

BPA Response to Tacoma's Request for Information on Cost Allocation

Date: **August 4, 2014 Updated** from July 31, 2014 posting

Introduction

On August 1, 2014, BPA responded to questions asked by Tacoma. BPA posted a response and spreadsheet to show the total forecast NT designated resources to meet Tacoma's request. BPA understands that this spreadsheet has caused much confusion and provides information already available. BPA has removed the spreadsheet from the website and provides a more detailed response to Tacoma's request.

Tacoma indicated in their [June 25th presentation](#) (Slide 16) on the Network allocation issue that they had two additional requests. They asked BPA to provide the following:

Tacoma Request #1

- Q.** The current total MWs of designated resources for NT customers on the Network segment, by month. Please break out by Federal and Non-Federal resource amounts and provide the back-up information, source documents and a description of the methodology used to determine the amounts (We assume NT Federal resource designation amounts would be 65% of Tier-1 resources?) The long-term NT designation web document you pointed us to has no information on designation amounts.
- A.** Tacoma has asked BPA for information on the total MW of designated capacity for NT resources. NT designated resources are posted on [BPA's OASIS website](#). For non-federal resources, a specific designated MW capacity is posted. For customers with a BPA power sales contract (a system sale of energy from the FCRPS and other resources contracted for by BPA), the designated capacity is listed as "Net Requirements." BPA posts "Net Requirements" rather than a specific MW value because the BPA power sales contract serves a customer's load not otherwise served by the customer's other designated resources (the non-federal designated resources).

What is provided under the BPA Power Sales contract varies with a customer's net requirement load. The resources that comprise the BPA system sale designated network resource are the generating resources owned by the Federal government or purchased by BPA and are listed in the NT MOA.

The NT MOA indicates that 35% of the aggregate nameplate capacity of the resources listed in the NT MOA is temporarily undesignated in accordance with section 30.3 of the OATT. Currently, the aggregate nameplate capacity can be derived from figures 3-5 and 3-6 of the 2012 Pacific Northwest Loads and Resources Study (White Book) Summary Documentation. Figure 3-5 shows the nameplate for the Total Federally owned Hydro Resources, which is 22,364 MW. Figure 3-6 shows the 120 hour January capacity for the non-federally owned resources by category (thermal, hydro, small hydro and nuclear) contracted for by BPA, which is 1,191 MW. The sum of the nameplate capacity for the Federally Owned Hydro Resources and the non-federally owned resources is 23,555 MW. Nameplate capacity assumes unlimited water and no other constraints. Thirty-five percent of 23,555 MW equals 8,244 MW.



The current designated capacity for the BPA power sales contracts is 15,311MW, which is determined by subtracting 8,244 MW (temporarily undesignated capacity) from 23,555 MW (aggregate nameplate capacity).

BPA does not use the 15,311 MW value in its planning studies. Rather, BPA's planning studies evaluate the most limiting transmission system conditions to ensure that the system is capable of delivering the designated resources listed in the NT MOA, the NT customers' other designated network resources, and other resources delivered under firm transmission service contracts (e.g., PTP service) to the modeled NT customers' loads and other loads served from BPA's transmission system. As BPA has previously explained, BPA's planning studies use load forecasts based on expected system conditions (assuming 1:2 non-coincidental peak forecasts).

Tacoma Request #2

- Q.** Does BPA forecast NT customer's loads under anything other than 1:2 (50% probability) weather conditions (i.e. 1:20, 1:50, etc.?). If so, what are NT customer's 12 non-coincident (12NCP) and 12 coincident peak (12CP) loads under such other weather assumptions (please provide the total 12 month non-coincident and coincident peak amounts and indicate over what forecast period)? If not, does BPA have the data and regressions to perform such analysis?
- A.** At this time BPA does not have this information to provide this analysis.