

ATTACHMENT C

Methodology To Assess Available Transmission Capability

Criteria:

The Transmission Provider will assess the capability of the Transmission System to provide the service requested using the criteria and process for this assessment as detailed in the Transmission Provider's annual FERC Form 715 submittal. In performing such evaluations, the Transmission Provider will also adhere to the applicable criteria of the WECC's *Reliability Criteria*, Part I - Reliability Criteria for Transmission System Planning.

Determination of TTC:

The TTC will be determined using WECC's latest Operating Transfer Capability (OTC) ratings or the load flow case filed with the WECC's latest FERC 715 filing. OTC ratings will take precedence over the FERC 715 filing. If the FERC 715 filing is used, load and generation levels will be modified to represent forecast load and generation for the study period to maximize the transfers for the path under study. All facilities will be modeled in their normal configuration. The Transmission Provider's TTC values will be determined on a non-simultaneous basis.

Determination of Firm ATC.

In determining the level of long-term firm or short-term firm ATC available for new Transmission Service requests or for posting and its OASIS, the Transmission Provider shall exclude, from the TTC of a transmission facility, facilities or paths, that capacity needed to:

- 1) Meet current and reasonably forecast load of Native Load Customers and Network

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Customers (including transmission capacity for new resources that are needed for load growth or to replace existing resources);

- 2) Fulfill transmission reservation obligations to existing firm Point-to-Point Transmission Service customers;
- 3) Fulfill transmission reservation obligations associated with transmission committed to CBM requirements (CBM reservations on transmission paths with both CBM and TRM reservations shall be consolidated so as to avoid any duplication of reservation amounts);
- 4) Allow Transmission Customers to schedule applicable Real Power Losses to the Transmission Provider;
- 5) Meet the Transmission Provider's obligations associated with TRM;
- 6) Preserve requested reservation amounts in accordance with previously received pending Applications for firm Point-to-Point Transmission Service;
- 7) Meet existing obligations under other contracts, tariffs or rate schedules; and
- 8) Import power in the event of future critical water conditions. After the determination each season of whether a critical or below average water year situation exists, the Transmission Provider will recalculate its ATC on a seasonal basis and release any unneeded capacity. Should a critical or below average water year condition exists that requires the purchase of additional power, the Transmission Provider must designate network resources for the current use of the transmission system.¹

Determination of Non-Firm ATC.

In determining the level of non-firm ATC available for posting on its OASIS, the Transmission Provider shall make its best estimate based on expected uses of the transmission system for the period being evaluated.

¹ See FERC Docket No. EL99-44-003, et al.

Determination of TRM:

TRM amounts are path-specific and are to be determined by the Transmission Provider on a semi-annual basis.

The TRM value will consist of the sum of:

- The transmission capacity required to utilize the Transmission Provider's operating reserves for the period immediately following a contingency (currently up to 59 minutes following the contingency). The amount of operating reserves required is the Transmission Provider's most severe single contingency, which is, 1) due to the loss of a single element or 2) any multiple element loss that experience proves is likely to occur more than once in three years. This component is subject to change if there is a change in the outage performance of the Transmission Provider's Network Resources, or if a new resource larger than the current level is constructed in the Transmission Provider's control area. This component is limited to the Brownlee East Total path (internal and external operating reserves) and Northwest to Idaho path (external operating reserves), based on the location of the operating reserves. For the portion of these operating reserves served by resources internal to the Transmission Provider's system, the Transmission Provider will designate such resources as a Network Resource (to the extent transmission capacity is reserved for the use of such designated Network Resources, TRM will be reduced by the amount of such designated Network Resources).

Plus, the single largest (most limiting) of the following three components:

- The loopflow component, based upon the running average (for the years 1997 to present) of the adverse loopflow for the path and relevant time period. Depending on the path, some hours maybe excluded from the analysis because they are not relevant to the highest use of the path. For a path that is constrained during the peak load period, adverse loopflows during the heavy load hours of 7 AM through 11 PM will be used. For a path that is constrained during light load hours, adverse loopflow

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during the hours of 12 AM through 6 AM will be used. When significant changes in the network topology occur, analysis of the effect of the change will be done to determine if inappropriate data should be excluded from the analysis. This component may be applied to any transmission path.

- The Nomogram component, based on the Transmission Provider's exposure to curtailments due to operation under nomograms. This component may be applied to any transmission path.
- The Load Forecast Error component, based on errors in projecting Native Load and Network Customer Load growth. This component is designed to accommodate transmission for additional purchases that may be needed to serve Native Load and Network Customer Load, and has two elements. The first element is based on the error that occurs in projecting Native Load and Network Customer Load, assuming normal weather occurs. The second element is the impact of severe weather as compared to normal weather. This component is limited to the Brownlee East Total and Northwest to Idaho paths.

Determination of CBM:

The CBM value represents the transmission that the Transmission Provider retains to import generation that the Transmission Provider needs to meet its installed reserve margin (TRM is used to import operating reserves). The amount of installed reserves required is the Transmission Provider's most severe single contingency, which is, 1) due to the loss of a single element or 2) any multiple element loss that experience proves is likely to occur more than once in three years. The level of CBM is subject to change if there is a change in the outage performance of the Transmission Provider's Network Resources, or if a new resource larger than the current level is constructed in the Transmission Provider's control area. The Transmission Provider reserves its entire CBM on the Brownlee East Total and Northwest to Idaho paths, based on the location of the generation reserves.

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The Transmission Provider is permitted to use the CBM reservation for delivery of resources to meet generation reliability requirements, 60 minutes after a loss of resource occurs. This includes purchasing power to enable the Transmission Provider to restore the internal operating reserves that it was using following a generation contingency. To access capacity set aside for CBM, the Transmission Provider merchant function must:

1. Lose a resource
2. Contact Transmission Provider system dispatch and
3. Schedule replacement energy utilizing the CBM reservation.

Application of TRM and CBM to the Northwest-Idaho interconnections

The Transmission Provider's CBM and TRM reserves may be applied to any or all of the following interconnections at: LaGrande or Harney, Lolo (Oxbow), Walla Walla (Hells Canyon) and Midpoint. The Transmission Provider has not committed to a fixed allocation of CBM and TRM among these points of interconnection, as that would preclude other possible firm use of those path(s) with allocations when the reserves could just as conveniently be delivered on one of the other paths. This allows the Transmission Provider to maintain the necessary margin to provide reliable service to native load customers, yet allow reservations on the interconnections to occur on a first come first serve basis.

ATC Determinations for the Northwest-Idaho interconnections

The Transmission Provider's total CBM and TRM reservations will be held on both the Idaho to Northwest Path and the Brownlee East Total Path, as well as on the Idaho-Northwest interconnections (with Bonneville Power Administration, Avista Corp., and PacifiCorp) comprising the Idaho to Northwest Path. The CBM and TRM reservations will be taken into account in establishing the ATC for the Idaho-Northwest interconnections by establishing the ATC for each interconnection as the lesser of (1) the Idaho to Northwest Path ATC, as reduced by the total CBM and TRM reservations, (2) the Brownlee East ATC, as reduced by the total CBM and TRM reservations, or (3) the ATC for the individual Idaho-Northwest interconnection, without a reduction for the CBM or TRM reservation.

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Reservations on the individual Idaho-Northwest interconnections reduce the Idaho to Northwest Path ATC and Brownlee East Path ATC. The Idaho to Northwest Path ATC and Brownlee East Path ATC, in turn, can be the limiting factor for the ATC for an individual Idaho-Northwest interconnection. As a result, the ATC on an individual Idaho-Northwest interconnection may change as a reservation is accepted on the remaining Idaho-Northwest interconnections, as the most limiting factor could be the Idaho to Northwest Path ATC or the Brownlee East Path ATC, in which case the ATC for each of the individual Idaho-Northwest interconnections would be decremented by the amount of the reservation.

Definitions:

- Available Transmission Capability ("ATC") - The measure of the transmission capability remaining in the physical transmission network for further electricity transfers, over and above already committed uses.
- Capacity Benefit Margin ("CBM") - The amount of transmission capability reserved by load-serving entities within the Transmission Provider's Control Area to ensure access to backup generation from interconnected systems to meet generation reliability requirements commencing at the end of any hour that a loss of generation occurs in. CBM Transmission shall only be an import quantity and shall be available following a generator contingency for the time period commencing at the end of the hour a generator contingency occurred in.
- Total Transmission Capability ("TTC") - The amount of electric power that can be transmitted over the interconnected transmission network in a reliable manner while meeting all applicable pre- and post- contingency reliability criteria.
- Transmission Reliability Margin ("TRM") - The TRM value represents the transmission reserves that the Transmission Provider is required to carry to meet its reliability obligations within the WECC. The amount of transmission capability necessary to ensure that the interconnected transmission network is secure under a reasonable range of uncertainty in system conditions.

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OASIS Postings

The ATC that is available on the Idaho to Northwest Path, Brownlee East Total Path, and the individual Idaho-Northwest interconnections as a result of the process outlined under “ATC Determinations for the Northwest-Idaho interconnections” will be posted on the Transmission Provider’s OASIS.

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