

COMMENTS OF THE NT CUSTOMER GROUP

Submitted: June 14, 2024

In follow up to the customer led presentation on May 10, 2024, the NT Customer Group¹ is pleased to provide the following executive summary of our proposed problem statement, objective, and preliminary action items for improving BPA's Network Integration Transmission Service (NITS) planning process under its Open Access Transmission Tariff (OATT):

BPA's Statutory Obligations: After first ensuring that it can meet its current and future marketing obligations to its preference customers, BPA must make any excess transmission capacity available to all utilities on a fair and nondiscriminatory basis.

BPA's OATT Obligations: To plan and construct its transmission system in a timely manner so that BPA's NITS customers can deliver power generated by Network Resources (both Federal and non-Federal) to their respective Network Loads. To make available transfer capability on its transmission system available to Eligible Customers on a non-discriminatory basis.

Current Assumption of NT Customer Group: That BPA can meet the above statutory obligations through its OATT, provided it addresses the concerns and undertakes the action items identified below.

Problem Statement: There is a lack of clarity as to BPA's ability to measure existing and future transmission constraints as well as to the decision process BPA uses to make the network transmission investments necessary to support NITS customer load growth. BPA appears increasingly unable to timely meet the load growth needs of NITS customers, whether from Federal or non-Federal resources. The needed reliability upgrades and expansion, new PODs, line extensions, and other work are being delayed because of lack of staffing, procedural inefficiencies, and an undue focus in BPA's planning processes on commercial rather than regional load service transmission needs.

It is time for BPA to renew its commitment and take affirmative action to ensure that it can meet its statutory obligation to plan, invest, and construct the necessary transmission reinforcements to provide transmission service for its preference customer loads through its OATT, and specifically through the NITS product. This includes distinguishing such obligations to BPA's preference and NITS customers from the commercial transmissions service BPA provides on the Federal Columbia River Transmission System, and providing such customers the consideration and service they are due under BPA's statutes and OATT.

NITS Objective: Provide reliable and timely NITS service that supports the growing demands of NITS customers from both Federal and non-Federal resources and in a manner that satisfies BPA's obligations under both its statutes and OATT.

¹ The NT Customer Group includes Benton PUD, Clark Public Utilities, Clatskanie PUD, Columbia River PUD, Cowlitz PUD, Eugene Water & Electric Board, Grays Harbor PUD, Harney Electric Cooperative, Inc., Klickitat PUD, Mason PUD #3, Northern Wasco Co. PUD, Umatilla Electric Cooperative, Northwest Requirements Utilities, PNGC Power, Western Public Agencies Group.

Proposed and Preliminary Solution Set/Action Items:

1. Affirm BPA's transmission related statutory obligations to preference customers and its OATT obligations to provide NITS service for both Federal and non-Federal Network Resources.
2. Conduct a root cause analysis to address transparency and procedural inefficiencies. For example, determine if there is lack of sufficient staff to carry out the necessary duties, or whether there are competing interests between load service and generation connectivity.
3. Review and revise as necessary the current processes that BPA uses to ensure timely and reliable service, e.g., the LLIR, LaRC (Agency and Transmission application), and Network Operating Committee.
4. Develop Master Plans of Service by Sub-region evaluations (a.k.a., "Deep Dives") focused on the interaction among several customers geographically co-located to optimize and sequence solutions that may include both wires and non-wires projects. (See Specific Process Recommendations below for further details).
5. Develop a strategy and timeline to achieve the NITS objectives (this could include a short list of priority efforts to tackle immediately, e.g., updating NITS Business Practices that have aggravated the uncertainty characteristic of BPA's Network Integration Transmission service).
6. Expand both the use and scope of the Network Operating Committee to conduct the action items above and to include additional BPA and NITS customer executive oversight.

Specific Process Recommendations:

1. Increase transparency into existing and future Network constraints by:
 - a. Implementing customer engagements that considers sub-regional needs, i.e., taking advantage of the diversity of multiple systems that could benefit from a "bigger than one utility" solution or solutions, similar to the 'transmission planning deep dive' process that BPA conducted in the mid-2010s.
 - b. Process deliverables to include the following:
 - (i) Identify current and potential Network constraints based on customers' most recent 10-year load forecast (e.g., 'the Network can support up to 'X' MW at a POD or BPA planning bubble').
 - (ii) Identify where Network limits will be exceeded based on customers' most recent 10-year load forecast.
 - (iii) If a Network constraint is forecast, BPA to identify a proposed Network reinforcement.
 - c. Leverage and expand on the existing Network Operating Committee process to report and discuss findings.

2. BPA and customers identify ways to sequence BPA's planning and expansion processes in a way that ensures that the most recent 10-year load forecasts are used in every BPA reliability study, TSEP, and Evolving Grid project by:
 - a. BPA identifying in its business practices when/why/how customers are to submit both (i) 10-year load forecasts and (ii) line/load interconnection requests to ensure that BPA receives updates of all necessary information before the next TSEP process.
 - b. BPA timely incorporates such submitted forecasts and line/load interconnection requests into the reliability studies it performs for TSEP.
 - c. BPA confirms the most recent vintages of the 10-year load forecasts, line/load interconnections requests, and reliability studies are used as the foundation for any TSEP process (e.g., the 202X 10-year load forecasts, line/load interconnections request, and subsequent reliability study results are assumed as part of TSEP network reinforcement proposals for 202Y).
 - d. BPA confirms that the identified transmission system reinforcements are included in BPA's work plan and are constructed as soon as practicable.