



System Planning Report

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Board of Directors
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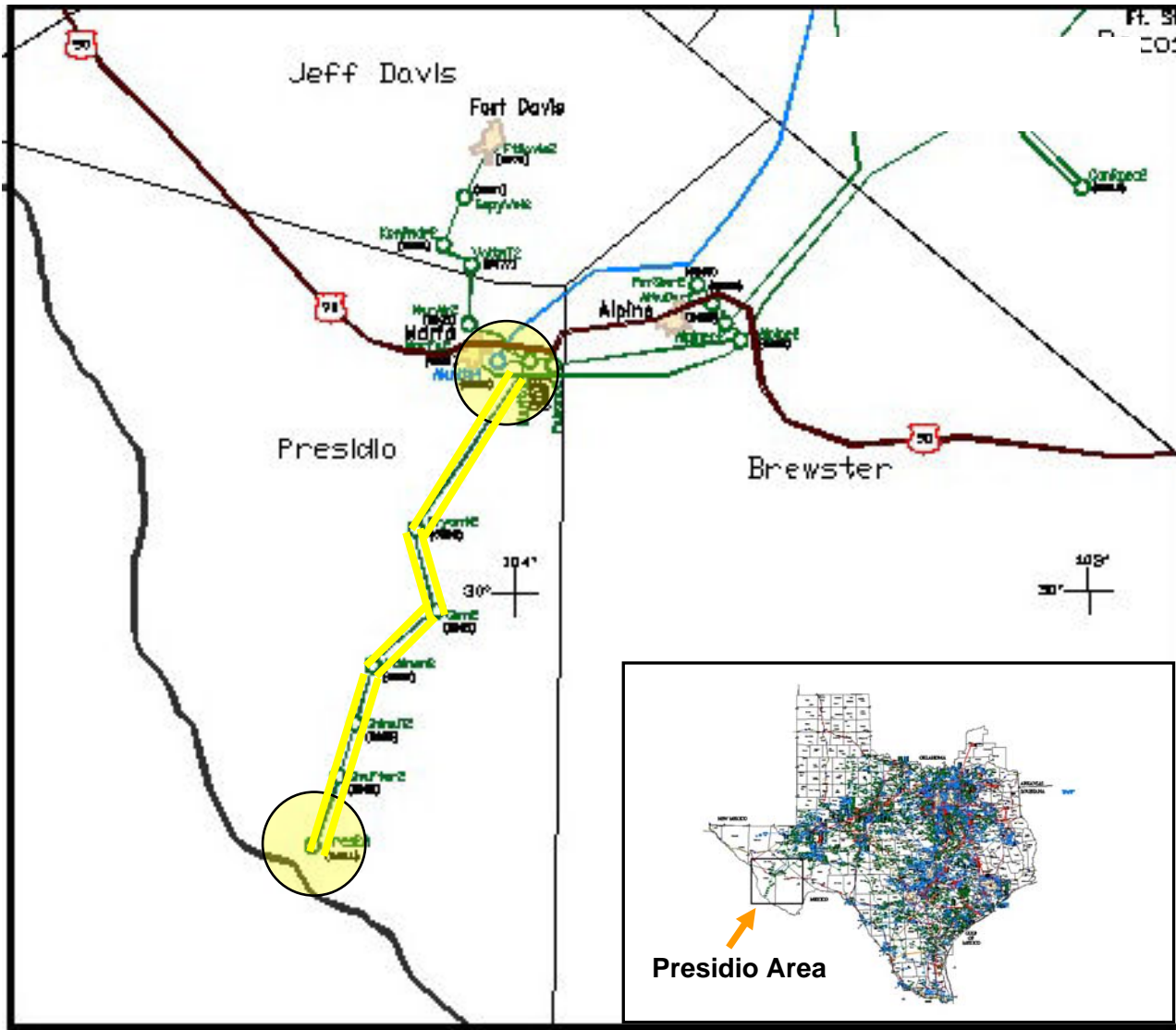
- **ERCOT is currently tracking 246 active generation interconnection requests totaling 106,000 MW. This includes almost 54,000 MW of wind generation**
- **New Interconnection Agreement signed:**
 - Lufkin Biomass in Angelina County for 45 MW (in-service 9/09)
- **Regional Planning is currently reviewing proposed transmission improvements with a total cost of \$575 Million**
- **Transmission Projects approved in 2008 to date total \$169 Million**
- **All projects (in engineering, routing, licensing and construction) totals approximately \$3.6 Billion**
- **Transmission Projects energized in Q2 of 2008 total about \$160 Million**



American Electric Power Service
Corporation

Presidio Area Reliability Improvements
Project

AEP Presidio Area Reliability Improvements Project



- Install a second 138/69 kV autotransformer at Alamito Creek substation in 2008.
- Cost: \$4,000,000
- Install two 2.4 MW NaS battery units at Presidio in 2009.
- Cost: \$15,000,000
- Replace existing 69 kV line with new 69 kV line designed for 138 kV operation from Alamito Creek to Chinati to Presidio in 2012.
- Cost: \$48,000,000
- **TOTAL COST: \$67,000,000**

Project is Needed for Reliability

- **Install a second 138/69-kV autotransformer at Alamito Creek Substation**
 - Necessary to meet reliability criteria under maintenance conditions.
- **Install a 4.8 MW NaS battery at Presidio Substation**
 - The battery is a short term solution that allows area voltages to meet NERC/ERCOT pre and post-contingency voltage limits during outages of the existing 69-kV line
- **Construct a new Alamito Creek-Presidio 69-kV line (built for 138-kV service)**
 - Provides long term solution and capacity for expansion.
 - Needed to meet reliability criteria and provide transmission service to rural communities as mandated in PURA §38.005.

Alternatives Considered

- **Installation of a small asynchronous tie with CFE**
- **Installation of 10 MW Diesel Generation**
- **Block load transfer to CFE**
- **Addition of Static Capacitors**

- The Stakeholder review period for this project was held in April 2008
- Comments received and addressed include:
 - High cost for amount of MW benefit
 - Consider Alternatives
 - Precedent for radial load service
- TAC voted in support of the Presidio project at their June 26 meeting

- ERCOT supports the Presidio project, as described, and requests that the Board endorse the need for the project.