

# ISSUE #34: INTERTIE STUDIES

TC-20 Settlement Agreement: Southern Intertie Studies

# Background:

- On November 12, 2019 and January 28, 2020, BPA's Transmission Integrated Planning staff engaged with customers on BPA's obligation to study southern intertie requests consistent with the TC-20 Settlement Agreement and BPA's tariff.
  - The TC-20 Settlement Agreement contained a commitment that “no later than January 1, 2020, Bonneville 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 point-to-point transmission service on the southern intertie and network. Bonneville and Transmission Customers may identify the relevant business practices at the beginning of such process.”

# Background (cont.):

- Intertie Studies are complicated and very costly to perform.
- BPA received feedback from customers which indicate a preference that the current treatment of southern intertie requests be memorialized in the tariff.
- Any tariff change options must meet the BPA 2018-2023 strategic plan and Transmission Business Model criteria.
- Following are the alternatives BPA has developed for consideration.

# Alternative 1 – Remove Commercially-Driven Intertie Expansion from the OATT

- Add language to the tariff to eliminate the need for the SIS/SFS process on the southern intertie and allow customers to remain in the queue and wait for capacity to become available on the existing system.
- Offers would be made in queue order as capacity becomes available.
- Commercial requests for service would not initiate studies for intertie expansion.
- Intertie expansion could still occur based on other drivers and BPA would still perform studies as needed based on system changes or developments on the intertie.
- A business practice would need to be developed to establish this process.

# Alternative 2 – TSR Initiates Study Only Upon Request for a Study

- Add language to the tariff to require customers to expressly request an SIS.
- If no SIS is requested, all TSRs remain in study state (consistent with current treatment).
- Offers would be made in queue order as capacity becomes available.
- May be the SIS requestor's responsibility to engage the other impacted parties.
- A business practice would need to be developed to establish the process, responsibilities, and clarify how the SIS would affect all TSRs in the queue.

# Alternative 3 – Adopt *Pro Forma* Process

- Adopt the *pro forma* study process for the southern intertie.
- Study process might look something like the TSEP process but would require much more SIS/SFS coordination with the impacted parties.
- May be the requestor's responsibility to engage the other impacted parties.
- The requestor would need to sign and fund a study agreement to maintain a TSR in the queue.
- A business practice may need to be developed to establish process and responsibilities.
- No change to existing tariff, but change process.

# Other Options

- BPA remains open to consideration of other options.
- Ideas?

# Next Steps

- Comment period
  - Customers should submit comments by March 31, 2020 to the [techforum@bpa.gov](mailto:techforum@bpa.gov)
- BPA will collect feedback and share preliminary leaning and draft tariff language in May customer meeting.
- Goal is to have decision by July, which will be reflected in the initial proposal for TC-22.