



# Southern Intertie Studies (TC-20 Settlement Implementation)

November 12, 2019

# Agenda

- Objective
- Commonly Used Terms
- Prior Public Processes
- Other Efforts
- Challenges for Intertie Studies
- Tariff Implementation
- 212 Criteria
- Next Steps

# TC-20 Settlement: Southern Intertie

- “No later than January 1, 2020, BPA will begin a stakeholder process to review business practices related to studies of transmission service requests (“TSRs”), with the goal to examine and develop a consistent and repeatable approach to studying requests for long-term firm PTP transmission service on the southern intertie and network. BPA and Transmission Customers may identify the relevant business practices at the beginning of such process.”

# Network Processes Meet TC-20 Obligation

- For the Network, BPA has an existing policy and functional process for evaluating and studying TSRs
  - TSEP Business Practice (v3)
- No current business practice(s) for studying of Intertie requests
- The focus of today's discussion will be on intertie studies

# Commonly Used Terms

- Southern Intertie referred to as follows:
  - NWACI - Northwest AC Intertie
  - COI - California-Oregon Intertie
  - PDCI - Pacific DC Intertie
  - PACI - Pacific AC Intertie
- SIS – System Impact Study
- FS – Facilities Study
- WECC – Western Electricity Coordinating Council
- OASIS – Open Access Same-time Information System
- TP – Transmission Provider

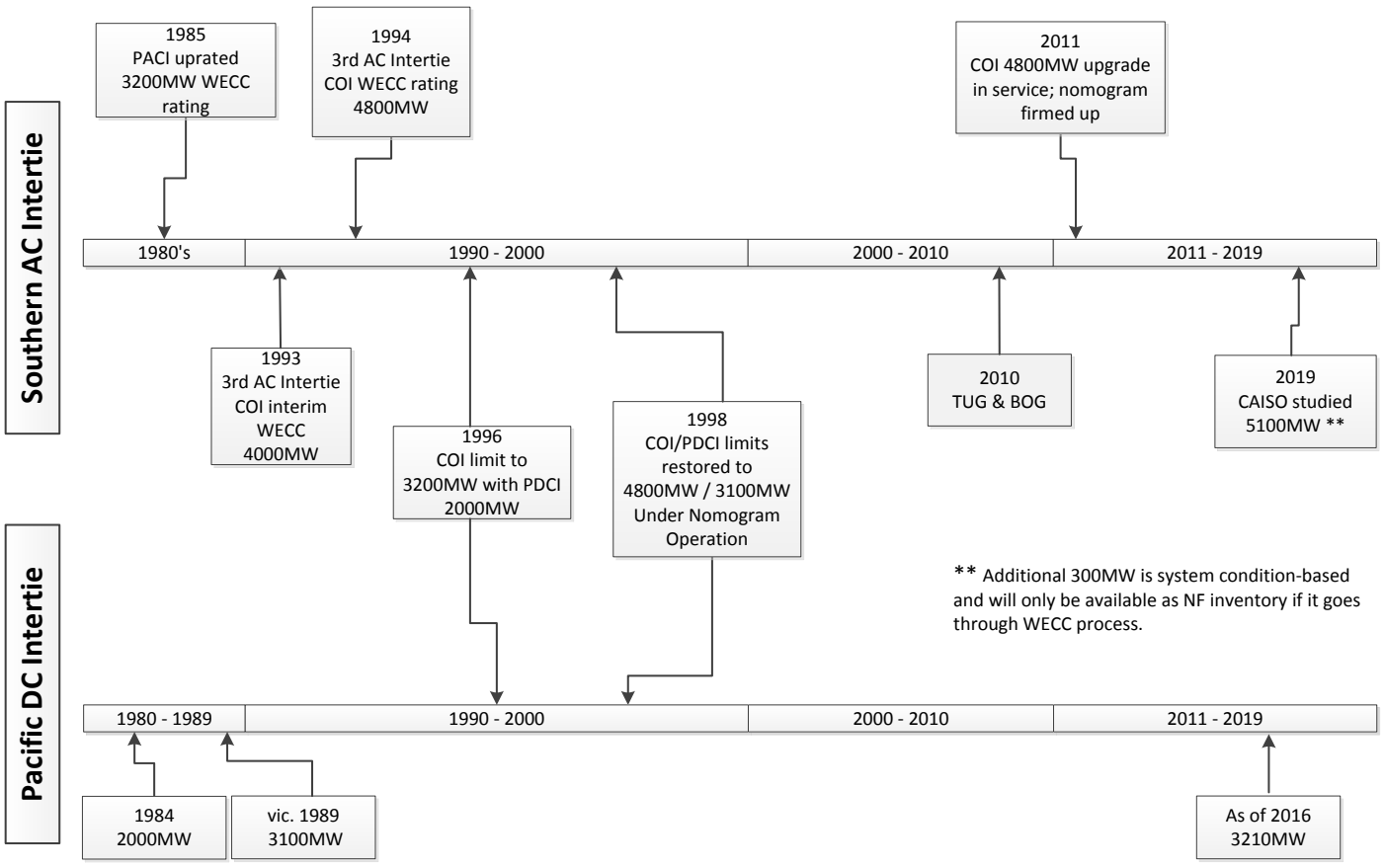
# Prior Public Processes

- Since the adoption of the tariff, there have been multiple customer engagements regarding the Intertie study process.
  - Around 2010, AC Intertie owners, including BPA, did joint Transmission Utilization (TUG) and Brown Field Optimization (BOG) studies that looked at expanding the Southern Intertie transfer capability within the existing right-of-way
  - 2011-2012 a BOATT (Bonneville OATT) process
  - 2015 BPA developed a working document proposal and received customer feedback

# Prior Public Processes Cont.

- 2016-17 BPA had discussions with customers who had requests in the queue
- BPA agreed to an Intertie study stakeholder process in the TC-20 settlement agreement
- BPA participated in the CAISO's 2018-2019 Planning Process (Informational Study)

# Intertie Upgrades





# Current Process

- BPA [posts ATC](#) on its Interties
- BPA receives Intertie requests over OASIS
- Those requests are evaluated against posted ATC to determine if awardable
  - Any awardable offers are made
  - If not awardable, the TSR remains in the queue in STUDY state
    - No study agreement offered
    - Remain in queue until the request expires or freed up capacity is made available

# Challenges for Southern Intertie Studies

- Studying requests for service on BPA's portion of the Intertie requires coordination with other parties and transmission service providers
  - No clear policy or process for coordinated studies with the southern owners/operators of the Intertie
  - Joint study will depend on the requested point of delivery in California
  - Resource mix is shifting with resource capacity shortages in the Northwest

# Challenges for Southern Intertie Studies Cont.

- Rough estimate of cost for upgrades to increase capacity is estimated to cost several billion dollars with a 15-20 year build time (if possible)
  - Lack of interest (BPA, customers, southern partners) in pursuing this sort of expansion

# How the Tariff Would Be Implemented

- BPA's tariff provides for individual studies or cluster studies of new requests for service but it has no guidance regarding how to address the specific challenges for studying intertie requests
- General provisions for study requirements and for service across multiple transmission systems:
  - If no offer is made, then the TP offers a SIS/FS

# How the Tariff Would Be Implemented Cont.

- For multi-system requests the customer needs to secure cooperation from other affected TPs to produce a multi-party study
  - Otherwise BPA and the southern owner/operators cannot develop a plan of service to meet customer's entire request
  - BPA will help identify the other affected TPs
  - Absent specific congressional authorization, BPA cannot build transmission facilities outside the Pacific Northwest
- For requests that meet the necessary requirements, BPA will enter into a joint study agreement with the affected TPs and develop a joint SIS/FS plan of service

# Requirements for Customers

- Identify the delivering and receiving parties and the location of generating facility (source) and location of load being served (sink).
- Demonstrate that relevant intertie TPs are willing to coordinate on a study by providing evidence of the following:
  - For non-CAISO TP's, provide an executed OATT study agreement (SIS or FS)
  - For the CAISO, demonstrate that CAISO is treating the delivery of the resource as an assumption in its annual planning study

# Requirements for Customer Cont.

- If the Customer fails to demonstrate meeting the above criteria their TSR(s) would be removed from further consideration
- The study requires multiple TP participation
  - This is different than the Network process (TSEP) where impacted TPs would not be contacted until AFTER BPA's study process
  - Unlike TSEP, BPA already knows that Southern Intertie transmission requests impact other TPs, and that significant coordination with these TPs is necessary to develop a plan of service

# 212 Process Criteria

- BPA believes the proposed process outlined above is consistent with its OATT
- BPA is open to other proposals and will consider differences from the FERC *pro forma* tariff if the difference is necessary to:
  - Implement BPA’s statutory and legal obligations, authorities, or responsibilities;
  - Maintain the reliable and efficient operation of the federal system;
  - Prevent significant harm or provide significant benefit to BPA’s mission or the region, including BPA’s customers and stakeholders; or
  - Align with industry best practice when the FERC pro forma tariff is lagging behind industry best practice, including instances of BPA setting the industry best practice



# Next Steps

- BPA welcomes stakeholder comments on the tariff aligned process and customer requirements through December 13, 2019
- Send comments to [techforum@bpa.gov](mailto:techforum@bpa.gov) with “Intertie Transmission Service Studies” in the subject line
- BPA will review comments provided by customers and determine next steps
- If necessary, BPA will use the established tariff and business practice processes