**Transmission Services**

**Avista Corporation**

1411 E Mission Ave

Spokane, WA 99202

June 6, 2017

**Via Electronic Filing**

Hon. Kimberly D. Bose

Secretary

Federal Energy Regulatory Commission

888 First Street, NE

Washington, DC 20426

**RE: West of Hatwai Capacity Allocation Agreement between Avista Corporation and**

**Bonneville Power Administration Docket No. ER17-\_\_\_\_\_\_\_\_**

Dear Secretary Bose:

Avista Corporation (“Avista”) hereby submits for filing the West of Hatwai Capacity Allocation Agreement (“Agreement”) between Avista and the Bonneville Power Administration (“BPA”) as Avista Corporation Rate Schedule FERC No. T-0360. No type of transmission service is being provided under this Agreement. Avista is filing the Agreement as an agreement that is related to transmission.

**I. Communications**

Avista respectfully requests that the following persons be included on the official service list in this proceeding and that all communications concerning this filing be addressed to them.

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| --- | --- |
| Jeff Schlect  Senior Manager, Transmission Services  Avista Corporation  1411 East Mission Ave., MSC-16  Spokane, WA 99202  Telephone: (509) 495-4851  Email: jschlect@avistacorp.com | Michael G. Andrea  Senior Counsel  Avista Corporation  1411 East Mission Ave., MSC-33  Spokane, WA 99202  Telephone: (509) 495-2564  Email: michael.andrea@avistacorp.com |

**II. Background and Description of Filing**

Avista and BPA each own and operate transmission systems that are interconnected at various points in eastern Washington and northern Idaho. Avista and BPA each own parallel interconnected transmission facilities that make up what originally was a congested transmission path in the early 1990’s known as the West of Hatwai cutplane. Following construction of various transmission facilities by both Avista and BPA between 2003 and 2005 the path has become largely uncongested. A prior letter agreement between Avista and BPA, which was extended to June 1, 2017, provided for an allocation of transmission capacity across the West of Hatwai path (“WOH Path”). With the ongoing evolution of transmission scheduling practices and reliability standards it has become necessary for Avista and BPA to further clarify their respective transmission capacity and scheduling rights across the WOH Path in a new, formal agreement.

The basic components of the Agreement include provisions that:

- Describe the facilities that make up the WOH Path, independent of any formal definition of the path which may be outlined in other documentation;

- Specify the current transmission capacity rating of the WOH Path and the respective allocation of such capacity between Avista and BPA;

- Clarify how reductions in transmission capacity across the WOH Path, depending upon specific operating conditions, should be allocated between the parties;

- Affirm each party’s obligation to operate their respective systems to support and maintain transmission capacity levels across the WOH Path;

- Affirm BPA’s obligation, through the establishment of mutually agreed upon scheduling protocols, to support and facilitate Avista’s ability to use and provide transmission service over its allocated share of transmission capacity crossing the WOH Path; and

- Affirm that nothing in the Agreement shall restrict each party’s rights and obligations to operate and maintain their respective transmission systems pursuant to applicable reliability standards.

As affirmed in Section 3.3, the Agreement does not provide for any type of Transmission Service, whether under any generally applicable tariff or any other contractual means. No payment of any amount for any service or other consideration is provided for under the Agreement. Avista is filing the Agreement with the Commission because the operational and transmission capacity allocation elements of the Agreement relate generally to transmission and may have secondary impacts upon Transmission Service provided by Avista under the Commission’s jurisdiction.

The Agreement represents a continued collaborative approach between Avista and BPA in the operation of their interconnected transmission systems in the Pacific Northwest. The parties intend for the Agreement to become effective as soon as possible. Accordingly, Avista respectfully requests waiver of the prior notice requirement and requests the Agreement be accepted by the Commission with an effective date of June 7, 2017.

**III. Contents of Filing**

Avista respectfully tenders for filing an electronic copy of the following documents:

1. Transmittal letter; and

2. The West of Hatwai Capacity Allocation Agreement between Avista Corporation and the Bonneville Power Administration, Avista Rate Schedule FERC No. T-0360.

**IV. Service, Effective Date and Waiver**

This filing is being served on BPA by providing a true and correct copy to:

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| --- |
| Angela DeClerck  Bonneville Power Administration  Transmission Sales – TSE/TPP-2  7500 NE 41st Street  Vancouver, WA 98662-7500 |

Avista respectfully requests that, to the extent necessary, the Commission waive any requirements, including the prior notice requirement, to allow the Agreement to be accepted for filing effective June 7, 2017.

**V. Conclusion**

Avista respectfully requests that the Commission accept the attached Agreement for filing with an effective date of June 7, 2017.

Sincerely,

/s/ *Jeff Schlect*

Jeff Schlect

Senior Manager, FERC Policy

and Transmission Services

Enclosure