

RTO Car Talk – October 20, 2000 Edition

The FUs' draft filing letter and associated governance documents were posted on the RTO West website throughout the week of 10/9.

Bud Krogh sought comments on the documents as they were posted -- with a 72-hour turn-around window. Not a whole lot of folks commented owing to the short time frame, and perhaps (in this editor's mind) because of a certain reluctance to "collaborate or die". Some kind of FERC filing (evidently called "The Stage I Filing", and to include a filing letter) is expected to be made next Monday, 10/23. The filing letter will include, we think,

1. Narrative and supporting documents that demonstrate and explain how/why RTO West satisfies the scope and configuration requirements of FERC Order 2000.
2. The body of the TOA (no exhibits), articles of incorporation and bylaws, and some other governance documents.

The filing letter contains NO MENTION of a cost-benefit workgroup, analysis or results. (Many commented on this omission.)

The tone of the filing letter is incredibly self-serving and self-congratulatory.

Stage II material will be filed later -- possibly by January -- and should include the RTO West Tariff; most agreements (load and generation integration agreements, security coordinator agreement, and form of paying agent agreement); the schedule of transfer charges payable; and the allocation of FTRs.

We are in the dark about what the FUs might have filed with FERC on Monday, 10/16, the filing deadline (we have been unable to find anything about RTO West on the FERC website postings). The 10/16 filing (if there was one) was to have been made by all nine utilities (Avista, BPA, Idaho Power, Montana Power, Nevada Power, PacifiCorp, PGE, Puget, and Sierra). All but BPA are required to file; BPA is participating as a "concurring party".

The nine are supposedly requesting a declaratory order from FERC on the filing, but only three (BPA, Idaho Power and PacifiCorp) are requesting FERC approval on the form of the TOA and Agreement to Suspend Provision of Pre-Existing Transmission Agreements.

COST/BENEFIT ANALYSIS: A partial analysis has been sent to the FUs for their review. Much controversy exists over parts of the analysis (e.g., are there any quantifiable benefits?) and the tone of the report (it seems to amount to cheerleading for the RTO). The plan is to see how the FUs modify the analysis and then respond.

The ITC (Avista, Montana Power, Nevada Power, PGE, Puget and Sierra) filed their Order 2000 Compliance Filing with FERC on 10/16. The ITC has a new, improved name: TransConnect. It is a for-profit company which would own or lease the high voltage transmission facilities of the six utilities; would deal with RTO West directly; and would be managed separately from the six utilities. The utilities claim that the separate management, along with the requirement that employees and board members of TransConnect agree not to have any financial interest in the utilities or in any market participant, should assure independence. PPC has not yet reviewed the material, which was posted earlier this week on the RTO Website. It is our intention (at this time) to comment on the TransConnect filing.

Comments on the filings at FERC are due in 30 days; 30 days from when has not been made clear.

To obtain any of the materials, access the RTO Website at www.rtoWest.org