

Review Draft WestConnect 2024-25 Regional Needs Assessment

Comment Form for WestConnect **Draft** 2024-25 Regional Assessments (Reliability, Economic, and Public Policy) distributed on November 15, 2024 with the Stakeholder meeting slides. Submit your comments using this form and send it to comments@westconnect.com by **December 3, 2024**.

Submitted by	Company/Organization	Date Submitted
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Comments

Slide # in November 13, 2024 Stakeholder Meeting Slides	Comments
GENERAL	<p>Interwest appreciates the opportunity to provide comments on the Draft WestConnect 2024-2025 Regional Needs Assessment. In addition to the slide-specific comments below, we would like to offer the following suggestions.</p> <p>WestConnect has never identified a regional need in its nearly 10-year history, despite many independent studies showing that regional transmission would benefit WestConnect entities. In fact, WestConnect’s regional needs assessment is widely considered to be conducted in a way that precludes identification of regional needs. The 2024-2025 Regional Needs Assessment identified several candidate needs, and Interwest urges the PS and PMC to use this opportunity to identify a regional need and use the WestConnect process to determine solutions.</p> <p>Further transparency is essential to enable meaningful stakeholder participation. This should include at least the following actions:</p> <ul style="list-style-type: none">● making public the lines or paths affected by the C1 reliability contingency,● documenting and clearly explaining how affected TOLSOs arrived at their determination that the potential economic needs identified were not regional needs, and● providing objective criteria to determine whether a reliability need is regional vs local. <p>In the future, Interwest would welcome the opportunity to provide these comments in narrative format rather than being confined to a table and slide-specific format.</p>

47	<p>WestConnect should develop objective criteria for determining whether the flagged reliability issue constitutes a regional need and provide more transparent justification for the resolution reached by affected TOLSOs.</p> <p>Specifically, Interwest requests that the WestConnect PS and PMC:</p> <ul style="list-style-type: none">● Revisit the C1 Contingency reliability issue and consider using the WestConnect process to resolve this issue as a regional need.● Make public the lines and facilities affected by the contingency described on slide 47. Is there a requirement for this information to be confidential? Without knowing the nature and location of the TSGT and PSCO facilities affected by the potential regional reliability need, stakeholders cannot evaluate TOLSO’s assessment that the issue is local.● Provide a clear explanation citing objective criteria to justify the resolution explained on Slide 47 and why the issue is “local” in nature. WestConnect consultants indicated during a meeting that there are no objective criteria; if this is the case, WestConnect should define objective criteria that justify why an issue that seems to clearly meet the definition of a “regional need” is documented as local instead.
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	<ul style="list-style-type: none"> Clarify why the issue being “known” makes it local rather than regional. The WestConnect Study Plan states, “By definition, regional reliability needs are identified by reliability issues that impact more than one TOLSO member system” (p.15). The C1 contingency flagged as a potential need clearly meets this definition, however it seems that members are using the fact that the issue is known to justify that it is local. At the November PS and PMC meetings, members indicated that this reliability issue has been known about for “a decade” and discussed extensively at the SLV CCPG Task Force. Additionally, PSCO indicates (on slide 47) that a “conceptual project exists for this issue,” and TSGT states “this is a known local issue that will be addressed by TSGT.” If known issues cannot be regional, the PS should explain the connection. It seems to Interwest that this is a perfect opportunity to address a known issue through the regional planning and cost allocation process for which WestConnect was created. The fact that the issue has been known for a decade and has not been resolved by either affected TOLSO contradicts text on Slides 46 and 47 (e.g. that “this is a known local issue that will be addressed by the affected entity”) and seems to indicate that a regional solution is warranted, rather than the contrary.

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54-55	<p>Interwest is concerned that WestConnect’s current methods for estimating economic congestion are based on less extreme conditions than should be considered. For example, NREL has found that “roughly half of the marginal value of transmission in providing congestion relief occurs during extreme grid conditions and high-value periods that account for only five percent of hours but are challenging to model and so are often not fully considered in transmission planning.”¹ Interwest requests that WestConnect provide a written description of its methods for quantifying economic congestion values, including an explanation of whether the methods adequately incorporate extreme grid conditions and high-value periods.</p> <p>Interwest recommends that WestConnect develop objective metrics or thresholds to determine whether economic congestion observed in the regional assessment is sufficient to indicate a regional need. Member responses on slide 55 rely exclusively on subjective statements to explain that the potential needs are not significant enough to constitute a regional need: “congestion is relatively low,” “limited in duration, cost, and impact,” and “congestion hours and cost of the congestion are minimal.” Without a method that adequately quantifies congestion value during extreme grid conditions and high value periods, and without objective criteria that define what levels of congestion are worth addressing (e.g. a congestion %, cost, or hours), terms like “relatively low,” “limited,” or “minimal” are not meaningful and overly subjective. These concerns are compounded by the NREL findings mentioned above.</p> <p>Interwest also requests that WestConnect indicate at what level (hours, cost, or congestion %) they would consider congestion on these lines a need that should be addressed through the regional process.</p>

¹ Millstein, Dev., Wisser, R., Gorman, W., Jeong, S., Kim, J., and Ancell, A., (2022), “Empirical Estimates of Transmission Value using Locational Marginal Prices”, Lawrence Berkely National Laboratory. Accessed 12/3/2024 at <https://emp.lbl.gov/news/regional-and-interregional>.

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54	<p>Please provide a table comparing congestion levels identified in this study cycle with those identified in past study cycles.</p> <p>As member responses indicate on Page 55, “reliance on a single data point for one WestConnect cycle results raises concerns about the analysis’s reliability.” However, the WestConnect study team indicated that congestion was observed on the same lines in previous cycles, and that congestion has gotten worse. Comparison will allow members and stakeholders to better evaluate the congestion results.</p>

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62	<p>The PS should reconsider their recommendations that the economic congestion issues not be considered regional economic needs. Our comments provided for slides 54-55 apply here as well.</p> <p>Specifically, P36 TOT 3 congestion cost totaled over \$10 million in the Base Sensitivity and over \$550 million in the High Load Sensitivity (and these are likely underestimates, as described in our comments for slides 54-55). This path is a known constraint on the transmission system that affects multiple WestConnect TOLSOs and is highly sensitive to load growth. The objective of the regional economic needs assessment is to “arrive at a set of congested transmission elements that warrant being tested for the economic potential for a regional project solution” (WestConnect Study Plan page 19). P36 TOT 3 seems like a perfect opportunity to use the WestConnect process for what it was intended: to explore potential project solutions that could address an economic need affecting multiple WestConnect entities.</p> <p>If the PS and affected entities are not willing to reconsider their recommendation and response, they should:</p> <ul style="list-style-type: none"> ● Indicate a threshold (as cost, congestion %, and/or hours) at which TOT3/Path 36 congestion would indicate a need. ● Explain what “adjacent system changes” (slide 55) will improve congestion and why these solutions to a regional problem should not be considered for regional cost allocation, since they are addressing a known economic issue affecting multiple WestConnect entities.