PTF – Consolidated Recommendations

1. The PTF recommends abandoning the use of the “Path Operator” term in discourse and in written documents and replacing it with NERC functional entity terms such as Transmission Operator, Balancing Authority, and Reliability Coordinator, as well as terms from the NERC and NAESB glossary as appropriate. It is possible the “Path Operator” or “Path Manager” term could exist in individual company contracts. The PTF is not recommending changing these contracts; however, the PTF recommends that the term be avoided in any future contracts, if practicable and to avoid confusion in the use of terms.
2. The PTF clarifies that a WECC Path Rating is not required to serve as a maximum TTC value for the operations horizon; however, entities may continue this practice if they so choose. TOPs are not limited to TTC values as defined as the WECC Path Rating provided the entity has performed all the studies required that no thermal, voltage, or transient stability SOL will be exceeded.
3. The PTF recommends that the WECC Path Rating Process be reviewed and updated, replaced, or supplemented with a new process to accommodate the entities that no longer use paths (or historical “path” concepts) or intend to transition away from using paths in the planning horizon to ensure that these entities have a WECC process that provides them similar benefits.

Supporting information:

An “Accepted Rating” granted through participation on the WECC Path Rating Process protects the transfer capability (or flow level) associated with the path facilities and the ability to use (sell) the path facility’s transmission to that level. This protection applies primarily the owner of the path facilities; however, it may extend to other associated parties as well. This approach provides entities that have made investments in the transmission system some degree of protection for making those investments.

However, this protection is predicated on the existence and utilization of WECC Paths, and “accepted” WECC Path Ratings and does not accommodate a non-path approach. Some entities have transitioned (or are considering transitioning) away from the use of paths and are opting for a flow-based transfer capability methodology. Entities that adopt a flow-based approach for the operations horizon generally follow suit and adopt a similar approach for the planning horizon (or vice versa) and effectively abandon the use of paths altogether. The WECC Path Rating Process is the primary mechanism in the West for protecting these entities’ ability to utilize their transmission investments. As such, the Path Ratings Process implicitly incentivizes entities in WECC region to adhere to a path-centric paradigm if they want to protect their ability to utilize investments using the WECC process.

It is also recognized that significant market developments – both regulatory driven and evolutionary (beyond the Energy Imbalance Market) – are underway in the West. Legislation is underway in some areas may require future participation in a Regional Transmission Organization (RTO). It is not unreasonable to consider that these future developments in the West may not use a path-based approach but might rely on flow-based approach.

Without proper guidance via provision for accommodating the non-path (flow-based) Transfer Capability determination approach by modifications to the WECC Path Rating Process, future discussions may create conflicting processes that result in a lose-lose situation. This recommendation should be addressed in the near term (i.e. 1-2 years) to allow adequate time for a systematic and methodical approach to addressing approaches other than a path-centric paradigm.

1. Open and transparent coordination of Transfer Capabilities for the planning horizon in the Western Interconnection is primarily accomplished through participation in the WECC Path Rating Process. If this process were ever to be modified, replaced, or supplemented, any future process should facilitate coordination of Transfer Capabilities across the Western Interconnection and should maintain the open and transparent nature of the WECC Path Rating process.
2. The PTF recommends the initiation of a SAR to remove any reference to “Major WECC Paths” or “Major WECC Transfer Paths” in the body of the NERC Reliability Standards. The PTF determined that there is no clear reliability basis for the applicability of these paths in the body of Reliability Standards.

The PTF performed a comprehensive evaluation of the body of NERC Reliability Standards for references to “Major WECC Transfer Paths”, or “major transfer path within the Western Interconnection” and determined that these references exist in:

* 1. Currently effective FAC-003-4 and future effective FAC-003-5 use the words “Major WECC Transfer Path”
	2. FAC-501-WECC-2 uses the words “Major WECC Transfer Path”
	3. Currently effective PRC-023-4 and future effective PRC-023-5 Attachment B, item B1 use the words “major transfer path within the Western Interconnection”