## Comments of the Bonneville Power Administration 2018-2019 Transmission Planning Process

Submitted by	Company or Entity	Date Submitted
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The Bonneville Power Administration (BPA) appreciates the opportunity to comment on the 2018-2019 Transmission Planning Process (TPP). BPA markets zero-carbon electricity from 31 Federal hydroelectric projects and one nuclear power plant in the Columbia River Basin. BPA also owns and operates over 15,000 circuit miles of high voltage transmission in the Pacific Northwest with interconnections to California.

BPA enjoys a constructive and collaborative relationship with the California Independent System Operator (CAISO) in coordinating intertie operations. Our comments today are in the spirit of that collaboration, by endorsing the significance of the proposed scope of the TPP study plan and identifying some initial considerations.

BPA supports several specific aspects of the study plan for the 2018-2019 TPP, specifically, those special studies identified on page 6 of the Overview (CAISO Presentation - <u>HERE</u>) targeting opportunities for increasing transfers of low carbon electricity with the Pacific Northwest. Those studies include evaluating potential upgrades to the Pacific Direct Current Intertie (PDCI) and performing compatible studies south of the California-Oregon Border (COB) to increase COI capability.

BPA believes that a number of emerging issues warrant including these considerations in the TPP study scope. Significantly, continued collaboration between BPA and the CAISO will be necessary for achieving efficiencies that benefit the entire Western region, which include efficient use of flexible carbon-free hydro resources and enhanced opportunities for integrating new renewable electricity generation. The day-ahead market enhancements contemplated in the CAISO's 2018 policy initiatives catalog address market design approaches. The complementary transmission capability expansions study in the TPP will help address the infrastructure opportunities.

BPA is also following California's initiatives to address electricity reliability implications of constrained operations of the Aliso Canyon gas storage facility as well as for the broader natural gas-electricity interactions in the Western Interconnection. The PDCI is one of the important transmission connections for the southern California area most affected by constraints on natural gas storage for electricity. In 2016, BPA completed a \$370 million upgrade to the northern terminus of the PDCI at the Celilo Converter Station and on BPA's portion of DC transmission line allowing the PDCI to operate reliably at a maximum capacity of 3,210 megawatts. In 2017, LADWP, on behalf of all of the southern owners, completed line work to the southern portion of the PDCI in order to operate the PDCI to the higher capacity of 3,210 megawatts. Expanding that capacity to 3,800 megawatts is feasible with: (i) investments at the Sylmar Substation and on the DC transmission line south of the Nevada-Oregon border and (ii) upgrades (which are expected but not yet determined) to the parallel AC transmission network needed to support a PDCI upgrade. BPA supports the CAISO's inclusion of such upgrade studies in its TPP.

Coordination among the path operators and owners of the interties is essential. Studies addressing capabilities of the COI and Northwest AC Intertie (NWACI) requires coordination with BPA and its NWACI partner asset owners Portland General Electric and PacifiCorp, as well as the BPA's Capacity Owners.

The PDCI sensitivity case studies require coordination with BPA and its southern asset owners, Los Angeles Department of Water & Power, Southern California Edison, the City of Pasadena, the City of Glendale, and the City of Burbank.

Finally, BPA would like to make a specific comment with regard to the CAISO's study assumption on slide 18 of the Reliability Assessment section of its presentation, listing the COI as limited to 4,800 megawatts. BPA requests that the CAISO work with COI and NWACI owners to identify system conditions for when north to south transfers on COI can be increased above 4,800 megawatts (to 5,100 to 5,200 megawatts target) without any upgrades to the existing transmission facilities. The system conditions need to encompass variables on both sides of the COB – *e.g.*, Northern California hydro, Klamath Falls gas generation, Summer Lake – Hemingway flow, Reno-Alturas Transmission, Central Oregon load, etc. The assessment would then inform COI and NWACI owners of the benefits of proceeding with a formal path rating increase process.

Thank you for this opportunity to comment, and please contact me or Ravi Aaggarwal at 360-619-6056, <u>rkaggarwal@bpa.gov</u> if we can provide additional information.

Sincerely,

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