

Past meets future while researching history

by Bob Autobee

Over the last few months, part of my job has been to ask past and current employees about their memories of Western's early days. Many of the conversations for the history program eventually turned from past experiences to observations on Western's direction over the next quarter century.

As Western celebrates its 23rd birthday on Dec. 21, I've gathered those prognostications from individuals involved in the organization's birth and subsequent growth. Recurring topics I encountered included:

- Transmission issues
- PMA privatization
- Competition and customer choice

Transmission issues

One concern expressed was the increasing dilemma of transmission congestion and increased loads across Western's service area. Bill Clagett, Western's administrator from 1984 to 1993, believes that existing transmission needs should be re-examined to maximize its benefits as one way of dealing with this problem.

Clagett explained, "You have a transmission system that's under-utilized. One of the things we started before I left Western was putting together a map of where on the system you could locate generation without building new transmission.

There's a nice little circle in northeast Colorado—by Sterling-Holyoke—300 MW, I think."

Clagett pointed out that a line capable of transmitting 200 MW could probably handle 300 to 400 MW of generation. As a result, local load is met and generation

is added to the grid. "You have to know how much load is out there," Clagett added.

Lloyd Greiner, Western's first director of the System Engineering division and later Salt Lake City area manager, commented that control and development of transmission will shape Western's future. "In the short-term, Western will maintain the role that it already has. It will continue to be a load-control operator. The Federal transmission system will still participate in Regional Transmission Organizations, and Western will need a tariff allowing open access to the Federal system.

"Western could be forced to unbundle transmission and start providing it under one type of contract, and generation under another type. I

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—Tom Hine



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think in the long term that's a very good argument for Western to get out of the transmission business," Greiner said.

According to Harvey Hunkins, Western's first Engineering division director, the uncertainty of future transmission development presents an opportunity for Western to form nontraditional alliances. Hunkins believes that, "Western and the private sector will have to work together in building transmission. Western will have to step in and be a facilitator to bring all the parties (the PMAs, customers and the private sector) together."

PMA privatization

While the dimensions of the transmission problem are foremost for many, a larger question hangs over the PMAs—will the Western of the past quarter-century look and operate in the same manner in another 25 years?

Al Peschong, Western's Construction and Inspection division director from 1978 to 1994, talked about eventual chaos if the Federal transmission system is privatized. "I'm not sure whether it could be turned over to the private utility business. How do you decide who to turn it over to and what it's worth? The people who formed the nucleus of Western were very knowledgeable about their facilities. They knew how to take care of them, how to operate them and how to build them.

If you turn those facilities over to a foreign company, so to speak, you don't have the nucleus of 1,500 people with that level of experience. There would be a fairly long learning curve. It would take a much longer learning period than when Western started. The only problem Western faced when they started was a shortage of people. The quality of people with Western was outstanding."

Joe Hall, Western's first conservation

officer, and later assistant administrator for power management and operation and maintenance, added that turning transmission over to private firms might fit the mood of free market mania now gripping the nation, but plans to remove the government from the power business requires further review.

"If there's a way to transfer the title of certain projects and get the Feds out of the power business, I would support that. But, a lot of it just doesn't work," Hall said. "How are we going to distribute power on the Colorado River? One possibility would be to develop a seven-state quasi-governmental entity like the Tennessee Valley Authority for the Colorado River."

Competition and customer choice

Whatever the future holds, according to Clagett, Western must maintain a working relationship with its customers in spite of promises from customer-choice promoters. "The bottom line is that customer choice doesn't mean anything if there is no choice. If you don't have alternatives, you don't have choice. If you don't have alternatives, you don't have competition. If you don't have competition, you don't have low prices. If you're going to deregulate, you must have choices," he added.

The uncertain promise of choice or maintaining a tried-and-true partnership is a decision facing Western and its customers. Tom Hine, Western's first general counsel from 1978 to 1983 and Phoenix Area manager from 1983 to 1994, offered a reminder that it is in the best interest of both sides to stay united during changing times. "As long as Western serves customer needs, Western will survive," Hine said.

(Note: Autobee is compiling historical information on Western's first 25 years.) ■