



West Virginians for Reliable Energy

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Need/Benefits of Transmission Infrastructure Improvements

The Demand for electricity and infrastructure will continue to increase.

- Total electricity consumption is expected to grow by 1.9 percent this year, the U.S. Energy Information Administration said in its latest “Short-Term Energy Outlook,” released January 12, 2010. That growth will be driven by the projected increase in residential and commercial sector electricity sales as assumed summer air-conditioning use this year returns to normal after a mild summer in 2009. Additionally, improving economic conditions will help drive growth in electricity sales to the industrial sector in both 2010 and 2011, with projected consumption of electricity in this sector growing by 2.2 percent and 2.5 percent, respectively. [EIA expects 1.9% growth in total US electric demand this year. SNL Power Daily, January 13, 2010]
- The U.S. Department of Energy’s National Renewable Energy Laboratory released a major study of the technical, operational, and economic issues facing the integration of large amounts of wind energy into the power system on January 20, 2010. The study showed that there are no fundamental technical barriers to the integration of 20 percent wind energy into the electrical system, but that without transmission enhancements, substantial curtailment of wind generation would be required. [DOE Releases Eastern Wind Integration and Transmission Study, U.S. Department of Energy, January 20, 2010]
- David Corbus, project manager for the study summarized the results: “To put the scale of this study in perspective, consider that just over 70 percent of the U.S. population gets its power from the Eastern Interconnect. Incorporating high amounts of wind power in the Eastern





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grid goes a long way towards clean power for the whole country. We can bring more wind power online, but if we don't have the proper infrastructure to move that power around, it's like buying a hybrid car and leaving it in the garage." [NREL: Eastern Interconnect has various options to get 20% of its power from wind. SNL Power Daily, January 21, 2010]

West Virginia will benefit from the construction of transmission infrastructure projects through:

- Creating jobs for line construction and future maintenance and upkeep;
- Creating jobs at power stations to maintain and improve the physical plant;
- Providing tax revenue to the state and counties through which the lines are located;
- Offering the potential for additional need and markets for West Virginia fossil and renewable energy commodities and the future development of additional power generation sources.

As an example, the WVU Bureau for Business & Economic Research conducted an economic impact study in 2009 looking at potential economic benefits of the construction of the PATH Project. They found:

- \$1 billion in business volume sales during the four-year construction;
- Total employee compensation of \$420 million;
- Total employment (in terms of job years) of 5,700;
- \$20.5 million in tax revenue for the State of West Virginia.

