

Sept. 9, 2005

Central Lincoln PUD

Given the structure of this request for comments, Central Lincoln is providing a response, to the Administrator's August 4 letter and attachments, on a basis of relative preference among the three alternatives that are stated on page four of that letter: 1) status quo, 2) TIG, and 3) Grid West. It is our belief that the status quo alternative is an unlikely outcome of this plebiscite. We in the region are acquainted with the status quo and often speak ill of it and there is a feeling that "something" can and should be changed in order to provide a reliable transmission future. Utilities' obligation to serve requires grid reliability. Reliability must come from transparent and accountable governance within which all parties are treated evenhandedly. We are concerned about continuity of commitment of the parties to a new regional transmission regime. In the Grid West proposal there has been real effort made to put in place a transparent and permanent governance structure. At this time TIG appears to say that there will be one sometime but nobody knows what it is. Central Lincoln will not vote for a wink and a nod and a bunch of new contracts (that not everyone will be entitled to see) knowing that TIG is proposing that decision-making largely remain with transmission owners that are also load-serving utilities (but still the reliability function would somehow be independent) and that there be voluntary consolidation of some control areas with a loose ancillary services market. A cobbled together web of contracts which leaves reliability oversight to individual transmission owners seems clearly the high road to lots of litigation and endless trips to FERC, the very thing that TIG claims not to want. Enforcement of regional transmission decisions can happen only through an actual responsible governance structure; it cannot be done through a web of contracts signed by some parties and not others. The issue of enforcement is key to Bonneville's participation in a new regional transmission operating group; without enforcement of role responsibilities we have nothing that we have not had for decades in the region. In the past, we have not been able to depend upon FERC for enforcement of certain transmission responsibilities in the region and Bonneville has found itself in the role of picking up work and cost that should have been the responsibility of other transmission providers. State utility commissions are of no import in these matters. At this time we believe that TIG participants have much to contribute to the regional discussion as they always have but that there is no TIG regional proposal that we can consider as an Alternative. TIG participants and the Grid West group need to be putting their efforts into a definitive convergent process. That process should revolve around one regional control area or a number very close to one.