

NT Planning Project

(aka Transmission Load Service Initiative - TLS)

NETWORK OPERATING COMMITTEE (NOC) Meeting
March 8th, 2016



NT Planning Project – What is it?

- Origin of project
- What is project?
- How project enables NT Customer ability to serve load more effectively
- Current status/events for project

NT Planning Project originated from BPA Strategic Intent Re-examination

- Strategic Intent
 - Re-examined how BPA fulfills its mission and meets its strategic obligations
- Key Element
 - Clarify BPA's statutory and contractual obligations to preference customers

BPA's Obligation to Its Preference Customers

- Whenever requested, BPA is obligated to market federal power to regional entities, giving preference to public bodies and cooperatives. The obligation is to the net requirements load, which is the customer's load and load growth minus the load the customer determines will be served by the customer's resources (owned or purchased).
- For customers that have Network Integration (NT) Transmission Service contracts pursuant to BPA's Open Access Transmission Tariff (OATT), BPA must endeavor to plan to serve the customer's load and load growth from the customer's designated and forecasted resources.
 - The OATT makes no distinction between federal and non-federal NT resources.
- Through the Strategic Intent and TLS efforts, BPA determined that it could meet its transmission obligations through the OATT rules.

BPA's Obligation to Its Preference Customers (continued)

- BPA is committed to renewing partnership to jointly plan for future power and firm transmission needs regardless of whether power supply is from BPA or from non-federal generation
- NT Planning Project (TLS) initiative originated from this commitment

What is the NT Planning Project?

- Historically, BPA has planned transmission service from federal power resources and for designated non-federal resources for NT Customer load needs
- We still do that, which covers for the majority of your load service
- We are including dispatch scenarios in the ATC methodology that account for operational flexibility associated with increasing the modeling scrutiny for service from FCRPS
- In addition, today, BPA needs to plan for transmission needs from both forecasted federal and non-federal power resources
- Putting an annual dialogue cycle in place to robustly plan for non-federal NT resource forecasts

Transmission for Service from Federal Resources

- Encumbering ATC from the FCRPS is not new, but improved!
- Running substantially more FCRPS dispatch analysis in the ATC methodology to examine transmission needs to move federal power across BPA's network transmission
- Findings are highly encouraging – current modeling does not appear to require a high degree of change though analytics are still ongoing
- May make some modest adjustment to ATC encumbrances for transmission service to FCRPS to better match transmission needs and how BPA models those needs
- Nearing completion on that effort

Planning for Transmission Needs from Non-federal Resources

- Focuses on resource forecasts (10 years)
- Annual dialogue process to update forecasts
- Feedback on BPA transmission capability for non-federal NT resources that you are considering
- High-level study JUST for forecasted non-federal NT resources that aren't enabled by the existing system
- Transparent, accessible transmission encumbrances for non-federal resource forecasts that BPA indicates are “good” (i.e., enabled by the existing transmission system)
- Clear process for moving forward if you want to pursue a non-federal resource that requires transmission expansion (will be included in the larger cluster study effort)
- Additional transition process to encumber for forecast resources this year (approximately 9 month process anticipated)

Annual NT Planning Dialogue

- BPA is initiating a dialogue process with all NT Customers to develop a 10-year resource forecast.
 - Resource forecast spans the 2017-2027 timeframe
- Transmission Account Executives have reached out to NT Customers in January and February 2016 inquiring whether the customer anticipates diversifying their resource portfolio.
- NT Customers anticipating staying with FCRPS generation for future power needs, or their current resource portfolio, will not need to meet with BPA.
- NT Customers anticipating that they may diversify their resource portfolio and acquire non-federal generation to serve load will meet with BPA to discuss the resource plans.
 - Transmission Account Executives will be arranging a meeting.
- The NT Planning Dialogue will be an annual process. Thus, to the extent NT Customer resource plans change, those can be captured in the next dialogue (starting September 2016).

How the Project Impacts Your Ability to Serve Your Customers

- Even higher level of assurance of transmission deliverability of federal power resources
- Improved ability to plan for use of non-federal resources and increased certainty for associated transmission needs forecasted in advance

NT Planning Project – Staying Engaged

- BPA is hosting TLS initiative meetings on a monthly cadence. For materials from previous meetings, see link:
 - <https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionLoadService/Pages/Meetings.aspx>
- Next TLS meeting is scheduled for March 31st, 2016.
- BPA encourages NT Customers to participate in the ongoing TLS initiative discussions.
- For comments or questions regarding the TLS initiative, please contact your Transmission Account Executive.