

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
City Light	Tuan Tran/684-3556	Anthony Colello/684-5292

Legislation Title:

AN ORDINANCE relating to the City Light Department; authorizing execution of the Interconnected Transmission Systems Agreement with Bonneville Power Administration to consolidate, clarify and document the details pertaining to the ownership and operation of the existing physical interconnections between the transmission systems of the two parties.

Summary of the Legislation:

This legislation would authorize City Light to execute an agreement with the Bonneville Power Administration (“BPA”) to consolidate, clarify and document the details pertaining to the ownership and operation of the existing physical interconnections between the transmission systems of the two parties.

Background:

During the past two years, staff members of several divisions of City Light (Energy Delivery Engineering, Energy Delivery Operations, System Operations, NERC Compliance, Power Production, Environmental Affairs, Customer Care and Power Management) have engaged in discussions with representatives of BPA Transmission Services to consolidate, clarify and document the details pertaining to the interconnections between the transmission systems of the two parties. City Light and BPA are currently interconnected at 19 locations, 12 of which are in the greater Puget Sound area. These interconnections between BPA and City Light were built over a period of more than 50 years pursuant to construction and operation agreements that are either obsolete, lacking details, or have expired. Both City Light and BPA staffs felt it would be mutually beneficial to gather and enhance detailed documentation about these interconnections in order to clearly identify where changes of ownership occur and to clarify line maintenance and vegetation management responsibilities.

This legislation does not have any financial implications.

This legislation has financial implications.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
No.

b) What is the financial cost of not implementing the legislation?

There is a continuing undetermined cost associated with City Light operating the existing interconnections with BPA without clear documentation about where the point of ownership changes. Without clarity about which party has maintenance responsibility, it is possible that City Light or BPA may fail to perform maintenance or repairs for which it is legally obligated. Failure to maintain sound transmission system interconnections could compromise reliability. At the very least, in the absence of clear, consolidated documentation, it takes extra time for field staff to determine maintenance and repair responsibilities.

c) Does this legislation affect any departments besides the originating department?

No.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

None.

e) Is a public hearing required for this legislation?

No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

No.

h) Other Issues: None.

List attachments to the fiscal note below:

None.