

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Removing Obstacles To Increased
Electric Generation And Natural Gas Supply

Docket No. EL01-47-000
PL01-3-000

In The Western United States

BONNEVILLE POWER ADMINISTRATION'S
INFORMATIONAL FILING ON NEAR-TERM TRANSMISSION ADDITIONS

The Bonneville Power Administration (BPA), an agency of the United States Department of Energy, voluntarily provides the following information in response to the Commission's request in this docket for information about certain transmission solutions to the West Coast's energy crisis. BPA strongly endorses efforts to restore safe, reliable and economical power to consumers in the West. We also believe that transitioning to a regional RTO will be smoother and RTO West will be better positioned to meet its responsibilities if transmission owners work to remove transmission bottlenecks now rather than waiting for RTO West to address them.

BPA's Transmission Business Line (TBL) will move expeditiously to upgrade our transmission system to (1) eliminate bottlenecks which prevent maximum utilization of existing power supplies and (2) allow interconnection of new generation supply to the bulk power system and reliable delivery of the new supply to load. Our intention is to continue our region's tradition of coordinating transmission additions to best meet the Region's needs while avoiding duplicative facilities.

1. Grid enhancements that are either underway or would not require initial siting and acquisition of rights of way such as reconfiguring or reconductoring existing lines or using existing towers for additional circuits.

The following projects, undertaken primarily to provide reliable load service to Northwest customers, will be completed prior to November 1, 2002:

Remedial Action Schemes (Washington, Oregon, Idaho, and Montana)	Jun-01	Modifies various remedial action schemes to increase transfer capability over various pathways.	Cost: \$2,000,000
Columbia Falls	Oct-01	Add additional 230 kV	Cost: \$2,500,000

Reinforcement (Western Montana)		breakers and reconfigure lines to improve load service reliability.	
Salem-Grand Ronde 115 kV (Western Oregon)	Oct-01	Reconductor existing 115 kV line with larger conductor to improve load service.	Cost: \$3,390,000
Tanner Electric Coop 115 kV (Western Washington)	Oct-01	Tap Puget Sound Energy's Lake Tradition-Snoqualmie 115 kV line and build 4.5 miles of new 115 kV line to Tanner Electric Coop's sub. to serve Tanner's load.	Cost: \$2,600,000
Red Mountain 115 kV (Southeastern Washington)	Oct-01	Development of new 115 kV switching station to increase load service reliability/ flexibility.	Cost: \$2,000,000
San Juan Cable 69 kV (Puget Sound Washington)	Nov-01	Replace failed 34.5 kV undersea cable with a new 69 kV undersea cable.	Cost: \$10,640,000
Walla Walla-North Lewiston 115 kV (Eastern Washington – Idaho)	Oct-01	Upgrade capacity and increase ground clearance of existing line for east to west transfers.	Cost: \$326,000
Midway-Big Eddy 230 kV (Eastern Washington)	Oct-01	Upgrade capacity and increase ground clearance of existing line to help relieve North of John Day transmission constraints	Cost: \$740,000
SnoKing 230/500 kV transformer. (Puget Sound Washington)	Oct-02	Relieve congestion in Northern Puget Sound.	Cost: \$10,000,000
Santiam-Bethel Tap 230 kV (Western Oregon)	Oct-02	Rebuild the existing Santiam-Bethel Tap 230 kV line to a new double circuit 230 kV line to reliably serve area load.	Cost: \$11,500,000

Kitsap Peninsula reinforcement (Western Washington)	Oct-02	Rebuild of Shelton-Kitsap 115 kV line to double circuit (230 & 115 kV) and connect to Puget Sound Energy's South Bremerton line to reliably serve area load.	Cost: \$12,400,000
Goshen-Drummond (Eastern Idaho)	Oct-02	Upgrade existing 115 kV line to 161 kV to reliably serve area load.	Cost: \$2,250,000
Bell-Coulee 230 kV (Eastern Washington)	Oct-02	Upgrade the capacity and increase ground clearance of the 3/230 kV lines between Bell substation and Grand Coulee to increase east to West of Hatwai transfers.	Cost: \$500,000
Covington 500/230 kV Transformer (Western Washington)	Oct-02	Replace 230 kV bushings on one of the Covington transformers for load service and increased Northern Intertie transfers.	Cost: \$116,000

2. Facilities that will integrate new generators by November 2002.

Large generators that will come on line by November 1, 2001 include:

- 480 MW Klamath Falls combined cycle gas turbine (southern Oregon), owned by PacifiCorp -- July 1, 2001.
- 265 MW Rathdrum project (northern Idaho), owned by Avista --July 2001
- 300 MW Stateline Wind (Eastern Oregon and Washington), developer FPL Energy. PacifiCorp Power Marketing will buy the output. At least 90 MW of that project will leave the project over TBL transmission lines. Scheduled for completion in Fall 2001.

Transmission integration is complete for the Klamath Falls and Rathdrum projects. Rathdrum, in northern Idaho, required construction of new substation, which Bonneville's Transmission

Business Line (TBL) was able to integrate into an existing 230 kV line. Stateline integration is due this summer.

Large projects that are under construction and will begin generating in 2002 include:

- 260 MW Coyote Springs No. 2 (eastern Oregon), Coyote Springs No. 2 LLC.
- 536 MW HHP Hermiston (eastern Oregon), Calpine.
- 250 MW Centralia (western Washington), TransAlta.
- 70 MW Centralia #1 efficiency improvements (western Washington), TransAlta.
- 270 MW Fredrickson (western Washington), West Coast Energy.
- 170 MW St. Helens Cogeneration (northern Oregon).
- 180 MW turbine, Harvalum, Goldendale, Wash. (southern Washington), GNA Energy.

Mid-size projects in the process that will begin generating in 2002 include:

- 50 MW combustion turbine (Alcoa substation in Vancouver, Wash.), Calpine.
- 25 – 50 MW Nine Canyon wind project (eastern Washington), Energy NW.
- 25 – 50 MW Condon wind project (eastern Oregon), SeaWest.
- 100 MW Cape Blanco wind project (southwest Oregon coast), JP Saylor & Assoc.

Transmission projects that support generation integration are listed below:

Ashe Substation 230 kV caps (Southeastern Washington)	Jun-01	Add 68 MVAR 230 kV shunt capacitors to stabilize voltage at Energy Northwest's nuclear plant	Cost: \$1,300,000
Bell-Boundary 230 kV #1 (Eastern Washington)	Jul-01	Upgrade capacity and increase ground clearance of existing line to increase reliability of Boundary generation availability	Cost: \$320,000
Bell-Usk 230 kV (Eastern Washington)	Jul-01	Upgrade capacity and increase ground clearance of existing line to increase reliability of Boundary generation availability	Cost: \$48,000
Lancaster Sub 230 kV (Northern Idaho)	Aug-01	New 230 kV switching station in the Bell-Noxon	Cost: \$3,000,000

		line. Integrates Rathdrum generation.	
Walla Walla-Franklin 115 kV (Eastern Washington)	Oct-01	Upgrade capacity of existing line to allow integration of wind-powered generation.	Cost: \$407,000
Benton-Franklin reconductor 115 kV (Southeastern Washington)	Mar-02	Reconductor two existing 115 kV lines with larger conductor.	Cost: \$3,200,000
Harvalum Sub 230 kV (Southeastern Washington)	Jul-02	Substation improvements.	Cost: \$1,650,000
HPP Generation (Eastern Oregon)	Sep-02	Portion of new 500 kV line from McNary-HPP generating plant.	Cost: \$7,900,000 (Financed by HPP)
South Tacoma Sub 230 kV (Western Washington)	Mar-02	Rebuild the South Tacoma Tap into a new switching station.	Cost: \$5,800,000

The workload associated with over 25,000 MW of generation siting studies and associated transmission service requests has resulted in a very long first come-first serve queue. Generator applications at the end of the queue can expect a process time of about one year, including processing time for the application and then about nine more months to complete a system impact study and an environmental impact statement required by the National Environmental Policy Act. Developers continue the planning and permitting process in parallel with the transmission request process, thus keeping generation projects on their planned schedules.

TBL is currently taking steps to streamline this application process to be more responsive to developers, including adding more resources to get through the studies. In addition, the TBL is considering ways to reprioritize applications to ensure that the generation projects most likely to be completed first, although far back in the queue, will meet their construction and in-service deadlines. TBL suggests that the Commission consider granting flexibility to transmission providers to expedite the process for such projects.

TBL is also working on a process to address the interconnection of several small (under 50 MW, primarily diesel) generators within the BPA control area. These generators are not being interconnected directly with BPA's transmission system, but are being connected to systems

owned by BPA customer utilities within the BPA control area. These generators will primarily serve the local load of the utility developing the generation, with excess generation potentially being marketed to other utilities. Where BPA transmission is needed to market the generation or deliver it to the utility's load, existing transmission service agreements will be used or new service agreements will be executed. These generators will likely be used by the utilities in the short term to provide power for customers when power market prices are high or when demand exceeds supply without these resources. Separating these projects from BPA's full application process will ensure they can be sited and integrated into local utility systems quickly (within local and federal environmental requirements) to meet the utility needs during the energy shortage. If they choose to sell this power outside of their local area, they could use existing transmission contracts or rely on short-term transmission markets, rather than additional long term firm contracts. Many of these generators (producing as much as 400 MW to 800 MW of generation combined) are either on line now or are expected to come on line this summer.

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The Bonneville Power Administration's Transmission Business Line would be pleased to provide any additional information desired by the Commission on BPA's transmission infrastructure plans.

DATED the 13th day of April, 2001.

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