

1 **NORTHWEST PUBLIC POWER ASSOCIATION**

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3 **RESOLUTION 07-3**

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5 **IN SUPPORT OF REGIONAL TRANSMISSION SOLUTIONS**

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7 The vast majority of electric utilities operating in the West are  
8 dependent on the regional transmission system for access to Power  
9 Marketing Administration (PMA) power and the wholesale power market.  
10 Any proposal aimed at modifying the operating characteristics of the  
11 Western regional transmission system must be approached with caution.  
12 As we have seen in other regions, misguided changes to the fundamental  
13 operating procedures of the transmission grid have had devastating  
14 consequences for consumers in these regions.

15 Recognizing that efforts to address specific transmission problems  
16 are important to the region, NWPPA encourages groups like ColumbiaGrid,  
17 the Northern Tier Transmission Group (NTTG) and the Transmission  
18 Agency of Northern California (TANC) to develop, fund and implement  
19 regional solutions to recognized transmission problems.

20 However, efforts by the Federal Energy Regulatory Commission  
21 (FERC) to encourage the formation of a Region Transmission Organization  
22 (RTO) in the West are objectionable. NWPPA members already benefit from  
23 a reliable, low-cost power and transmission system and believe that little  
24 has been done to prove that the region will benefit from a RTO. Past  
25 efforts, as with the failed Grid West proposal, have produced ill-defined  
26 governance, excessive costs, loss of regional accountability and greater  
27 federal regulation, which remain issues of great concern to the NWPPA  
28 membership.

29 NWPPA continues to support efforts to advance proposals that are  
30 centered on low-cost solutions to recognized transmission problems. In  
31 addition, any effort to modify the existing transmission system should not  
32 result in the creation of new institutions that would lessen regional input  
33 and control. On-going regional discussions by entities such as  
34 ColumbiaGrid, NTTG and TANC may provide needed answers to Western  
35 transmission issues and demonstrate that there is no need for a RTO.

36 NWPPA appreciates the Western delegation's support for regional  
37 customers' perspective on the future development of regional transmission  
38 improvements. As discussions continue, NWPPA urges the delegation to  
39 support a measured approach toward addressing regional transmission  
40 problems — not imposition of elaborate market-based systems that are  
41 costly and ill-suited for the Northwest region.

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