

**Write-up from Susan Millar (BPA) concerning how “A” “B” and “C” facilities to be included in RTO West are categorized – distributed to RTO West Pricing Content Group June 28, 2001.**

I thought it would be useful to set out the TOA and FERC Order parameters for facilities inclusion for the RTO West proposal. I tried to find RTO West documents that describe Category A, B, and C facilities.

- Each ETO will have to describe which of the facilities fall into type A, B, or C categories.
- Category A Facilities (RTO West Controlled Transmission Facilities)
  - RTO West shall exercise Operational Control over all RTO West Controlled Transmission Facilities. (TOA, sec. 5.1.1 and Definition, RTO West Controlled Transmission Facilities (Dec. 1, 2000))
  - RTO West Controlled Transmission Facilities shall include all Transmission Facilities that have a material impact on:
    - (1) Total Transfer Capability (TTC) of a Flowpath,
    - (2) the ability to transfer electric power and energy within a Congestion Zone, or
    - (3) the ability to transfer electric power between RTO West and adjacent Control Areas.
  - A Transmission Facility shall be deemed to have a material impact on (1) or (3) above if such transfer capabilities would change if the Transmission Facility were removed. A Transmission Facility shall be deemed to have a material impact on (2) above if such Transmission Facility carries ten percent (10%) or more of the electric power transferred through parallel paths through such Congestion Zones.
  - The classification of the facilities interconnected to the low-voltage side of a transformer pursuant to the above criteria shall determine whether such transformer shall be included as RTO West Controlled Transmission Facilities.
  - An ETO may, at its election, also include as RTO West Controlled Transmission Facilities lower voltage facilities (or facilities that are radial to load) that do not meet the definition. If included, such transmission facilities would be subject to RTO West’s operational and planning control and RTO West could accept schedules over such transmission facilities. See RTO West Filing Utilities’ “Supplemental Compliance Filing,” dated October 19, 2000 at 42.
  - Pricing for Category A Facilities shall be exclusive through the RTO Tariff, and shall be based on the Company Rate (“RTO West Facilities Inclusion, Planning and Operations,” RRG Handout 9/20/00)
- Category B Facilities may be included in the RTO Tariff and price with Category A Facilities. (“RTO West Facilities Inclusion, Planning and Operations,” RRG Handout 9/20/00)

- Category B Facilities (Listed for Company Rate pricing purposes, but not for RTO West planning or operational control)
  - ETOs are not required to include Transmission Facilities that are radial to load as RTO West Controlled Transmission Facilities. (TOA, Definition, RTO West Controlled Transmission Facilities).
  - An ETO may also elect to include (for Company Rate pricing purposes) any transmission facilities that it is not required to place under RTO West control. Such facilities would be included in Company rates and RTO West could accept schedules over such facilities. RTO West, however, will NOT have final planning or operational control over such transmission facilities. See RTO West Filing Utilities’ “Supplemental Compliance Filing,” dated October 19, 2000 at 42.
  - Category B Facilities that are not included in the RTO Tariff and price with Category A Facilities will be included in the ETO’s Distribution Access Tariff and price. (“RTO West Facilities Inclusion, Planning and Operations,” RRG Handout 9/20/00)
  - An ETO may change its designation of Category B facilities until the end of the Company Rate period (“RTO West Facilities Inclusion, Planning and Operations,” RRG Handout 9/20/00).
- Category C Facilities (Transmission Facilities that are not included as RTO West Controlled Transmission Facilities or for Company Pricing Purposes (and that are greater than 45KV? Include mileage))
  - Transmission Facilities shall not include any generation-integration transmission facilities. (TOA, Definition, Transmission Facilities).
  - ETOs are not required to include Transmission Facilities that are radial to load as RTO West Controlled Transmission Facilities. (TOA, Definition, RTO West Controlled Transmission Facilities).
  - RTO West shall have the authority to schedule power transported over the RTO West Controlled Transmission Facilities (1) from generation facilities interconnected with any part of an electric system of an ETO and (2) to electric utilities interconnected with any part of the electric system of an ETO. RTO West Filing Utilities’ “Supplemental Compliance Filing,” dated October 19, 2000 at 43.
  - An ETO may also retain ownership and control of distribution facilities that meet the Commission's seven-factor test, subject to specified conditions. RTO West, however, shall include any such facilities that also meet the definition of RTO West Controlled Transmission Facilities in the RTO West Planning Process, and if RTO West determines such facilities should be upgraded for reliability or to relieve congestion, then the owner shall make upgrades subject to “acceptable resolution of

the cost allocation” for such upgrades. RTO West will allocate costs to the “parties that benefit” from such upgrades. RTO West Filing Utilities’ “Supplemental Compliance Filing,” dated October 19, 2000 at 43-45.

- Pricing for Category C Facilities shall be established under the ETO’s Distribution Access Tariff (“RTO West Facilities Inclusion, Planning and Operations,” RRG Handout 9/20/00).
- April 26 FERC Order pertaining to RTO West and Regional Configuration, Facilities Under RTO West Operational Control, provides in relevant part:
  - We are neither reviewing nor determining the facilities that will be controlled by RTO West and those that will remain with the companies. At this time, we are reviewing only the general parameters of RTO West’s scope and configuration.
  - We will review and comment on the details of the facilities that will be under RTO West’s control when the details of what facilities are to be under its control have been determined as a part of RTO West’s Stage 2 filing.
  - That being said, as RTO West is working on its Stage 2 application, we emphasize that for an RTO to satisfy our scope and configuration characteristics, most or all of the transmission facilities in a region should be operated by the RTO, as well as those necessary for operational control and management of constrained paths, regardless of the voltage. Some of these facilities may currently operate as higher voltage distribution lines while others may be a lower voltage radial line that is considered essential for wholesale transmission service.