

**BPA GRID WEST COST BENEFIT ACTIVITIES  
FOR DECISION POINT 2**  
*Overview*

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**TIMELINES:**

Consolidated Control Area Analysis:	May 15, 2005
External Risk Reward output to RRG	June 22, 2005
BPA Internal Cost Benefit Analysis	July 2005
BPA External comment period:	August, 2005
Decision Point 2	September 29, 2005

**COST BENEFIT ASSESMENT FORA:**

1. Internal BPA Cost Benefit Team: This team has been meeting in some form for 2 years. It is responsible for generating BPA's own take on a Decision Point 2 analysis.
  - a. Crystal Ball, DR
  - b. Shep Buchanan, TMC
  - c. Preston Michie, R
  - d. Oattie Nabors, PNG
  - e. Tom Noguchi, TM
  - f. Kendall Weekes, TMS
  - g. Dennis Phillips, PFR
  - h. Ron Rodewald, PGS
  - i. Ed Bleifuss, KKM
  - j. Jessica Wilcox, DC
  - k. Don Wolfe, PTT.
  
2. External RRG Cost Benefit Team – a.k.a. Risk Reward Team, a.k.a RnR team:  
(\* Indicates active participation).

This is the team appointed by the RRG to assess Grid West benefits prior to decision point 2. It started meeting in the spring of '04. Its efforts consist of 1) reviewing previous studies 2) conducting a survey of problems in the region, and 3) generating a matrix of potential benefits based on various analyses and collected information. This group *did not* agree to do more modeling prior to decision point 2.

Members include:

- a. Ray Bliven (DSIs) \*
  - b. Stefan Brown (OPUC)\*
  - c. Dick Byers (WUTC) I
  - d. Kurt Conger (Grid West Coordinating Team)\*
  - e. Pete Craven (PacifiCorp)
  - f. Tom DeBoer (PSE)
  - g. Chris Elliott (Grid West Coordinating Team)
  - h. Tom Foley (Renewable Resources Community) \*
  - i. Jim Hicks (PacifiCorp)\*
  - j. Dave Hoff (PSE)
  - k. Bob Kahn (NIPPC)\*
  - l. Bud Krogh (Grid West Coordinating Team)
  - m. Marla Larson (Montana PSC)
  - n. Larry Nordell (MT Consumers)\*
  - o. Mike McMahon (Snohomish PUD) (observer) \*
  - p. Terry Morlan (NWPCC) \*
  - q. Kevin O'Meara (PPC) \*
  - r. Carol Opatrny (BCTC) - Co-Lead\*
  - s. Lon Peters (PGP)\*
  - t. Ken Petersen (Idaho Power Company) \*
  - u. Janelle Schmidt (BPA) - Co-Lead\*
  - v. Marilyn Semro (SCL)
  - w. Vito Stagliano (Calpine)
  - x. Lou Ann Westerfield (IPUC)
  - y. Linc Wolverton (ICNU) \*
3. Consolidated Control Area Benefits Team:  
This team is responsible for assessing the benefits of consolidating. It is working independently of the regional process, but will submit its results to the external risk reward group for review in early May. There are various members from Pacificorp, Idaho Power and Bonneville.

## **DECISION POINT 2 MODELS / Methodologies:**

1. Power World: An AC transmission model with an Optimal Power Flow (meets transmission requirements at lowest costs based on an assumption of marginal cost bidding) and a schnazzy user interface. TBL uses this model for power flow analysis but does not have experience with its OPF capabilities. It is only capable of modeling moments in time and is not useful for long term analysis, unless paired with another type of model. There are a number of TBL Power World experts, PBL's Dennis Phillips has taken training in anticipation of using the OPF functions.

2. Grid View: An ABB based OPF that can accomplish some long term analysis. Owned by PacifiCorp. To be used for SSG-WI analysis. BPA's Dennis Phillips is learning about this model.
3. Risk Reward Survey: The external Risk Reward group has sent out a survey asking 30+ regional transmission operators/users to identify and delineate the region's transmission problems. It is anticipated that the answers (collected in February) will yield enough data to generate some quantitative estimate of benefits.

#### **DECISION POINT 2 OUTPUT:**

1. RnR Report to the RRG: - July 20/21st.
  - a. Report provides a "menu" of outputs for each major benefit category – It will identify low, medium, and high expected outcomes, with the associated assumptions that would lead you to one of those outcomes.
  - b. Report bases results on:
    - i. Existing data (TCA, Henwood, etc.)
    - ii. Risk Reward Problems and Opportunities Survey.
    - iii. Consolidated Control Area analysis:
      1. Power World runs showing dispatch with and without consolidation.
      2. Regulating Reserve work (McManus)
      3. Reliability assessment
2. BPA Internal Cost Benefit Analysis for Public Review:

BPA augments the work of the risk reward group with its own analysis – based primarily on the work of the external group.