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CONTACT:
Cliff W. Gilmore
(503) 223-4544
cliff@renewablenw.org

BPA CHOOSES TO CONTINUE PRACTICE THAT STIFLES WIND ENERGY IN MONTANA: LEAVES 90 MILES OF TRANSMISSION LINES TO LANGUISH

In response to the Bonneville Power Administration’s (BPA’s) final Record of Decision (ROD) in the current two-year rate case, Cameron Yourkowski, senior policy manager with Renewable Northwest, commented, “We are deeply disappointed with BPA’s decision to continue its outdated practice of ‘pancaking’ rates charged for transmission of power along the 90-mile section of line in Montana known as the Eastern Intertie.”

The decision discourages development of wind energy projects in Montana, will hinder the state’s ability to comply with the anticipated U.S. EPA Clean Power Plan, and runs contrary both to our recommendations and the BPA staff’s own testimony.

BPA charges a Montana Intertie rate on top of its standard network rate on this 200 MW section of line, 184 MW of which has languished empty for years and is a readily available point at which new wind energy generation could be connected to the transmission system.

In its testimony, the BPA staff agreed with Renewable Northwest that eliminating the Montana Intertie rate would encourage development of renewable resources in the Pacific Northwest that could in turn help states meet Renewable Portfolio Standards and Clean Power Plan obligations. Additionally BPA’s testimony concurred that eliminating the pancake rate would encourage use of BPA’s idle transmission capacity -- all at little to no cost.

Unfortunately the ROD went in a different direction.

“BPA had an opportunity to increase utilization of currently unused transmission capacity, generate new transmission revenue, and reduce barriers to development of new renewable power generation to meet growing demand for clean energy, but chose not to,” said Yourkowski. “We believe this decision is incorrect and encourage BPA to reconsider charging a single rate for transmission along the Eastern Intertie that will open the door to new renewable energy and a cleaner future,” Yourkowski concluded.