

Transmission Policies and Practices

Robb Davis and Chad Bowman

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Why We're Here Today

No Action Required

- District initiatives
- FERC tariff background
- Transmission tariff and related policies overview



District Transmission Initiatives

- *Transmission Rates—Board approved 2020*
- *Interconnection Agreement—Board approved Q3 2021*
- **Transmission policies and procedures—Board review Q4**
 - Tariff: service requests, system model, study process, etc.
 - Generator interconnection process
 - Standards of Conduct

FERC History

- Energy Policy Act 1992
 - Granted FERC additional authority to remedy discrimination, including by non-jurisdictional utilities
- Pro Forma Open Access Transmission Tariff (OATT)
 - Voluntary adoption by several LPPC members
- Energy Policy Act 2005
 - Simplified ability of FERC to address discrimination, including by non-jurisdictional utilities

FERC History (cont.)

OATT Evolution

Foundations of open access

- Orders No. 888, 889—functional unbundling, pro forma transmission tariff, reciprocity, open access same-time information system (OASIS)

Subsequent revisions

- Order 890—transmission planning, conditional firm transmission and redispatch, generator imbalance service, ATC and business practice posting
- Orders 2003, 2006—large and small generator interconnections
- Order 717—standards of conduct
- Order 1000—regional transmission planning
- Order 764—variable energy resource integration

Transmission Service Highlights

- Application—initiates process and reserves place in queue
- Available Transfer Capability and Studies
 - Published methodology for determining amount of transmission available for new requests
 - Studies as necessary if request exceeds capability, with Transmission Customer responsible for study costs
- Service Agreement—incorporates terms and conditions in the tariff
 - Service types: Point-to-Point and Network Integration
 - Service quality: Firm, Conditional Firm, and Non-Firm
 - Roll-over rights and competition, resale and transfer
 - System upgrade responsibility and stranded cost recovery

Standards of Conduct

- Element of functional unbundling
- Prevents unfair advantage in wholesale power marketing from “insider” access to transmission system information
 - Non-public information related to day-to-day transmission operations
 - Restriction applies to employees engaged in wholesale marketing
- Policy contains practices and controls to prevent and address inadvertent disclosure

Next Steps

- Finalize transmission policies and procedures
- Provide more detailed briefing at November Board meeting
- Request Board approval at December Board meeting