Network Open Season Customer Meeting

January 15, 2014

2013 Network Open Season

Objectives for this meeting:

- Cluster Study extension
- Cluster Study areas and specific preliminary findings
- CIFA and REBA Customer comments and next steps

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- Cluster Study Extension
  - BPA provided notice to Customers of the need to extend the timeframe of the Cluster Study until April 30, 2014
- Cluster Study Costs
  - Cost of completing the Cluster Study is not expected to exceed initial estimates
  - Actual costs to-date remain below original estimates

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Cluster Study Extension – Drivers

- ATC Methodology: Part of assessing requests in the Mid-C area includes a review of certain components of BPA's ATC Methodology to better define the need for transmission upgrades.
  - This evaluation focuses on the ATC Methodology Margin (AMM) over the North of Hanford flowgate
- Mid-C Area analysis: The complex and interconnected nature of Mid-C area facilities requires BPA to take a closer look at how to address additional requests for service to and from the Mid-C area.

North of Hanford AMM - History

- January 26, 2011 – BPA reviewed with customers a developing need to ensure the LTF AFC methodology accounted for significant changes in the federal dispatch pattern influenced by:
  - Vintage of the original dispatch pattern (2003)
  - Increased wind integration leading to increased Balancing Reserve obligations
  - Tighter restrictions on how the lower river is operated in the late Summer months for Biological Opinion (putting greater stress on the upper river operations)
  - Determination that north-bound counterflows, assumed to increase ATC across the flowgate, may not materialize in the late Summer

North of Hanford AMM – History (cont.)

- Based on values were derived from PUF-analysis of actual late Summer dispatch patterns that have occurred within the last several years, BPA applied an interim AMM increase on the North of Hanford flowgate of 1,223 MW.
  - As documented in the posted ATC Methodology Margin (AMM), V17
  - The AMM is a component of Existing Transmission Commitments (ETC)
- The LTF AFC methodology is managed separately from the NERC MOD ATC/AFC standards.

North of Hanford AMM – Current Status

- The 2013 Cluster Study raised a concern with the level of AMM currently applied at North of Hanford.
  - The “interim” measure applied in 2011 is still in place.
- Staff requires the cluster study extension to assess the degree of AMM necessary at North of Hanford.
  - Staff is in the process of updating the PUF/PTDF-based analysis in 2011 with Powerflow-based studies, and will use that updated data in its evaluation.
  - The result will continue to be an interim solution until more fundamental updates to the LTF AFC methodology can be employed.

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Next Steps:

- BPA expects to complete the Cluster Study by April 30, 2014.
- 2013 Network Open Season will likely extend beyond the originally proposed 12-month cycle.
- BPA will continue to discuss CIFA and REBA analysis assumptions to be used on possible proposed expansion facilities.
  - Will discuss this later today