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**BONNEVILLE POWER ADMINISTRATION  
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**New pilot saves customers money and reduces BPA reserve requirements**  
*Committed Intra-Hour scheduling pilot will advance renewable energy integration*

**Portland, Ore.** – Two Bonneville Power Administration customers have committed to faster-paced energy schedules, increasing the electric grid's flexibility to absorb changes in wind energy generation and reducing costs for both the customers and BPA.

Portland General Electric and Snohomish PUD will schedule transmission of energy through BPA's system every half hour – doubling the previous pace of once an hour -- in exchange for a 34 percent reduction in the rate BPA charges for balancing services. The more frequent scheduling helps the energy market better adjust to fluctuations in wind generation.

For more than a century, the Northwest's transmission system has operated by scheduling deliveries on the hour. However, that means BPA must hold enough generating capacity in reserve to make up the difference between what wind generators expect to deliver to the grid in any 60 minute period and what their turbines actually produce. More frequent scheduling lets wind producers match their schedules more closely to output, reducing the demand on BPA's hydroelectric capacity.

BPA manages 75 percent of the Pacific Northwest's high voltage electric transmission system.

"During our most recent rate case, we worked with our customers to create a pilot that would save them money and help us find options other than the hydro system to balance increasing amounts of wind," said Elliot Mainzer, executive vice president, BPA Strategic Planning. "We continue to look for innovative ways to integrate renewable energy sources and stretch the value of the hydro system."

"We feel BPA's advancement of intra-hour scheduling will facilitate additional renewable energy on the grid, benefiting rate payers, the regional economy and the environment," said Rachel Shimshak, executive director, Renewable Northwest Project. "As our region adopts a resource mix that includes more new renewables and less fossil fuel, intra-hour scheduling will play a key role within the suite of solutions necessary to accommodate clean energy."

PGE will employ intra-hour schedules for 450 megawatts of wind it operates within the BPA grid. Snohomish PUD will do the same for 97 megawatts of its wind energy. Because of these commitments, BPA will reduce by 23 megawatts the balancing reserves it holds in case wind

facilities generate less energy than scheduled and 34 megawatts of reserves it holds in case wind plants produce more energy than scheduled. Removing these reserves provides BPA with operational flexibility to meet other hydro system requirements.

“We expect our participation in this pilot will help reduce our balancing charges for wind integration,” said Snohomish PUD Senior Manager of Power Scheduling Kelly Wallace. “It has provided a valuable learning opportunity in committed intra hour scheduling in large part due to our successful collaboration with our pilot partners and BPA.”

“It is important that all of us in the region work collaboratively to find fair, efficient, cost-effective ways to integrate the increasing amounts of variable, renewable power our customers want on the electric grid,” said Jim Lobdell, PGE’s vice president of power operations and resource strategy. “Intra-hour scheduling is one tool that can help make the system more resilient, and we’re pleased to work with BPA to move this forward.”

During this two-year rate period from Oct. 1, 2011 to Sept. 30, 2013, BPA is inviting participation in the pilot for up to 1,200 megawatts of wind energy. The amount of wind identified for participation to date accounts for just less than half the available space in the pilot.

Voluntary intra-hour scheduling has increased steadily over the past three years. However, because the practice was voluntary BPA could not discount its variable energy integration rate because it could not predict how often certain utilities would use the tool and at which wind plants.

BPA customers have pursued intra-hour scheduling even without discounts, though. A two-phase voluntary intra-hour scheduling pilot began in 2009. Under this initial pilot, BPA allowed only increases to schedules, which did somewhat limit participation.

Between January and September 2011, voluntary intra-hour schedules averaged about 5,440 megawatt hours per month. But that amount swelled to an average of approximately 17,240 megawatt hours per month between October and December 2011, when BPA opened the pilot to decreases in schedules and initiated a pilot with the California ISO opening intra-hour scheduling for Northwest generators who send power to California.

BPA is a non-profit federal agency that markets renewable hydropower from federal Columbia River dams, operates three-quarters of high-voltage transmission lines in the Northwest and funds one of the largest wildlife protection and restoration programs in the world. BPA and its partners have also saved enough electricity through energy efficiency projects to power four large American cities. For more information, contact us at 503-230-5131 or visit our website at [www.bpa.gov](http://www.bpa.gov).

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