed from service 4th Q 2011

RECENT, ONGOING or UPCOMING CHANGES

continued)

Recent nearby PJM Deactivation requests

- Beckjord 1-3 effective 5/1/2012
- Beckjord 4-6 effective 4/1/2015
- Sporn 1-4 effective 6/1/2015
- Tanners Creek 1-3 effective 6/1/2015
- Kanawha River 1,2 effective 6/1/2015
- Muskingum River 1-4 effective 6/1/2015
- Others in PJM further from OVEC

Participation in Reliability First Process

- Model development
- Transmission Performance Subcommittee (TPS)
- TPS Study Teams:
 - Seasonal
 - Near-term
 - Long-term

Monitor Developments in Neighboring Areas

- Generator Interconnection Queues
- MISO ad hoc study groups
- Stakeholder in Southeastern Inter-Regional Participation Process (SIRPP)
- Generator retirement requests

Recent Studies

Reliability First Corporation assessments

Seasonal: 2011 Summer, 2011/12 Winter (abbreviated) 2011 Summer, 2011 Fall (N-1-1),

Near Term: 2016 Fall Light load

Long Term: 2020 Summer

Recent studies

OVEC Assessments

- Prior to 2010, built on RFC studies and models
- Added sensitivity analyses:
 - Generation levels at nearby plants
 - Transfers: W-E, S-N
 - Transmission Facility Status
- Added analyses of other contingency categories as needed for compliance

Recent studies

OVEC Assessments (continued)

- Beginning in 2010, perform complete assessment to meet TPL-001 – TPL-004 requirements
- RFC study models still used as "outside world" starting point when available
- RFC study results may still be used in demonstrating compliance, but as supplemental evidence

OVEC 2011 Planning Studies

- Draft report posted 11/03
- No significant changes from draft
- Final report posted 11/30

Findings

- OVEC facilities planned and approved meet NERC TPL-001 thru -004
- Continue to monitor margin on interface with LG&E

OVEC 2012 Planning Studies

- 2012 Summer (RFC study model)

 DC screening TPL-001, TPL-002, TPL-003

 2017 Summer (ERAG/RFC model + OVEC updates)

 DC screening, AC to Follow TPL-001, TPL-002, TPL-003 & TPL-004
- 2022 Summer (ERAG/RFC model + OVEC updates)
 DC screening, AC to Follow TPL-001, TPL-002, TPL-003 & TPL-004

OVEC 2012 Study Results

- Recent official retirement requests require re-run of initial screening
- Re-analyze after models updated to reflect recent retirement announcements for nearby plants
- Will assume removed generation replaced within respective market unless advised otherwise
- May require use of some queued generation not yet committed
- Sensitivity analysis of alternative dispatch scenarios (High wind output, increased gas utilization)

Input From Stakeholders

- New information about load or generation?
- Transmission changes not already represented in MMWG/RFC models?
- Economically beneficial transmission improvements to study?

NEXT STEPS

Incorporate additional Stakeholder input

- Conduct additional analysis as needed
- Interact with Committee based on results
- Document additional results
- Conference call, email exchange or meeting to discuss significant new findings
- October meeting to finalize report

QUESTIONS?