

1 **NORTHWEST PUBLIC POWER ASSOCIATION**

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3 **RESOLUTION 08-2**

4
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 In addition, efforts by Congress to direct the construction of
30 transmission, whether to promote the development and delivery of
31 renewables or otherwise, is objectionable. Moreover, any effort to expand
32 the authority of the PMAs and mandate they construct such transmission
33 is also objectionable.

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

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

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