



FINAL NOTES
TRANSMISSION PLANNING COMMITTEE
NW SUBREGIONAL PLANNING

August 6, 2003 – Portland, OR

Introductions, Arrangements, and Agenda Changes

Don Johnson (PacifiCorp), TPC Chair, presided over the meeting. The Agenda is Attachment 1. The attendance list is Attachment 2. Don emphasized that while the TPC welcomes input from all interested parties, if a vote was necessary only TPC members would be allowed to vote. Scott Waples (Avista) commented that those who help pay the expenses of the Committee should be the ones to decide. It is hoped that the group can reach consensus on issues without needing a vote to formalize them.

History

Don reviewed some of the history that led to the present meeting, beginning with the Western Governors Association effort from two years earlier. The PNUCC had a meeting in June 2003 that examined current planning forums and concluded something more was needed. As a result of that meeting, the TPC considered and approved a resolution to expand its charter beyond reliability issues for planning.

Don also review the presentations of the California ISO (CAISO) at a meeting between CAISO and Northwest interests held July 23, 2003 in the Portland area. These presentations outline what others are doing in the planning arena (WGA, CATS, STEP, SSG-WI, MTEP, RTEP). Some of those materials are available from the CAISO website and the last two are available from the MISO website and PJM website, respectively. (Documents will be provided upon request to the Northwest Power Pool.)

Don review notes of the meeting, which notes were previously distributed. STEP is an open process including regulatory. STEP is an annual process. It started with 25 projects and has been narrowed to 6 so far. Rich Bayless (PacifiCorp) added that CAISO was looking to form NTEP (a bi-regional planning effort). However the Northwest felt it should focus more within the region. Rich believes CAISO wants things moving fast.

Gary DeShazo (CAISO) commented that he is happy to see what the Northwest is starting. He believes that California plan is ultimately dependent on what neighbors (eg Northwest) are doing. Gary is willing to help in our efforts to explore value for both regions. (Gary will send Word docs, which may be used to draft the TPC charter, to NWPP staff.)

Sub-Regional Planning Process – Discussion

Richard Goddard (Portland General Electric Co.) noted that at the PNUCC meeting (in June), it was clear that we needed to bring things together. He referred to a quote by John F Kennedy that would encourage us to seek the right answer, to not fix blame for the past, but solve the future. We need to seek the right answer from a broad perspective.

The discussion moved freely among several related topics.

One main issue involved who would step up to build a transmission line that the planning process deemed necessary. The WGA developed a plan two years ago, but nothing in that plan was built. If the lines are identified, the IPPs can decide. But the planning effort also needs information about the new projects that will be built. CAISO has authority to order new transmission lines be built. Hardev Juj (Seattle City Light) noted that no such authority exists in the Northwest. Opinions varied as to whether the benefiting parties of a proposed line should be identified. Some hope once those parties were identified, they would build or pay for the line. The party benefiting may be constrained in its ability to fund that construction. Others want to be careful that the TPC effort stops short of dictating who should fund a particular line. The TPC should not set tariffs. The plan should identify benefits of potential transmission projects. Projects could be developed by anyone who saw a benefit to doing so. Scott Waples noted that the Bell-Coulee line was a cooperative effort of BPA and AVA with negotiations limited to those parties who were funding the construction, yet the TPC as a whole participated in review and comment.

New generating resources pose a problem in planning. Often the location and type of resource is not certain, which could affect decisions on whether a line is needed. Some suggest that the plan should answer those questions; there may be FERC issues with this course. Others believe the transmission plan should factor in only those resources that are known. Some want the plan to also consider non-wire alternatives. Most agreed that the planning group should not try to do integrated resource planning.

Rich Bayless (PacifiCorp) talked about the queuing process in the Rocky Mountain area. Now independent power producers (IPP) are considered individually with costs of a new line fully assigned to the IPP. The individual IPP may not be able to afford a line, but a consortium might be able to. Thus there is need for an open process (similar to gas “open season”.) Don Johnson noted similarities with the Central Arizona Transmission Study (CATS) process.

Some questioned whether the TPC was the right forum for this effort. Several parties present expressed support for the effort. Dick Byers (WUTC) notes utilities building according to such a master plan may readily receive commissions’ approval. The existence of a plan and periodic assessments would be valuable in making the case to build.

A concern was raised that economic models now in use would not have supported the Coulee-Bell construction to alleviate the West of Hatwai constraint.

Don also noted in the PJM response to FERC: will include projects proposed, etc (page 5 of that document). Dean Perry cited that Wood reference MISO report as the kind of thing FERC is looking for.

Generally, we want to be sure we are doing smart things and will need to consider several options and scenarios. For now, we probably need to examine how well the existing projects work together.

Sub-Regional Planning Process – Charter

For now the planning effort will be known as the Northwest Transmission Expansion Work Group (NTEWG). [Note: the name was later changed to Northwest Transmission Assessment Committee (NTAC).]

The TPC will have to differentiate what NTEWG will and will not do. Scott Waples suggested that we should put a charter to that effect together for a next meeting.

Several suggestions were proposed as a starting point for developing a charter. One suggestion was the letter Jerry Rust (NWPP) sent out to the TPC and its principals. Another suggestion was a draft, proposed letter that was to come from Dick Adams (PNUCC). The letter is Attachment 3. Don highlighted several points in the letter. The effort must coordinate with states, SSG-WI, CREPC, WRATS, etc. It should be an open process. There is need for a load and resource data base that has consistent data. Models should be checked against history. There should be reports periodically. Several suggested starting with all available documents and picking those things that fit for the Northwest.

The remainder of the session was devoted to brainstorming ideas for a charter. These are generally captured in Attachment 4. Comments are due by August 14. Please send comments to dana@nwpp.org.

A small group consisting of Don Johnson, Scott Waples, John Martinsen, Marv Landauer, Tuan Tran, Chris Reese, Dick Byers, and Wally Gibson will meet on August 22 to begin to refine the charter document. Lon Peters was suggested as an alternate to Wally Gibson. The goal is to have a draft proposal ready for the September 25 TPC meeting and the RTO filing, which is to occur about the same time. There is a sense that the more we drive our destiny, the less others will.

Next Meeting

Next meeting will be Thursday, August 28, 2003 from 9-3:30 near the Portland airport.