

Interregional Transfer Capability Study (ITCS)

Background

The Fiscal Responsibility Act of 2023, which Congress passed in June, included a provision for NERC to conduct a study on the reliable transfer of electric power between neighboring transmission planning areas in the U.S.

NERC, in consultation with WECC, the other Regional Entities, and industry stakeholders, will lead the assessment and recommend transfer capability enhancements needed for reliability. Though the details are being fine-tuned, the scope of the study will largely be focused on entities involved in interstate commerce from one transmission planning region to another.

The study will include:

- Current total transfer capability between each pair of neighboring transmission planning regions.
- A recommendation of prudent additions to the total transfer capability between each pair of neighboring transmission planning regions that would demonstrably strengthen reliability within and among such neighboring transmission planning regions.
- Recommendations to meet and maintain total transfer capability together with such recommended prudent additions to total transfer capability between each pair of neighboring transmission planning regions.

WECC's Role:

WECC is working directly with the transmission planning organizations (Order 1000 entities – WestConnect; Northern Grid and CAISO). WECC's efforts will involve data collection, modeling, and outreach to ensure stakeholders are informed of progress and allow opportunities for engagement. The analysis will involve modeling of extreme system conditions.

ITCS Goals and Objectives

- Conduct a comprehensive study of existing interregional transfer capability across the United States (between each transmission planning region), to assess currently available transfer capability between neighboring areas and the future need for additional transfer capacity to ensure reliability under various system conditions, including extreme weather.

- Provide reliable and data-driven recommendations for “prudent” additions to the amount of electric power that can be moved or transferred between neighboring transmission planning regions. Recommend approaches to achieve and maintain an adequate level of transfer capability.
- Engage stakeholders and gather input, assumptions, and conditions to ensure a comprehensive and inclusive study.
- Identify expectations for next steps and continuing analysis to reinforce the Long-Term Reliability Assessment.

Timeline

- NERC is required to file the study with FERC within 18 months of enactment of the bill – on or before December 2, 2024.
- The study is expected to take 13-14 months to compile, along with a comprehensive final report, review, and validation in collaboration with stakeholders. That will be followed by a stakeholder comment phase in months 14-17.
- A public comment period will occur when FERC publishes the study in the Federal Register.
- After submittal, FERC must provide a report to Congress within 12 months of closure of the public comment period with recommendations (if any) for statutory changes.