



April 22, 2024

BPA Tech Forum  
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Subject: **Comments to BPA Transmission on Network Integration Transmission Service**

Northern Wasco County People's Utility District (NWCPUD) appreciates BPA's customer engagement in developing a proposal for Network Integration Transmission Service (NITS), submits the attached comments in response to the BPA March 20, 2024, Network Integration Transmission Service Workshop and the follow-up discussion on April 15, 2024.

NWCPUD looks forward to participating in future workshops and discussions about NITS.

Sincerely,

A handwritten signature in black ink, appearing to read "Kurt J. Conger".

Kurt J. Conger  
Assistant General Manager

## Northern Wasco County People's Utility District

### Comments to BPA Transmission on Network Integration Transmission Service

April 22, 2024

These comments are provided in response to the BPA March 20, 2024, Network **Integration** Transmission Service Workshop and the follow-up discussion on April 15, 2024.

As a preamble to these comments, Northern Wasco offers a lens through which NITS may be evaluated. When the Federal Power Corporation (FERC) promulgated its Open Access Transmission Tariff and related rules (Order 888, 889 and subsequent orders), Network Integration Transmission Service was defined as a transmission service that allows network customers to use their network resources to serve their network loads. In principle, network service should enable customers to plan, integrate, economically dispatch, and regulate their network resources in a similar way to how the transmission owner serves native load customers.

In its current implementation, BPA's NITS product requires source-point to sink-point reservation and scheduling - a contract path model - and is very similar to the Point-to-Point (PTP) product also offered by BPA. The contract path approach, which works for PTP, is poorly suited for NITS customers seeking to integrate resources to serve loads. BPAT and other adjacent Balancing Authority Areas with contiguous PORs and PODs have significantly more flexibility. Another model worth considering is an integrated Regional Transmission Organization (RTO) that supports integration while ensuring security constrained economic dispatch within its balancing area.

The following are specific comments with respect to topics in the Workshop presentation.

1. *Timing differences between LLIR, LaRC and Resource identification.*

Load expectation and development through the LLIR process is usually the first examination of the feasibility of a request from a retail customer for a certain level of service from NWCPUD. But NWCPUD is unlikely to enter into a PPA without certainty about LLIR outcome and late stage of development load estimates - which typically occurs long after the customer's facility has begun construction.

For the LaRC forecast, NWCPUD sees probability of load (e.g. 70%), but is unlikely to have any certainty around sources at this stage of the forecast. Power production resources are often secured initially from regional markets rather than source-specific resources.

And getting back to the preamble statement about integration of resources, most sellers are not building plants that have 100% availability and need source flexibility to cover diurnal and

seasonal power production of multiple physical sources, much like the FCRPS relies on different physical sources through the months. If the FCRPS is not available for portions of BPA customers' loads, the customers will need to form systems that have a contiguous POR - similar to the FCRPS - from which to balance resources.

Assuming that BPA Power is not consistently offering energy for large loads or non-Federal Above High Water Mark obligations, BPA's customers will rely on non-Federal resources and need a comparable form of network integration transmission service. And sellers of Non-Federal resources will need non-discriminatory access to develop system resources if BPA is not able to do so.

## 2. *NT Redispatch and Transmission Congestion Relief*

South of Allston non-wires. Generation dispatch for congestion relief. Could RTO dispatch solve the congestion issues associated with certain loads and resources? Denial of service (e.g. TSRs that are denied due to South of Allston congestion) and curtailment are out-moded tools for dealing with transmission system congestion.

*"Powerflow modeling is used for analysis of transmission system capability" (slide 37)*

For BPA's planners, the process should involve analysis of binding congestion points on the transmission system under a wide range of generating resource dispatch conditions, not just point-to-point path capacities under static models where line capacity is the only tool for congestion relief. This was an important objective of regional RTO and planning processes. With the large number of new resources and new loads, planning models should identify where transmission congestion will appear and the congestion cost.

## 3. *"Loads must be supported by resources" (Slide 32)*

NWCPUD requests that BPA provide use cases that illustrate how FTSRs and NITS designations should be handled for certain situations.

Use Case 1: If a customer purchases the output of a variable resource with BPAP RSS, what source should be identified? Set up a hypothetical set of FTSRs and NITS DNRs that illustrate the paths that must be reserved, if any.

Use Case 2: If a customer purchases the output of a variable resource with no specific balancing resource support services. That is, the balancing/flattening/shaping service is not identified, should the customer use the MWp for the resource? Example: a 100 MWp solar resource with 25% capacity factor is purchased to provide 25 aMW to a new load. What FTSRs and NITS DNR reservations would be required?

## 4. *Use Case: January 2024 Winter Peak*

Extremely low temperatures in January 2024 drove Diversified Load peak demand to levels nearly 50% higher than historical averages. However, large industrial loads in the NWCPUD service area were not affected by low temperatures. Can BPA provide guidance on how it would like customers to forecast peak demands given recent events? Similar historically high demands are also expected for summer heat events. Generally transmission line limits are lower in heavy summer periods, so modeling efforts may also need to factor in worst case summer loading even though summer peaks are typically lower than winter peaks.

5. *New Diversified Load Growth*

Addition of a new substation to address reliability, aging infrastructure and diversified load (organic load growth) is an issue that is just as important as addition of new large loads.

6. *Agency Load Forecast and Thresholds*

Practice: 70% Threshold • Forecasted load for a new load or load growth that is below 70% likelihood of progressing is not included in the Agency Load Forecast but is tracked in the Possible Loads Forecast.

BPA explained that including customer load forecasts without establishing a threshold amount may put upward pressure on BPA Power rates. Can BPA describe the magnitude of rate impact if thresholds were removed?

7. *LaRC FTSR & Forecasted Resource Requirements*

BPA has implemented new resource requirements that force its customers to identify and submit specific resources serving future loads AND has eliminated the ability for its customers to use 'generic market' resources, as has been the practice up until the 2024 LaRC submittal process.

This abrupt change in business practice requirements has a profound impact on utilities with in-flight projects to serve future loads and the execution of resource acquisition strategies. As it stands today, the new FTSR forecasted resource requirements limits NWCPUD's ability to leverage long-term firm NT transmission rights.