

1 **NORTHWEST PUBLIC POWER ASSOCIATION**

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3 **27-06 Archived Resolution**

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5 **SUPPORT FOR THE COMPLETION OF THE CONTROL AREA FOR THE**  
6 **SIERRA NEVADA REGION OF THE WESTERN AREA POWER**  
7 **ADMINISTRATION**  
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9 The Western Area Power Administration (WAPA) successfully started up  
10 the first phase of its sub-control area as part of Sacramento Municipal Utility  
11 District's (SMUD) control area on January 1, 2005. The new operating  
12 arrangements were necessitated by the expiration of long-standing  
13 arrangements with Pacific Gas & Electric (PG&E) that facilitated power  
14 exchanges between the WAPA and the Bonneville Power Administration (BPA)  
15 to the benefit of both of the Power Marketing Administrations' respective  
16 customers. The expanded SMUD/WAPA control area allows the public power  
17 entities in Northern California to pursue a policy of reliable, cost-effective  
18 electricity supply. The alternative, the California Independent System Operator  
19 (CAISO), continues to create significant hurdles to long-term planning resulting  
20 in uncertainty and loss of local control.

21 Additionally, WAPA operates within the constraints of the Federal laws  
22 and obligations that govern the operation of the Central Valley Project, the  
23 power it delivers is largely subsidiary to the flood control and water supply  
24 operations of the Bureau of Reclamation. It would be extremely difficult for  
25 WAPA to meet its statutory obligations while also complying with the  
26 convoluted and complex requirements imposed by the CAISO.

27 The initial control area expansion did not include the California-Oregon  
28 Transmission Project (COTP), a 500 kV intertie between southern Oregon and  
29 central California owned primarily by public power entities in Northern  
30 California known as the Transmission Agency of Northern California (TANC).  
31 However BPA, WAPA, SMUD, and TANC have all agreed to move the COTP into  
32 the SMUD/WAPA control area by November 2005. Transition of the COTP into  
33 the SMUD/WAPA control area will further enhance WAPA's ability to best meet  
34 preference customer needs for flexibility, certainty, durability, operational  
35 transparency, and cost effectiveness consistent with Federal law. Extending  
36 the control-area approach to the Oregon border will also aid in the seamless,  
37 seasonal exchange of power throughout the Western energy grid ultimately  
38 benefiting the Western United States.

39 NWPPA supports completion of the SMUD/WAPA control area to include  
40 the COTP for the furtherance of the best interests of WAPA, its customers, the  
41 State of California, and the Western United States and urges continued close  
42 cooperation of BPA and WAPA to complete these arrangements.

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46 Origination Date: 2005 by James C. Feider, Director, Redding Electric Utility