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BPA tests alternatives to building a transmission line on the Olympic Peninsula

SEATTLE, Wash. – A utility, two paper companies and the U.S Navy recently helped the Bonneville Power Administration successfully test its ability to reduce congestion on transmission lines on the Olympic Peninsula by voluntarily reducing transmission loads during times of critical peak demand as part of a pilot project.

Using an Internet-based trading platform, known as the Demand Exchange, BPA simulated severe weather and asked the four pilot participants to reduce their need for transmission services. BPA then posted an hourly price per megawatt, giving pilot participants the chance to accept, reject or counter the offer. Participants then bid to reduce their demand using backup generation or shifting load to other hours.

The tests occurred over four days in March. During the tests, BPA was able to purchase an average of 22 megawatts of peak demand reduction during each hour of a simulated event. This is about one year's load growth on the Peninsula. "We were hoping to achieve between 10 to 20 megawatts of deferred peak demand and potential generation, so this pilot gave us solid results" said Brad Miller, BPA project manager.

BPA developed the pilot to test the feasibility of contracting with large energy users to reduce their transmission use during critical periods, thus reducing the likelihood of voltage instability and ultimately a blackout.

"The Olympic Peninsula offered us an ideal location because it is an environmentally sensitive area with increasing demand for electricity and limited transmission capacity. We will now analyze this information to see if a demand reduction program can adequately reduce load and provide us with a viable alternative for postponing construction of a new transmission line at least several years," Miller said.

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The Olympic Peninsula is currently served by transmission lines carrying more than 1,000 megawatts of load. As early as December 2007, the transmission lines on the Peninsula may not be capable of bringing enough electricity to the area if a facility is out during peak periods of cold weather.

Participants in the pilot included Nippon Paper Industries U.S.A. of Port Angeles, Wash.; Port Townsend Paper Co. of Port Townsend, Wash.; Mason County Public Utility District #3 of Shelton, Wash.; the U.S. Naval Shipyard at Bremerton; and the Navy's submarine base at Bangor, Wash.

"This pilot program is an exciting first step in our exploration of non-wires solutions to meeting transmission needs. Before we decide to build a transmission line, we want to make sure we have fully considered all options – not just traditional construction," said Brian Silverstein, BPA chief engineer.

BPA owns and operates about 75 percent of the Pacific Northwest's transmission grid. The system includes more than 15,000 miles of transmission lines and 285 substations. The lines network across 300,000 square miles in Oregon, Washington, Idaho, Montana and sections of Wyoming, Nevada, Utah and California. On the Olympic Peninsula, BPA transmission lines run north from Olympia through Mason County on the way to Clallam County.

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