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6 UNITED STATES OF AMERICA
7 FEDERAL ENERGY REGULATORY COMMISSION

8 COALITION OF EASTSIDE NEIGHBORHOODS
9 FOR SENSIBLE ENERGY (CENSE), a nonprofit
10 Washington corporation; CITIZENS FOR SANE
11 EASTSIDE ENERGY (CSEE), a nonprofit
12 Washington corporation; LARRY G. JOHNSON and
13 GLENNA F. WHITE, husband and wife; and
14 STEVEN D. O'DONNELL, individually;

15 Complainants,

16 v.

17 PUGET SOUND ENERGY, a for-profit Washington
18 corporation; SEATTLE CITY LIGHT, a public utility
19 and department of the City of Seattle;
20 BONNEVILLE POWER ADMINISTRATION, a
21 federal agency and marketing agent for federally
22 owned Northwest power facilities; and
23 COLUMBIAGRID, a nonprofit Washington
24 corporation,

25 Respondents.

Docket No.

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June 8, 2015

Complaint and Request for Fast Track Processing

Complainants file this Complaint pursuant to Section 206 of the Federal Power Act (FPA) and the Commission's rules thereunder, seeking action by the Federal Energy Regulatory Commission (FERC) against the above-named Respondents for contravention and

1 violations of the FPA and the Commission’s Orders 890, 1000 and 2000, as well as violations
2 of contractual obligations they have entered into with the Commission that incorporate
3 provisions and policies set out in those Orders, and for violations of the terms of their
4 Open Access Transmission Tariffs (OATTs).
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6 A. Introduction

7 Puget Sound Energy (PSE) is seeking to add 18 miles of new high-voltage transmission
8 lines and towers through five contiguous cities on the east side of Lake Washington, known
9 informally as the “Eastside.” PSE calls the proposed project "Energize Eastside” (EE). PSE’s
10 promotion and implementation of this project, and as facilitated by Seattle City Light (SCL),
11 Bonneville Power Administration (BPA) and ColumbiaGrid, violate FERC Orders 890 and
12 1000.
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14 The affidavit of J. Richard Lauckhart in support of this Complaint is attached hereto and
15 incorporated by reference herein as if fully set forth. The Attachment documents referenced in
16 that affidavit are numerous and are being filed separately and served contemporaneously with
17 this Complaint due to file sizes that prevent their being transmitted in a single email.
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19 B. Statement of the Case

- 20 1. PSE claims EE is a local load project only. But it is in fact a BES project meeting
21 more than one regional need that per Order 1000 should have gone out to bid to
22 third parties. PSE, along with BPA, SCL and ColumbiaGrid, have violated the
23 entire Regional Entity planning process as required by FERC Orders 890 and
24 1000. In particular, they have violated the single utility rule; they have failed to
25 properly ascertain the regional need for EE; they did no environmental assessment
26 of their own of EE, and they did not conduct industry-standard load flow studies
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1 to determine whether EE might be duplicative, less efficient and more costly than
2 better alternatives. EE is in fact all three of those things.

- 3 2. PSE has unilaterally promoted EE for its own parochial and financial interests and against
4 the public interest. To that end, aided and abetted by BPA and SCL and with
5 ColumbiaGrid's concurrence, PSE abrogated to itself the role of Regional Entity, a role that
6 properly belongs to ColumbiaGrid. But ColumbiaGrid's board, being member-elected and
7 unable to act independently from its member utilities that include PSE, SCL and BPA, has
8 allowed and encouraged PSE, with the collusion of SCL and BPA, to circumvent the single
9 utility rule and other provisions in Order 1000 compliance, as well as the Respondents'
10 contractual PEFA obligations that incorporate Order 1000 in their terms.
- 11 3. Furthering PSE's subversion of the regional planning processes mandated by FERC Orders
12 890 and 1000, PSE controlled the selection and execution of load flow studies for EE that
13 purport to justify the project, but which in fact PSE and its consultants manipulated in
14 absurd ways in order to provide tortured results that no responsible modeler would ever
15 accept as legitimate.
- 16 4. The \$200 million EE project if built will result in an 18-mile double-circuit 230 KV
17 transmission line and 230/115 KV transformer at the PSE Lakeside 115 KV switching
18 station near downtown Bellevue, Washington.
- 19 5. Complainants understand and endorse FERC's mission to ensure a reliable electric utility
20 system, but there is no risk that delaying or canceling the EE project will result in outages
21 to PSE customers or cause a blackout in any of the WECC grid. The bases for these
22 conclusions are contained in Mr. Lauckhart's affidavit and summarized here as follows:
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- 1 • The Pacific Northwest Security Coordinator will ensure that on a day-ahead and/or
2 hour-ahead basis the system will not be allowed to be operated in an unreliable
3 fashion;
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- 5 • Load flow studies already done by Utility Systems Efficiencies, Inc. (USE), hired by
6 the City of Bellevue to do an independent study of the need for EE, have
7 demonstrated (even though USE's load studies were as flawed as PSE's) that any
8 reliability problem (if it even exists) that would occur without the EE line would be
9 minimal and fairly easily fixed without having to resort to building the EE line.
10
- 11 • The USE studies show that by simply removing a supposed requirement of 1,500
12 MW of allegedly "firm transmission" to Canada, the result is a single and relatively
13 minor overload that can be more efficiently and inexpensively fixed than resorting to
14 the massively oversized EE. That overload occurs on an existing 230/115 KV
15 substation at Talbot Hill. The overload could be fixed by replacing the overloaded
16 transformer with a larger transformer or by adding another transformer at Talbot Hill
17 to operate in parallel with the existing transformer that is shown to be overloaded.
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- 20 • There are other local generation alternatives that do not require the construction of
21 the environmentally unsound and hazardous EE (e.g. the project would require
22 building 130' steel towers over two aging gas pipelines 3' to 5' from ground surface
23 that transport jet fuel at 1000 psi the entire 18 miles of the project; over 8,000 mature
24 trees would have to be cut down for the new lines).
25
- 26 • There is no "firm commitment" to deliver 1,500 MW of power to Canada. For over
27 50 years the system has been operated without the ability to deliver 1,500 MW to
28 Canada. The Path Rating (a/k/a System Operating Limit) on this path is currently

1 2,000 MW. In order to demonstrate the System Operating Limit on this path, BPA
2 has worked with BCHydro to install necessary Remedial Action Schemes and to put
3 in place an Automated Transmission Curtailment Procedure for the Puget Sound
4 Area. One of the techniques BPA has used to manage the congestion affecting the
5 Puget Sound Area and Northern Intertie (PSANI) is curtailing transmission
6 schedules. This means reducing the amount of energy allowed to cross the congested
7 area. These remedial action schemes and operating procedures allow the redispatch
8 of generation in Canada and the Puget Sound Area without any load loss. These
9 arrangements have been in place for years and can be continued to be in place in
10 2018 when the EE line is planned to be in service.
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- 12
- 13 • Complainants identify five specific alternatives to the EE line that could be more
14 easily put in place at a lower cost and lower environmental impact than the EE line
15 that would assure a safe and reliable operation of the grid starting in the year 2018
16 when the EE line is planned to be in service. Those alternatives are presented in detail
17 in Mr. Lauckhart's affidavit.
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19 6. PSE, BPA and SCL have already committed to have ColumbiaGrid perform the kinds of
20 studies Complainants are asking to be performed. They agreed to so in their Order 890 and
21 Order 1000 compliance filings (to the extent FERC has already accepted portions of those)
22 and via their having signed various PEFA agreements with FERC. Complainants understand
23 that PSE, BPA and SCL continue to object to including certain aspects of FERC Order 1000
24 in their FERC Order 1000 compliance filings, but those objections do not deal with the kinds
25 of studies that these Respondents have already agreed to have ColumbiaGrid perform.
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27 7. The studies that need to be done include an initial study of the transmission grid in the year
28 2018 without the EE line in place and with all generation running that can minimize the

1 potential of a system overload. The study would be done without the artificial, illusory
2 “requirement” that 1,500 MW of Firm Transmission be shown to be available to Canada
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4 under all loading and outage contingency conditions. Complainants’ expert, Mr. Lauckhart,
5 believes this base case study would very likely show no overloads on the grid. If the study
6 shows some overloaded facilities, then he believes there are several candidate alternatives
7 (including addition of more transformation capacity at Talbot Hill or addressing some minor
8 115 KV line overloads) that will be economically and environmentally preferable to the EE
9 line.
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12 8. Further, Complainants’ expert believes that another candidate alternative would be to build a
13 small peaking generating unit located at the existing PSE Lakeside 115 KV switching
14 station.
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16 9. PSE insists EE is simply a local load project exempt from FERC Order 1000. However, this
17 is not so. First, at 230KV, the project is clearly a BES facility based on FERC’s “bright line”
18 test set out in FERC Order 793. Second, the EE line would not fit Exclusion E3 (Local
19 Networks) under FERC Order 793. There is no way that the EE project could be separated
20 from the main grid without impacting the ability to move power to Canada.
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22 C. Summary of Fundamental Flaws in the Load Flow Studies Done to Date Regarding EE,
23 Ranked in Descending Order of Severity
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- 25 1. The studies did not turn on 1,400 MW of PSE-owned/controlled natural gas-fired generation
26 located in Western Washington.
- 27 2. The studies did not reflect the RAS and Schedule Adjustment Schemes that have been put in
28 place for Northern Intertie schedules.

- 1 3. The studies assumed there is a Firm Requirement to deliver 1,500 MW to Canada. There is
2 not.
- 3 4. The studies did not address the fact that PSE needs to acquire another 1,500 MW of firm
4 power supply in order to demonstrate PSE is “Resource Adequate” to cover its system-wide
5 winter peak load by the year 2018. Some of that needed supply can/should be located where
6 there could otherwise be possible transmission system overloads.
- 7 5. The studies were not performed on a “single-utility” basis which would have logically
8 looked at using the SCL lines (looped through Lakeside) if there is still an apparent
9 reliability issue in the Bellevue area after doing the studies in 1-4 above.

10 D. Relief Sought

- 11 1. Complainants request that the Commission immediately enforce its Orders 890 and 1000 as
12 applicable to EE by requiring ColumbiaGrid to perform transparent and industry-standard
13 load flow studies to determine whether in fact EE is needed and whether more efficient, less
14 expensive and less environmentally destructive alternatives exist. Such proper studies to date
15 have not been conducted by ColumbiaGrid at all and only very poorly by PSE and USE.
16 Since the project is already in the EIS process, time is of the essence in getting the
17 fundamental load flow studies completed, and therefore this matter should be fast-tracked.
18
- 19 2. Further, once proper load flow studies as requested above show conclusively there is no local
20 load reliability issue that would justify EE being built, PSE should be ordered to cease and
21 desist from any further activity with respect to EE, including seeking permits for it, since the
22 proposed project is clearly intended to serve more than one utility’s needs. PSE circumvented
23 many required FERC Order 1000 steps in a bold and reckless manner. First, a project such as
24 EE should have been approved by the Regional Entity, ColumbiaGrid, for suitability for the
25 regional plan applying the single utility principle. Second, ColumbiaGrid should have issued
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1 RFPs and an invitation for bids on the project if ColumbiaGrid determined EE met the single
2 utility test criteria. PSE has here no right of first refusal but has acted as if it does. Third,
3 ColumbiaGrid should have evaluated on its own the potential negative environmental
4 impacts of the proposed project (it did not). And fourth, following all that, proper load flow
5 studies as urgently requested by Complainants herein should have been conducted.
6

7 3. Since ColumbiaGrid's Board is member-elected and was improperly influenced and
8 dominated by board members from PSE, SCL and BPA with regard to the improper selection
9 and promotion of EE, Complainants ask that FERC also order SCL and BPA to cooperate in
10 restarting the project selection process at the ColumbiaGrid Regional Entity level; cooperate
11 in properly performed load flow studies, and not to engage in any further acts subversive of
12 the FERC Order 890 and Order 1000 processes.
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14 4. Complainants further ask that FERC order PSE, BPA and SCL to provide a FERC Order
15 1000-Compliant Planning and Expansion Functional Agreement (PEFA) using
16 ColumbiaGrid as the regional entity to implement all provisions of FERC Order 1000. If
17 these utilities fail to provide a FERC Order 1000-Compliant PEFA, then FERC should order
18 these entities to form an RTO or ISO to ensure Order 890 and Order 1000 compliance in the
19 Pacific Northwest. Complainants submit that the ColumbiaGrid method for selecting its
20 Board members is not fully compliant with the "independence" requirements set out in
21 FERC Order 2000.
22

23 5. Complainants are aware that FERC, in Docket Nos. ER15-429 et al., is trying to resolve
24 similar FERC Order 1000 compliance issues, and therefore Complainants submit that this
25 aspect of their Complaint would best be considered in consolidation with those proceedings.
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27 6. Complainants request such further relief from the Commission as it deems just and equitable.
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E. Complainants' Compliance with CFR §385.206 (Rule 26)

- 1 1. Complainants are aware of the requirements of CFR §385.206(a) et seq., and other than the
2 supplemental information provided in the following two paragraphs, they submit they are in
3 compliance with CFR §385.206(a) et seq. in providing the information in this Complaint and
4 the attached affidavit of J. Richard Lauckhart.
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- 6 2. §385.206(b)(4): “Make a good faith effort to quantify the financial impact or burden (if any)
7 created for the complainant as a result of the action or inaction”: According to figures quoted
8 by realtors to Complainants Johnson, O’Donnell and others in the Complainant citizens
9 action groups, the financial impact for them would be an approximate 10% to 20% loss of
10 the current market value of their homes. Eastside residents will also have to pay higher
11 electrical utility rates to pay for EE, as would all other PSE ratepayers for a project grossly
12 oversized and not needed for local load needs. Eastside residents also could expect an
13 increase in local taxes to make up for the decrease in the local property tax base.
14
- 15 3. §385.206(b)(9)(i): “Whether the Enforcement Hotline, Dispute Resolution Service, tariff-
16 based dispute resolution mechanisms, or other informal dispute resolution procedures were
17 used, or why these procedures were not used”: Complainants contacted FERC ADR and
18 were informed that the relief sought here seeks policy decisions that can only be made at the
19 Commission level.
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22 Respectfully submitted on this 8th day of June, 2015.

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25 Larry G. Johnson, WSBA #5682
26 Attorney for Complainants
27 8505 129th Ave. SE
28 Newcastle, WA 98056
tel.: 425 227-3352
larry.ede@gmail.com