Excerpt from 6/7/2010 letter from Snohomish PUD

**Joint Power and Transmission**

One programmatic budget not identified in the IPR process is the Agency’s costs associated with return of the Canadian Entitlement. Energy returned by BPA to the Canadian Entity at the BC/US border flows primarily through the Puget Sound region, heading south to north through the Interstate-5 corridor. To accomplish this return, BPA-TS must allocate firm transmission capacity for this purpose. Additionally, resources from BPA-PS must be allocated to administer the return. Snohomish requests BPA provide the overall, disaggregated costs to administer return of the Canadian Entitlement energy for BPA-PS and BPA-TS combined, including treatment of losses.

Transmission does not “administer” the return of the “Canadian Entitlement energy.” Transmission plans and maintains the transmission system for long-term firm commitments, and manages the transmission system in the operating horizon for reliability in conformance with applicable reliability standards and the Agency’s legal obligations and commitments. Costs for managing Puget Sound Area and Northern Intertie (PSANI) obligations are Network costs, and like other Network costs involve all Transmission organizations. Such costs are not itemized separately.