

# Wyoming Infrastructure Authority's FY 2014-2015 Strategic Plan

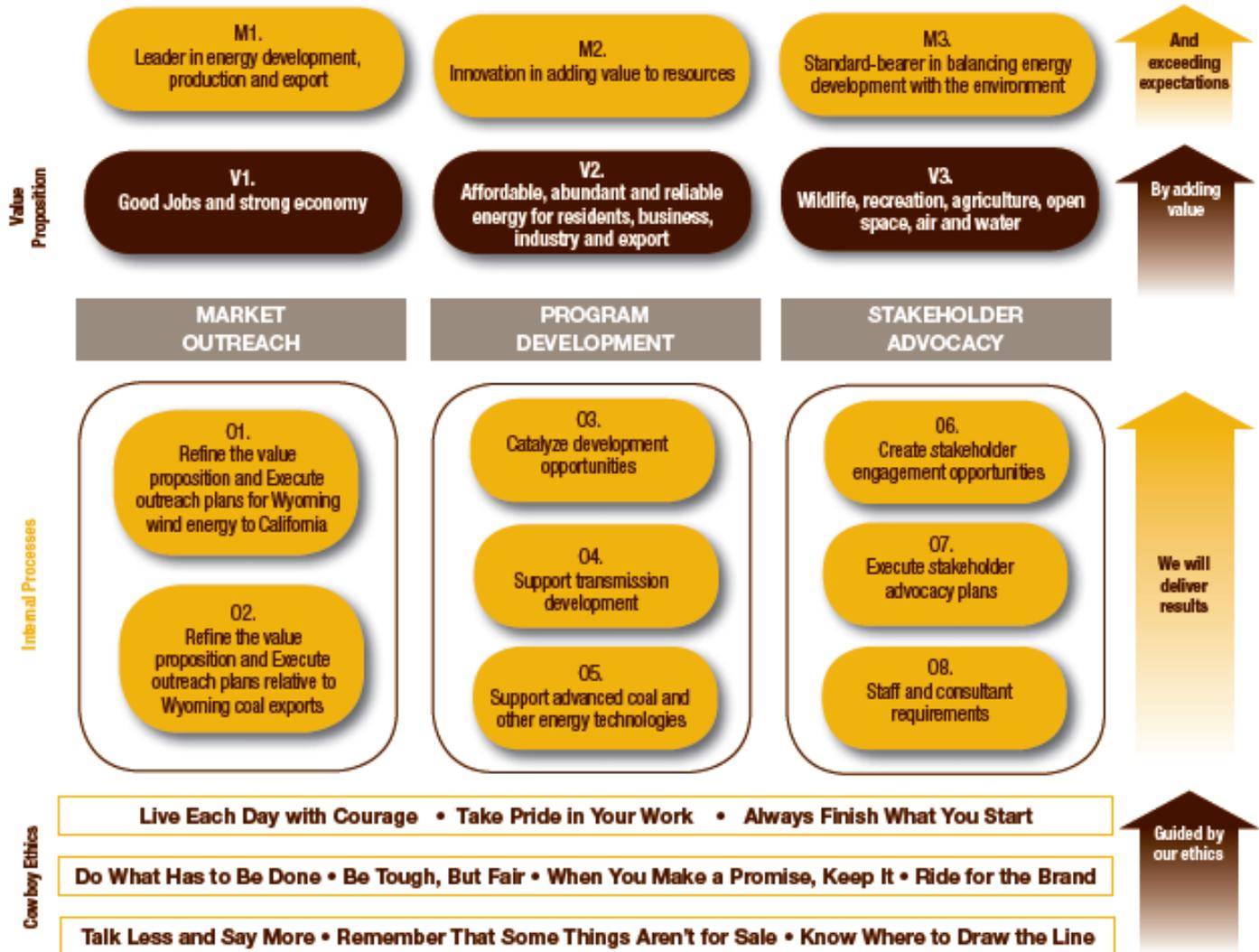
## WIA Mission

The WIA will diversify and expand the state's economy by adding value to Wyoming's energy resources and infrastructure for the benefit of Wyoming and the region



## WIA Vision

The WIA will advance Wyoming's Energy Strategy by promoting the value of Wyoming's energy resources; supporting expanded infrastructure; enhancing resource development and operation; and ensuring a credible and objective voice for Wyoming.



## Strategy Map

Updated August 1, 2014

## Strategic Themes and Corresponding Initiatives

### MARKET OUTREACH

#### 01. Refine the Value Proposition & Execute Outreach Plans relative to Wyoming Wind Energy to California

- 1.01** Continue to refine the Value Proposition for delivering Wyoming wind to California via studies commissioned by the WIA and others:
- 1) *Complete the WY/CA Phase II Geo Diversity Study by the Univ. of WY by 3<sup>rd</sup> Qtr, 2014;*
  - 2) *Have the NREL WY/CA Grid Integration Study completed by February 2014;*
  - 3) *In 2014, use the results of the above studies to mount a new effort to convince CAISO of the need to include out of state transmission that has achieved key milestones in the permitting and siting process—this will be measured by one (1) meeting with CAISO/qtr;*
  - 4) *By November 30, 2014, engage third parties to conduct an analysis of natural gas-fired generation at altitude in Wyoming vs. near the load in southern Nevada or California; in addition, follow-up the first analysis with a fully integrated analysis combining Wyoming wind and natural gas to produce a dispatchable product for export to these states and other target markets such as Colorado as addressed below by April 30, 2015; and*
  - 5) *Identify a CA economist to quantify some of the impacts to CA rate payers relative to increased prices for power as a result of CA's environmental policy by November 1, 2014.*
- 1.02** Refine/develop the Value Proposition for delivering Wyoming wind to other market areas as needed:
- 1) *Refine the Value Proposition for delivering Wyoming wind to Colorado by December 31, 2014; and*
  - 2) *Develop Value Proposition for other key market areas as dictated by the market and opportunities to access such markets via existing or new transmission projects.*
- 1.03** Continue to communicate the Value Proposition for delivering Wyoming wind to California:
- 1) *Schedule and conduct an average of six (6) meetings each quarter in California to convey the Value Proposition;*
  - 2) *Continue to update the target entities as needed; and*
  - 3) *Schedule California Speakers at a minimum of two (2) WIA Energy Conference/Board Meetings in 2014.*
- 1.04** Meet with targeted entities in other market areas:
- 1) *Step-up the outreach initiative to Colorado in 2014 by 50% measured by meetings in the marketplace compared to FY2013; and*
  - 2) *Develop and prepare to execute a marketing plan for one other market area, if the opportunity presents itself.*

## **02. Refine the Value Proposition & Execute Outreach Plans relative to Wyoming Coal Exports**

### **2.01 Develop/refine the Value Proposition for delivering Wyoming Thermal Coal to Foreign Markets**

- 1) Develop/expand a comprehensive list of key contacts (name & company) relative to foreign markets by August 31, 2014 and update as needed. Formulate and deploy an outreach plan aimed at foreign markets by November 30, 2014. Foreign markets for the purposes of this strategic plan shall be defined as follows:*
  - Japan*
  - South Korea*
  - India*
  - Vietnam*
  - Taiwan*
  - China*
- 2) Quantify the market demand for thermal coal from 2014 to 2030 in two year increments for those countries listed in 2.01-1 for Wyoming Coal by August 31, 2014 and update as required;*
- 3) Building on the information/data/studies that currently exists, better quantify the value proposition of Wyoming Coal to the marketplace via meetings with coal mining and export companies; individuals at the Univ of Wyoming; the Wyoming Mining Association; key individuals/companies; and others. Schedule and conduct a minimum of four (4) meetings each quarter and commission studies as needed within budgetary limits;*
- 4) Conduct an environmental life cycle analysis/assessment (LCA) relative to Wyoming coal compared to other coal with a SOW by Sept 30, 2014 and a competition by March 31, 2015;*
- 5) Within the targeted market areas listed in 2.01-1, identify the existing foreign ports which accept coal shipments and port expansion projects for incremental capacity. An initial work product containing the bulk of the information shall be completed by September 30, 2014 and updated as required; and*
- 6) Plan and conduct one tour annually to foreign markets consisting of three countries visited with a total of six people: one WIA staff, one WIA Board member and four others to be comprised of legislators, stakeholders, staff from the Gov's Office and others.*

**2.02 Develop/refine the Value Proposition for Communities/States where incremental or new export capacity is being developed**

- 1) Develop a comprehensive list of key individuals/entities relative to existing ports & port expansion in the Pacific Northwest; other West Coast possibilities; British Columbia; and Gulf Coast in that order of priority by August 31, 2014. Included in the list will be individuals/entities in local, state and federal government including national organizations. Formulate and deploy an outreach plan relative to port expansion/development by November 30, 2014;*
- 2) Building on the information/data/studies that currently exists, better quantify the value proposition to the local community/state via meetings with identified individuals/entities; and others. Schedule and conduct a minimum of five (5) meetings each quarter and commission studies as needed within budgetary limits;*
- 3) Quantify the existing ports & port expansion projects in North America by the sectors identified in 2.02-1; the amount of incremental capacity being developed; existing rail facilities relative to capacity expansion; owners; permitting required; status of permitting; projected in-service date; and other pertinent information by September 30, 2014 and update as needed;*
- 4) Identify and assess barriers and threats relative to the export of Wyoming coal to foreign markets with recommendations to address such by August 31, 2014 (this could be a SWOT analysis);*
- 5) Monitor legal issues regarding port expansion and coal by rail with a report on September 1, 2014 and updated on a calendar quarter thereafter;*
- 6) Seek possible federal and international funding sources to assist with the WIA's initiative relative to coal exports and determine the feasibility of such by December 31, 2014;*
- 7) Schedule tours of Wyoming mining operations for stakeholders in Washington State including tribal leaders where applicable. This initiative will also apply to key entities with foreign markets. A minimum of one (1) tour in 2014 and two (2) tours in 2015 will be scheduled;*
- 8) Establish a working relationship with the railroads relative to adequate infrastructure, coal dust and congestion issues. Conduct a minimum of one (1) meeting per quarter commencing September 1, 2014.*

## **PROGRAM DEVELOPMENT**

### **03. Catalyze Development Opportunities**

**3.01** Support the work of the Wyoming Business Council (WBC); the University of Wyoming's School of Energy Resources (SER); and the Wyoming Pipeline Authority (WPA), all of which are key to the WIA successfully achieving its plan:

- 1) Provide the WBC; SER; and WPA with the opportunity to communicate their efforts via a minimum of one WIA Energy Conference/Board Meetings and two Quarterly Stakeholder Outreach Meetings.*
- 2) Pursuant to the budget footnote found in Section 334 of the Wyoming Legislature's 2014 Budget Bill, the WIA shall participate with the WPA and the WBC in the preparation and submission of a report to legislative committees on or before November 1, 2014, identifying "areas of synergy, shared authorities, efficiencies and areas of opportunity for cooperative work" among the entities.*

**3.02** Utilize WIA's \$1 billion bonding authority:

- 1) Obtain information from bonding companies on the current state of the economy and the relative financial environment in order to develop a better understanding as to what financing opportunities are feasible, given current conditions and report to the WIA Board by December 1, 2013;*
- 2) Identify a minimum of two (2) bonding opportunities to the WIA Board for consideration in each calendar year 2014 and 2015. Formally initiate a minimum of one (1) financing package during that same time period; and*
- 3) Develop revised statutory language needed to enable the financing of out-of-state facilities by May 31, 2014.*

**3.03** Proceed with pre-development of new transmission projects as such opportunities are identified:

- 1) The MISO-led Midwest Express HVDC bi-directional Transmission Overlay Project is progressing. Continue to support the pre-development of the project with a place on the agenda at the 2014 WIA Winter Board Meeting; and*
- 2) Continue to assess the viability of a new WY/NE transmission to points east.*

### **04. Support Transmission Development**

**4.01** Protect and support, where possible, those transmission projects where State funds have been expended:

- 1) TransWest Express LLC will refund the State's investment upon the TWE Project reaching the financing stage; and*
- 2) The same applies to the Wyoming-Colorado Intertie Project--given the current state of the WCI Project, develop a strategy for the project by the June 30, 2014.*

**4.02** Advocate for all of the transmission under development in the State:

- 1) Provide support for all transmission under development by market outreach initiatives; commissioning and supporting studies that reflect a value proposition; conducting market outreach to targeted markets; providing comments where applicable; and attending and speaking at select conferences.*

#### **4.03 Support Governor Mead's Energy Policy Initiative:**

- 1) WIA staff serves as the Co-Chairman of the Energy & Natural Resources Policy Team which, together with other functions, monitors the progress of such initiatives; and*
- 2) Assist in the development of a tracking software that measures the activity and progress relative to all the initiatives in the State Energy Plan by those entities who are directly or indirectly responsible by April 1, 2014---such would include a named Project Manager.*

#### **4.04 Stay abreast of the Western Electricity Coordinating Council (WECC) activities:**

- 1) As a Class 5 member of WECC, attend a minimum of four (4) meetings annually; and cast votes where required.*

### **05. Support Advanced Coal and Other Energy Technologies**

**5.01** Serve as a resource for successful planning; development; implementation; and management of the Wyoming Integrated Test Center (ITC) currently under development.

**5.02** Develop a Phase I effort which would analyze the possibility of establishing an initiative aimed at a carbon capture, utilization & sequestration (CCUS) retrofit to an existing coal-fired generation plant in Wyoming by December 1, 2014 with an EOR component or other carbon utilization processes. Such an initiative would be developed in cooperation with other entities in the State which are engaged in advanced clean-coal related activities including, but not limited to, members of the Wyoming Legislature; the University of Wyoming; the WPA; the WBC; members of Governor Mead's staff; the Wyoming Public Service Commission; the Wyoming Research Institute; and utilities in Wyoming (Phase I):

- 1) Track the significant amount of efforts involved, worldwide, in CCUS technology, especially the work in which National Energy Technology Laboratory (NETL) is involved. A quarterly report will be delivered to the WIA Board on a quarterly basis effective September 1, 2014;*
- 2) Attempt to quantify the total economic benefit to the State of Wyoming relative to the Wyoming Coal Industry. The analysis would look at both direct and indirect benefits in terms of jobs and dollars. In addition, the analysis would project the percentage of such benefit relative to activities in North America and the percentage applicable to exports out of North America; and*
- 3) Beginning in September 2014, publish a document every quarter thereafter in the form of a press release; taped interview; journal article; and/or a report addressing developments relative to CCUS; and/or advanced energy technologies. This primary goal would be to provide a better understanding relative to the potential new ways to use fossil fuels more efficiently and with sustainable environmental effects; and what Wyoming is doing to advance sustainable energy technologies of all types Such publication will be posted on the WIA website together with a placeholder where relevant articles can be posted & archived in order to serve as a resource for WIA stakeholders and other interested parties.*

**5.03** Provided Phase I is successful, a Phase II would be established and work would commence with a completion date of July 1, 2015. Phase II would include:

- 1) Form a CCUS Steering Team (the Team) made up of key individuals and entities will be formed to develop the initiative;*
- 2) Develop an assessment and determination as to whether a cost-effective, post-combustion CO<sub>2</sub> capture technology can be commercially demonstrated at an existing coal-fired electric generation unit in Wyoming, with subsequent use of the captured CO<sub>2</sub> for enhanced oil recovery (EOR) and/or other beneficial uses; and*
- 3) Execute a Stakeholder Engagement Plan to solicit the requisite knowledge base required for success.*

**5.04** Provided Phase II is successful, a Phase III would be established and work would commence with a completion date of December 31, 2015. Phase III would include:

- 1) Establish performance metrics including the preferred technology; and a cost estimate;*
- 2) Perform a Regulatory/Policy Assessment;*
- 3) Prepare a Implementation Budget & Timeline; and*
- 4) If warranted, develop a strategy to secure adequate funding incentives from State, Federal and private sector sources, to support carbon capture retrofit with EOR and/or other beneficial uses.*

*Provided Phase III is successful, and it is determined that incentive funding is required, a Phase IV would be initiated with a target date of September 1, 2016 and would consist primarily of executing the funding strategy developed in Phase III*

**5.05** Support other advanced fuel technologies to the benefit of Wyoming:

- 1) Utilize our Energy Conference/Board Meetings and Stakeholder Outreach Meetings in 2014 to showcase existing and emerging technologies (CCUS; CTL; GTL; UGC; CNG; LNG; NGV; TTL; and others)---feature one of these technologies at each of our Energy Conferences;*
- 2) Where possible and needed, fund or co-fund studies to support such technologies; and*
- 3) Explore new opportunities for applications relative to the growing amount of off-peak power on the Western Grid with meetings in 2014/15 resulting in a research organization/entity which will agree to pursue the requisite research needed to identify a cost-effective use(s) for such power by June 30, 2015.*

# **STAKEHOLDER ADVOCACY**

## **06. Execute Stakeholder Engagement Opportunities**

**6.01** Plan and structure three (3) Public Energy Conferences sponsored by the WIA Board of Directors annually together with approximately 20 Board Calls:

- 1) *Continue the day and a half format for the energy conferences; schedule a private dinner with the WIA Board that includes speakers, sponsors and special guests at each of the meetings; and have a sponsored reception on the evening of day one.*

**6.02** Plan and structure four (4) Quarterly Stakeholder Outreach Meetings around the State annually:

- 1) *This initiative was started in 2013 with meetings scheduled in Rawlins, Pinedale, Gillette and Casper—tentative 2014 meetings will be in Gillette, Casper, Sheridan and Laramie;*
- 2) *This initiative will improve the public awareness of the activities of the WIA, the SER; the WPA; and WBC; and*
- 3) *Establish a good working relationship with the Wyoming County Commissioners Association to solicit the support of the County Commissioner Offices in the cities where the Quarterly Stakeholder meetings are held.*

**6.03** Actively engage WIA's stakeholders:

- 1) *Once each quarter, participate in events held by key stakeholders (Legislative Committee Meetings--Developer sponsored events--Conferences, Webinars); and*
- 2) *Continue to add stakeholders and manage the WIA's listserve inventory of contacts which currently exceeds 1,100.*

## **07. Execute Stakeholder Advocacy Plans**

**7.01** Develop a strategy to improve communications with National, State and local elected officials; Wyoming citizens; landowners; and NGO's by June 1, 2014:

- 1) *Develop a list of the top ten (10) most important things we need a legislator to know;*
- 2) *Schedule a meeting with Minerals Committee Co-Chair, Representative Tom Lockhart, in December, 2013 to discuss the path of a greater collaborative effort re: WIA & Wyoming Legislature;*
- 3) *Meet with the staff in Congressional offices in Wyoming every six (6) months; and*
- 4) *Plan a co-effort with another entity to participate in the hosting of a legislative reception during both the 2014 & 2015 Legislative Sessions.*

**7.02** In 2014, provide the opportunity of a forum at all of the WIA Energy Conference/Board Meetings and 50% of the Stakeholder Outreach Meetings for Wyoming's Energy Community to participate:

- 1) Provide opportunities for transmission and generation updates once each year;*
- 2) Continue to work with Arch Coal, Ambre Energy, Cloud Peak Energy, the Wyoming Mining Assoc and others to identify coal-oriented topics for agendas;*
- 3) Once each year, have an oil & gas company provide a presentation; and*
- 4) Have two (2) or more of the following topics on the agenda at all Energy Conference/Board Meetings each year: advanced coal; coal exports; port expansions; and advanced fuel technologies.*

**7.03** Continue to provide support to WY transmission & generation developers with an emphasis on those in the permitting and siting stage:

- 1) Advocate for and support WY transmission and generation developers with market outreach, commissioning of studies as appropriate and providing a possible funding source via WIA's bonding authority; and*
- 2) Meet with a minimum of two (2) transmission & or generation developers face-2-face on a quarterly basis.*

## **08. Staff and Consultants Requirements**

**8.01** Provide the WIA Board with a comprehensive financial report on a quarterly basis; a monthly report on the execution of the Strategic Plan:

- 1) Utilizing the financial statements from WIA's accounting firm, provide the Board a quarterly financial report; and*
- 2) Provide a performance report to the Board on a monthly basis.*

**8.02** Manage WIA's Budgetary Process; WIA staff; consultants; and commissioned studies:

- 1) Provide the necessary support relative to the WIA biennium budget by working with the budget office to meet deadlines, presentation to the Governor and discussions with Legislative Committees;*
- 2) Manage staff and consultants requiring periodic reporting (monthly at a minimum);*
- 3) Engage consultants in periodic calls/meetings with transmission developers, coal advocates and others on a monthly basis;*
- 4) Manage the studies commissioned from the SOW and meet the milestones set forth therein; and*
- 5) Establish a new WIA banking relationship by April 1, 2014 to gain better returns on invested funds.*

### **8.03 Utilize WIA consultants in a cost-effective manner:**

- 1) Connect with FERC commissioners and congressional offices in DC prior to December 1, 2014;*
- 2) Develop closer relationship with Fed agencies in DC once every 6 months commencing the second-half of 2014; and*
- 3) Develop closer relationships with State Agencies in California in 2014 with at least one (1) meeting each quarter.*

### **8.04 Manage the WIA website and WIA's social media outlets which include Facebook, Twitter and YouTube:**

- 1) Post Marketplace News & Wyoming News as provided by the Executive Director and others; keep the website calendar current; post minutes of the Board Calls; news/press releases; monthly financial information in the Board Forum section; presentations at the Energy Conferences and Quarterly Outreach Meetings; and other pertinent information;*
- 2) Post the video-taped WIA Energy Conference/Board Meeting presentations in a timely fashion no later than 15 days following the meetings.*

###

Pursuant to W.S. 28-1-115(ii) (B)  
which requires, within the context of the WIA Strategic Plan,  
that the Strategic Themes and Corresponding Initiatives contained herein be prioritized

All of the themes and initiatives contained in the WIA revised Strategic Plan (WIA Plan) for FY2015-2016 period were developed by the WIA staff under the direction of the WIA Board of Directors and in cooperation and collaboration with a number of key stakeholders including Governor Mead's Policy Office. The purpose of this Plan is to comply with the founding statutory requirements which were adopted by the Wyoming Legislature with the formation of the WIA in 2004 with subsequent amendments to the WIA's statutory charter.

In the event that the WIA was precluded from pursuing all of the themes and initiatives contained herein for budgetary reasons, the following is the priority in which the work of the WIA would proceed.

The WIA Plan is made up of three (3) strategic themes:

- Market Outreach
- Program Development
- Stakeholder Advocacy

*The three (3) themes are already listed in order of importance to the WIA and possible positive economic impact on the State of Wyoming.*

The **Market Outreach** theme and corresponding initiatives will provide the greatest economic benefit for the State, to the extent such initiatives are successful at least in part. Again, if successful, such initiatives would, at the same time, provide diversification to the State's economy which is the centerpiece of the WIA's mission.

The second greatest benefit would come from the initiatives relative to the **Program Development** theme which address the two (2) transmission projects in which the State of Wyoming has invested funds; advocacy for advanced coal and other energy technologies; utilizing the WIA's bonding authority; and new business for the State.

Last on the list but still of prime importance is the **Stakeholder Advocacy** theme and initiatives. The WIA strives to excel relative to all of the strategic themes including its approach to stakeholders.

*In the event the WIA was required to reduce its budget and possessed the discretion to determine the budget cuts, such reduction would be come from Series 200—Supportive Services and then, to the extent necessary, from Series 900—Professional or Contracted Services. Any reduction would result in the mitigation of the ability to achieve the initiatives applicable to the WIA Strategic Plan.*