

BPA's Evolving Approach to Long-Term Commercial Planning

December 6th, 2017



Agenda

- Drivers for Changes to Long-Term Commercial Planning
- Commercial Assessment for Long-Term Planning
- Streamlined Long-Term ATC Methodology
- Possible Initial and Future Changes to Long-Term ATC Modeling

Drivers for Changes to Long-Term Planning for Commercial Requests

Reflect Decision Not to Construct I-5 Project

- Flexible, scalable, economically and operationally efficient approach to managing BPA transmission system
- Increase reliance on advanced technology, robust regional planning, industry standard commercial practices and coordinated system operations
- Maximize value of federal assets for our customers and region
- Maximize grid availability, use and reliability to support economic growth
- Link to Administrator's letter to the region - https://www.bpa.gov/Projects/Projects/I-5/Documents/letter_I-5_decision_final_web.pdf

Drivers for Changes to Long-Term Planning for Commercial Requests

- Address Commercial Planning-related PFGA gaps
 - https://www.bpa.gov/transmission/Customervolvement/TransmissionBusinessModel/Documents/Oct_27-customer-workshop-version_1.8.pdf (slide 16)
- Adopt new commercial assessment process
- Recalibrate assumptions used in Long-Term ATC models
 - Continue improvements started in last years' streamlining efforts (TLS ATC modifications)
 - Evolution to risk-informed ATC
- Begin next TSR Study & Expansion Process (TSEP) in 2018

Commercial Assessment

- Commercial planning process that analyzes likelihood (frequency and duration) of transmission congestion if additional long-term firm service is granted
- Determines whether any increment of congestion would be acceptable either on a firm, conditional firm, or planning redispatch basis
- Begins with modifying some current assumptions (though still deterministic)
- More sophisticated analytics, no longer deterministic in subsequent years

Possible Initial Changes to Long-Term ATC Modeling (FY18)

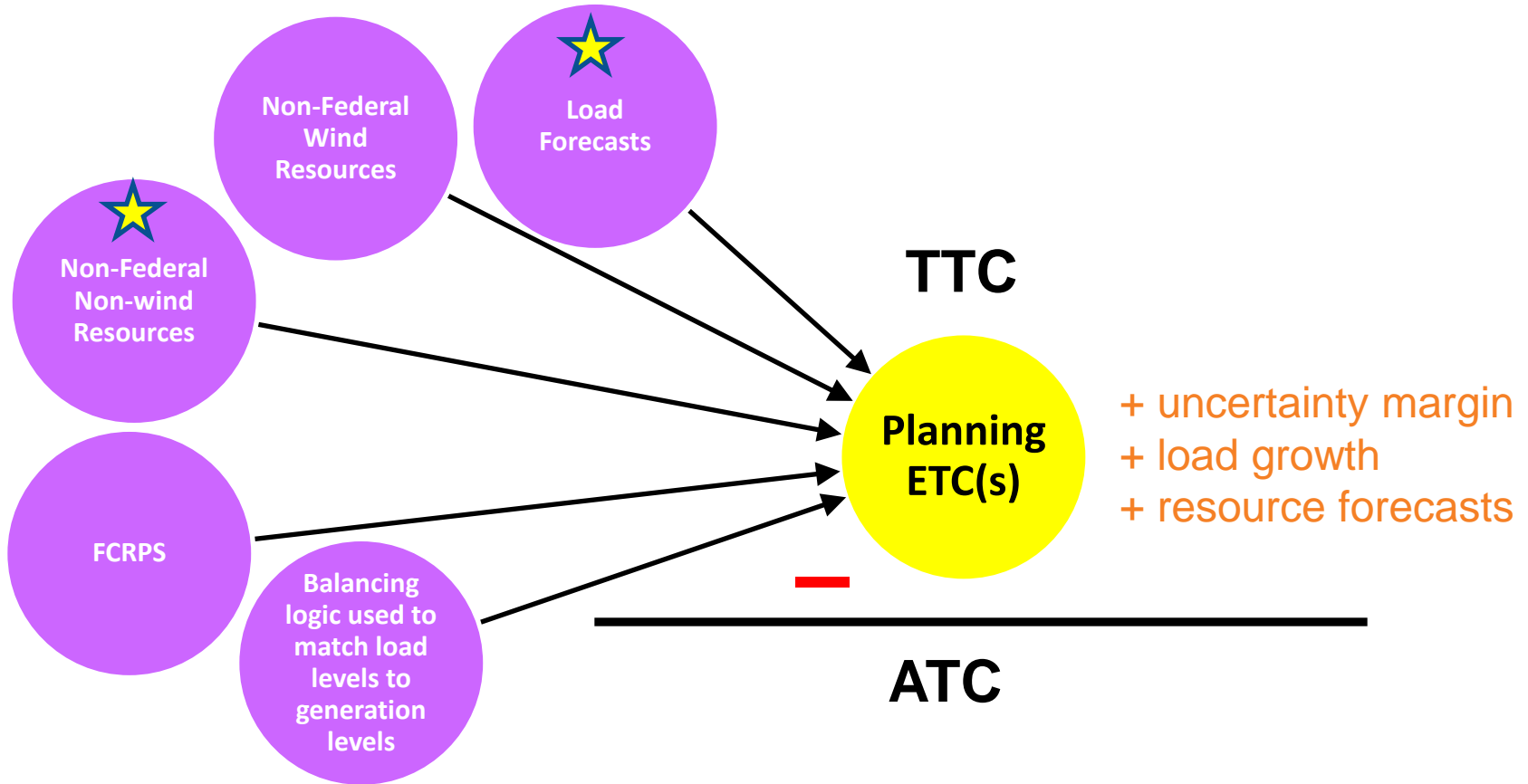
- Calculate Long-Term ATC using a 5 year out base case (rather than 2 year out)
- Model known coal retirements
- Re-evaluate coincidental peak modeling
 - Loads (Area 40 Peak Load and Peak Export Load Cases)
- Exploring others

Possible Changes to Long-Term ATC Modeling (post-FY18)

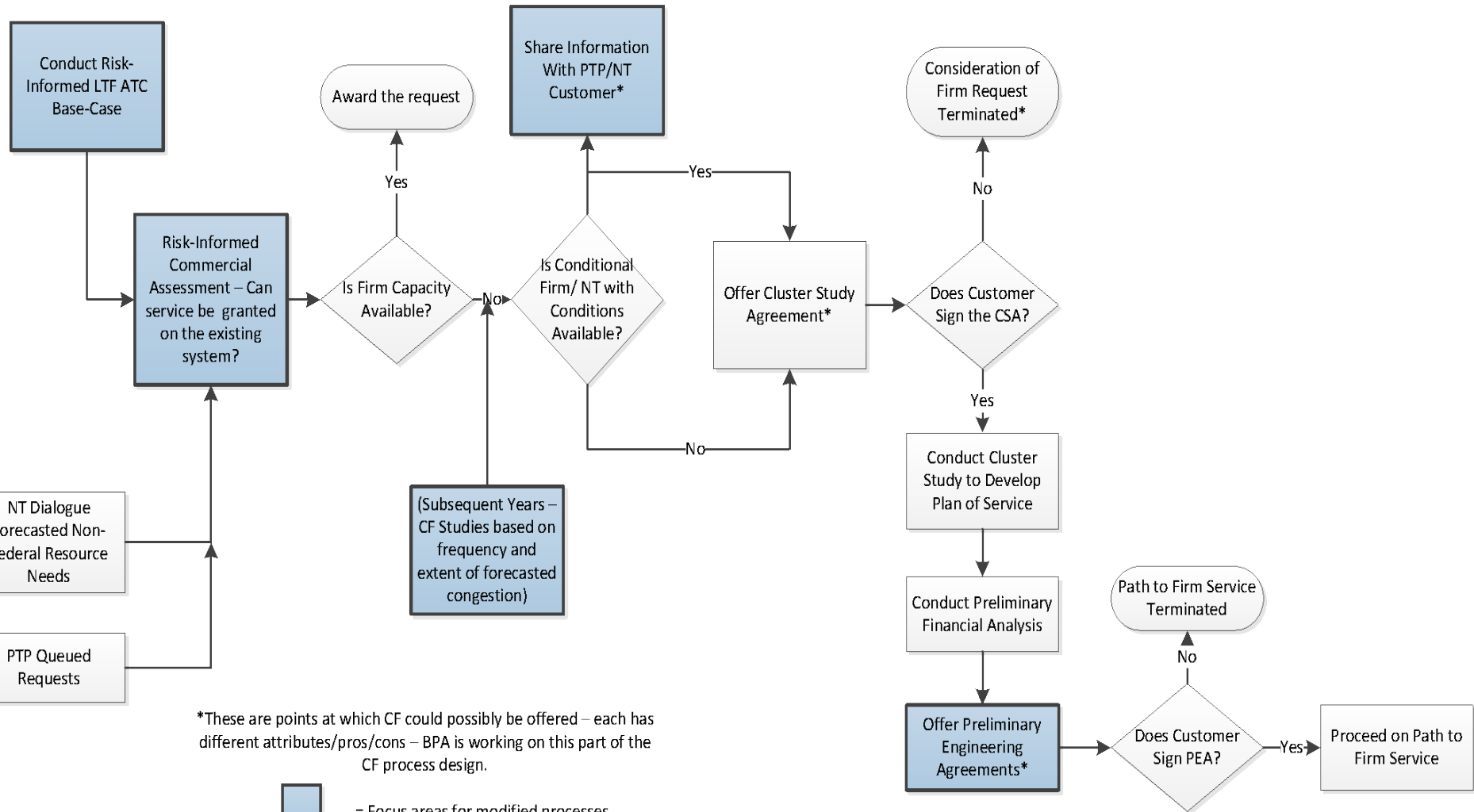
- Study Conditional Firm (when requested)
- Study NT with Conditions
- Studies for Planning Redispatch (when requested)
- FCRPS Modeling
- Non-Federal Wind Resources
- Balancing Logic Used to Match Generation Levels to Load Levels
- More tools than build

Streamlined Long-Term ATC Methodology

★ Areas for possible changes in 2018



Risk-Informed Commercial Assessment Planning Process (Draft)



Proposed Next Steps

- March 2018 – customer meeting to review Long-Term ATC and commercial assessment milestones
- Summer 2018 – Deploy first phase of new commercial assessment process
- Fall of 2018 – Start 2018 TSEP
- Winter of 2019 – Conduct cluster study