

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	PMC Response
Name: Ben Fitch-Fleischmann and Remy Franklin Phone Number: Click here to enter text . Email: ben@interwest.org and remy@interwest.org	Interwest Energy Alliance	December 3, 2024	PMC Responses approved at the January 15, 2025 PMC meeting

Comments

Slide # in November 13, 2024 Stakeholder Meeting Slides	Comments	PMC Response
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>	<p>The WestConnect Planning Management Committee (PMC) appreciates Interwest reviewing the draft WestConnect 2024-2025 Regional Needs Assessment results and for providing its comments on those results. The Planning Subcommittee (PS) and PMC reviewed your comments at its December 17th and 18th meetings. Based on discussions at those meetings, the following responses are offered to the submitted comments. Responses to the requests summarized in this general comment are provided in subsequent rows where the specific requests were made.</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. 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. 	<p>Additional information was compiled to help explain the referenced regional reliability issue and was presented at the December 17th Planning Subcommittee (PS) meeting. The additional information included more clear identification of the elements and location in the system of the reliability issue. Of note, it was explained that the overloaded elements, as a result of the contingency, were only in one member's system. In addition, potential mitigations to eliminate the overload would likely only have a single member beneficiary. For these reasons, the PS still believed the issue to not be regional in nature and the PS recommendation to not consider the issue a regional need was again made at the meeting. The PMC agreed with the PS recommendation and approved no regional reliability needs in the 2024-25 planning cycle.</p>
Slide # in November 13, 2024 Stakeholder Meeting Slides	Comments	PMC Response
	<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. 	<p>The WestConnect Regional Study Plan also states that "issues that impact more than one TOLSO member <u>may</u> result in the identification of a regional reliability-driven transmission need."</p> <p>Table 4 of the study plan is a guide to help identify various examples of the ownership of affected system elements involved with various examples of reliability issues that may be caused by a contingency and whether they are (1) likely a single-system reliability violation ("Local" in the table); (2) potentially a regional reliability-driven transmission need ("Regional Potential" in the table); or (3) in need of further review before a determination can be made ("Flag for Further Review" in the table).</p> <p>Any issue determined to be potentially a regional reliability-driven transmission need must be further reviewed by the Planning Subcommittee to more fully understand the system involved and whether the issue is truly believed to be regional in nature. The Planning Subcommittee members are experts in transmission planning and are relied on to make an ultimate recommendation of local vs. regional issues.</p> <p>The statement of the issue being known was a reference to this being an issue that the local impacted entity was aware of and was working on potential solutions to address as load continued to increase in the area. It is no different than resolving other local reliability issues, except that the overall issue appeared to involve more than a single entity. It was not meant as a criteria to designate the issue being local or regional.</p> <p>Also, discussions at the November PMC meeting indicating that the reliability issue was related to the San Luis Valley were misstated. The reliability issue that was considered further as a regional need is not in the SLV, but in the Denver-metro area.</p>
Slide # in November 13, 2024 Stakeholder Meeting Slides	Comments	PMC Response

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>	<p>The Regional Plan Report will have a written description of the Production Cost Model’s (PCM) methods for quantifying economic congestion values and an explanation of how the PCM considers grid congestion during the planning horizon. The PMC will investigate whether the economic needs assessment adequately considers extreme grid conditions and high-value periods and whether additional studies may be needed to capture such events.</p> <p>The WestConnect PMC will have a discussion at its January 15, 2025, meeting regarding your request to “develop objective metrics or thresholds” for the determination of regional needs. The PMC has considered this request in past cycles, most recently in 2021. In 2021 the PMC established a work group to consider establishing metrics to help guide the needs assessment process and help filter identified “potential” issues to a subset of issues that require additional analysis for the PMC’s ultimate decision on regional needs (Action Plan for Issue 39). In September 2021 the work group presented its findings to the PMC. Most notably, the work group did not feel that metrics should be defined for the identification of regional economic needs, and rather, the work group felt it was important to maintain flexibility to use engineering discretion when reviewing needs assessment results.</p>
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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>	<p>The requested table was added to the PS and PMC presentations for the December 17th/18th meetings.</p>
Slide # in November 13, 2024 Stakeholder Meeting Slides	Comments	PMC Response

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. 	<p>The Planning Subcommittee confirmed its recommendation at its December 17, 2024 meeting that the economic congestion observed NOT be considered a regional need. The Planning Management Committee agreed with that recommendation on December 18, 2024, and determined that there were no regional needs resulting from the 2024-25 regional assessment.</p> <p>As described in the response to the comment on row 11, the PMC will have a discussion at its January 15th meeting regarding your request to “develop objective metrics or thresholds” for the determination of regional needs.</p> <p>Regarding the congestion that was observed on TOT 3/Path 36, the PS and PMC theorize that the congestion may be driven largely by conceptual wind resources modeled in the production cost model (PCM) outside of the WestConnect footprint. The PCM prioritizes the use of wind resources and as such has opted to turn off more costly resources in the Denver Metro area in favor of importing the conceptual wind resources from Wyoming, thereby contributing to the observed congestion. This resource dispatching decision is not believed to mimic what would happen in actual system operation, and as such, there is doubt that the congestion reflects a plausible future, particularly for the purposes of identifying a regional economic need in this planning cycle.</p> <p>The congestion results from this planning cycle will be reviewed again when the congestion results are generated for the next planning cycle. In addition, the conceptual resources added outside of the WestConnect footprint to the WECC ADS will be reviewed during the next regional model development effort to determine if they have been added with a reasonable amount of additional transmission to properly model those resources.</p>
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