# colstripfacts



#### COLSTRIP TRANSMISSION LINE FACTS

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The Colstrip Transmission System is jointly owned by NorthWestern Energy, Avista Corp., Portland General Electric, Puget Sound Energy, and PacifiCorp.

The Colstrip Transmission System was built in the early 1980s to move power from the Colstrip generating facilities to transmission systems in western Montana. The Colstrip system is made of two 500 kilovolt segments. The first runs from Colstrip to Broadview. The second runs from Broadview to Townsend. Colstrip power moves across the Bonneville Power Administration's (BPA's) transmission system west of Townsend before reaching local utility customers and BPA's main grid.

## FEDERAL ENERGY REGULATORY COMMISSION (FERC)

#### SIGNIFICANT INTEREST IN ACCESS TO THE TRANSMISSION SYSTEM

Right now, there is significant interest from renewable energy developers who are competing for access to the transmission system. All must ensure they are safe, reliable, and cost-effective for customers.

In addition to these important federal rules are state and regional rules.

Energy transported on the Colstrip Transmission System and the Montana Intertie is subject to regulations from the Federal Energy Regulatory Commission, or FERC, an independent agency that regulates the interstate transmission of natural gas and electricity.

#### FERC REQUIREMENTS

At its core, FERC requires transmission providers to ensure they provide transmission service at rates that are fair, just, reasonable and not unduly discriminatory.

In short, FERC requires that PSE must deliver energy in a manner that avoids preferential treatment of any customer or class of customers.

The construction and transmission operations of the Colstrip Transmission System are governed by the Colstrip Transmission Agreement. The relationship between the CTS owners and BPA is governed by the Montana Intertie Agreement. The Montana Intertie Agreement provides for construction and operation of the Eastern Intertie and there is cost-sharing between BPA, Avista Corp, NorthWestern Energy, PacifiCorp,Portland General and PSE.

One frequently asked question is: how is the Colstrip Transmission System and the Montana Intertie affected by the retirement of Colstrip Units 1 & 2?

The answer is that additional transmission capacity may be available on the Colstrip line, but access to that capacity can only be obtained by following the Federal Energy Regulatory Commission (FERC) rules which are referenced above. Additionally, access would need to meet requirements under the Montana Intertie Agreement.

Prior to retirement in 2020, Units 1 & 2 each provided 307 MW of power on the Colstrip Transmission System before that power was transferred to BPA on the Eastern Intertie. Any energy added to the line to replace those 307 MW would need to transparently demonstrate that it is prudent, reliable, efficient, and fair.

It would need to follow federal and state requirements and the Colstrip Transmission Agreement as well as the Montana Intertie Agreement. Finally, it would need to identify buyers like utilities and physically connect to the grid.

## FUTURE OF COLSTRIP TRANSMISSION

### MONTANA RENEWABLE DEVELOPMENT ACTION PLAN

PSE participated in the Montana Renewable Development Action Plan with numerous stakeholders including the CTS owners, BPA and renewable developers. Efforts resulted in a study and a list of recommendations related to the Colstrip Transmission System (CTS).

The big takeaways include:

- 1) all parties confirm the CTS would not go dark when Units 1&2 were retired;
- 2) transmission capacity exists;
- 3) there are opportunities to modernize the CTS and that such decisions will come down to cost.