



Affiliated Tribes of Northwest Indians **Economic Development Corporation**

November 29, 2006

Syd Berwager
Director, Industry Restructuring
Bonneville Power Administration
%Public Affairs Office – DKC-7
P.O. Box 14428
Portland, OR 97293-4428
comment@bpa.gov

RE: ColumbiaGrid Planning and Expansion Functional Agreement

Dear Mr. Berwager,

Please allow this letter to serve as the comments of the Affiliated Tribes of Northwest Indians Economic Development Corporation (ATNI-EDC) regarding Bonneville Power Administration's participation as a party in the ColumbiaGrid Planning and Expansion Functional Agreement. As you know, ATNI-EDC has been a participant in the development of ColumbiaGrid, and its predecessors. We have also had the opportunity to work with the legal drafting team and other dedicated professionals on the development of the Planning and Expansion proposal and Functional Agreement.

These comments are guided by the principles developed in 2002 regarding changes to high voltage electric transmission policy as it may impact Indian tribes of the Pacific Northwest¹. Generally, we believe the proposal either furthers or has no impact on the tribal interests identified as important to our membership.

¹ The tribal interests represented by ATNI-EDC and approved by our membership are: 1) Energy development and transmission programs should honor our sovereign governmental status. 2) Our land rights should not be adversely affected by changes in the energy industry. 3) Our cultural resources and fish, wildlife and treaty resources should not be harmed by energy operations. 4) Indian people are energy consumers. 5) Tribes are also owners of energy resources and are seeking to use those resources, whether renewable or non-renewable, to generate electricity and for economic development and need access to transmission. 6) Lastly, tribes seek a continued voice in public processes regarding energy matters.

The proposal is a narrow one. It establishes a process for regional planning for four types of transmission system needs: load service needs, requested service projects, single system projects, and expansions of these projects. It also establishes a process for expanding the system in three of those instances². The region already has a number of transmission planning groups considering the various desirable system upgrades. It will be the ability to *implement* these plans that will provide the region with real benefit for development of resources, and for consumer benefits.

Under the proposal, when a transmission need is identified, Columbia Grid staff will assist in the formation of study teams to perform technical work for best meeting those individual transmission needs based on a “one-utility” model. The proposal has reasonable opportunities for notice and participation of tribal governmental entities, tribal energy developers and tribal protectors of natural resources in study teams, subject to limited tribal budgets. We also support the inclusion of a process for consideration of non-wires technologies as they may be appropriate to meet transmission needs.

ATNI-EDC’s main concern is that the footprint of ColumbiaGrid, and the interconnected regional transmission system, is larger than the footprint of the ColumbiaGrid members’ systems. We believe that the success of the planning and expansion process established by ColumbiaGrid will be directly related to the amount of participation by the regional transmission owners. If major transmission owners and the merchant transmission industry do not participate in the planning and expansion process, we believe the process could be divisive or ineffectual, rather than successful. For this reason, we encourage Bonneville not to sign a Functional Agreement without making best efforts to work with other regional entities who have not been involved in this process to date. We encourage Bonneville and ColumbiaGrid to take the time needed to gather input from other regional transmission owners and then amend the Functional Agreement to accommodate their needs and encourage their participation as signators to the Functional Agreement. We also hope that the merchant transmission industry will be consulted so that if the region’s utilities do not choose to expand the system, the process includes opportunities for merchants to provide expansion services.

We also encourage the discussion with the state public utility commissions so that they in turn encourage their regulated utilities to officially become part of the process. The Functional Agreement should also be amended where necessary to make sure that the planning process is consistent with state integrated resource planning requirements.

ATNI-EDC has reviewed and supports the comments of Renewable Northwest and Tom Foley.

² In the case of a project on a single transmission owner’s system, that owner continues to do the necessary planning and expansion.

Thank you for this opportunity to provide these comments. We look forward to working with you for the successful implementation of this first Functional Agreement.

Sincerely,

Margaret M. Schaff

Margaret M. Schaff
Energy Policy Analyst