



Proposed ATC Methodology

Comments From Power Business Line

28 October, 2003

Comments NT Assumptions

PBL requests some modifications in the NT rights assumed for purposes of TBL's ATC methodology that TBL is allocating to customers during the late spring /summer period on the North of Hanford path, and the Cross Cascades North and South to capture the fluctuations in output at Grand Coulee. The reason for this modification is the need to keep Grand Coulee output flexible to efficiently balance the rest of the hydro system and meet non-power constraints. It appears that when Grand Coulee generation is increased to compensate for the reduction of generation at other projects due to fish spill, there are not adequate rights across the aforementioned cutplanes. We request TBL provide the NT customers with 200 MW of additional rights across the North of Hanford for the period March through September, 200 MW across the Cross Cascades South June through September, and 100 MW across the Cross Cascades North June through September.

Maintaining the flexibility and revisability of the NT rights definition is very important to PBL. Until the implementation of NT rights is defined and tested it is difficult to put parameters around the risk to PBL associated with the set of NT rights proposed.

Comments on ATC Methodology

The PBL believes that the TRM that should be withheld should be 30% as proposed at the September 2nd ATC meeting rather than 20% (currently being proposed) because of the uncertainties in the assumptions of adopting a new approach to calculating and selling ATC. We also believe that this assumption should be revisited as confidence in the methodology is gained. It would also make more sense to derive the amount of TRM to be withheld more on a path specific basis so that the TRM would be based on some historical patterns of use and frequency of events affecting the path availability.

Submitted by Margaret Pedersen, PBL, October 28, 2003