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RE: Draft 2017 System Assessment

Dear ColumbiaGrid,

I am writing to you on behalf of hundreds of citizens and dozens of neighborhoods that will be impacted by a Puget Sound Energy (PSE) project marketed under the name "Energize Eastside." We believe this is the same project named "Eastside Project: Lakeside 230/115 kV Transformer and Sammamish-Lakeside-Talbot Line Rebuilt to 230 kV" in ColumbiaGrid' s Draft 2017 System Assessment.

There appear to be discrepancies between information provided by PSE and statements contained in the System Assessment.

For example, PSE has been quite clear that "Energize Eastside is a local load-serving project driven by growth on the Eastside" (see the attached letter from Jens Nedrud and Gretchen Aliabadi dated May 22, 2015). Although this letter mentions possible "regional effects" of the project, PSE has frequently rejected the hypothesis that the project serves any regional need.

Page 32 of the Draft Assessment seems to disagree:

The Eastside Project would add a 230/115 kV transformer at Lakeside Substation and rebuild both Sammamish-Lakeside-Talbot 115 kV lines to 230 kV. ... These projects **support south to north transfer capability** on the Northern Intertie and load service reliability in the Puget Sound area. Cost allocation for these projects has been agreed to by the affected parties and they are proceeding with the projects.

For ease of further discussion, we will number our questions.

Q1: Does Energize Eastside serve a regional need to increase BPA's capacity to transfer electricity to Canada in the winter?

We have asked PSE, BPA, and Bellevue's independent analyst Utility Systems Efficiencies to provide evidence of firm commitments to deliver 1,500 MW *across the US/Canada border* under all conditions and scenarios. No evidence has been provided. Utility Systems Efficiencies verified that almost all the overloads on PSE's Eastside infrastructure disappear if the 1,500 MW export to Canada is halted in the primary scenario that justifies Energize Eastside.

We note that Canada's <u>Clean Energy Act of 2010</u> calls for "electricity self-sufficiency" by 2016. The Canadian government does not seem to be relying on firm commitments of electricity from the US to satisfy its need.

CENSE has analyzed ten years of electricity flow on the Northern Intertie that transmits electricity between British Columbia and the Pacific Northwest (see "History" for "BC Intertie" at https://transmission.bpa.gov/Business/Operations/Paths/). During those ten years there were only two occasions when transfers of any significant magnitude were made to British Columbia at a time when temperatures fell below 23° F during peak demand hours on a work day. One such incident occurred in November 2010, and the other in February 2014. In both cases, the transfers were about 700 MW, approximately half the firm commitment assumed in the System Assessment. In 4 of the past 5 years, all transfers were north-to-south (from Canada to the US) when temperatures in the Puget Sound region were below freezing. If firm commitments exist, they are not being used in practice.

Q2: Please provide specific details about the size and contract duration of each firm commitment to deliver electricity from the US across the border to Canada during heavy winter demand scenarios.

Finally, we question whether the West of Cascades North transmission path has sufficient capacity to serve both peak demand in the Puget Sound and simultaneously export 1,500 MW to Canada, especially if local generation plants are offline in the Puget Sound area. This seems like a very unlikely scenario, but it was studied for "informational purposes" in ColumbiaGrid's 2013 System Assessment (page 12):

The Northwest to British Columbia transfer was increased to 1500MW and the West of Cascades North transfer was increased near its limit (10,200 MW) by reducing local west side gas generation. This case is being studied for informational purposes and mitigation is not required as it goes beyond what is required in the NERC Reliability Standards.

This sounds much like the scenario studied by PSE and Quanta to justify Energize Eastside in the <u>Eastside</u> <u>Needs Assessment</u>. It is therefore relevant as independent confirmation of PSE's findings.

Q3: Can you share details of the "peak demand/low generation" study mentioned on page 12 of ColumbiaGrid's 2013 System Assessment? Was the West of Cascades North transmission path able to supply sufficient current and voltage in this scenario?

Sincerely,

Marsh

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