

ITCS

Interregional Transfer Capability Study

A strong, flexible transmission system that is capable of coping with a wide variety of system conditions is key to the reliable supply and delivery of electricity. NERC is conducting the Interregional Transfer Capability Study (ITCS) to analyze the amount of power that can be moved or transferred reliably from one area to another area of the interconnected transmission system. As directed in the [Fiscal Responsibility Act of 2023](#), the ITCS will also make recommendations for prudent additions to this transfer capability. The ITCS report must be filed with the Federal Energy Regulatory Commission by December 2, 2024.

2024 First Quarter Update

The framework and scoping documents for the Part I transfer capability analysis and Part II prudent additions to transfer capability have been completed. The data analysis is underway and the ITCS project remains on schedule.

Key Activities

Data Requests

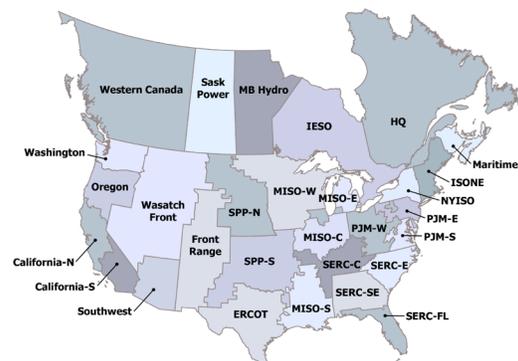
The project team, consisting of NERC and the Regional Entities, submitted two data requests to industry to gather pertinent base case and energy data. All data, including from Canadian entities, has been received and used to update MOD-032 base cases. These now contain the most up-to-date information on transmission topology, loads, resource forecasts, and other useful inputs for the Western and Eastern Interconnections. Additionally, hourly energy data will be used to perform energy deficiency analysis.

Analysis

Analysis on transfer capability and energy deficiency is underway. The scenarios, which represent extreme weather conditions, have been developed, and coordination with the Department of Energy on historical weather data inputs into the scenarios will continue.

Stakeholder Outreach

The comprehensive stakeholder outreach plan is being implemented to ensure that all North American



transmitting utilities can provide input into the ITCS. Outreach in Q1 2024 includes:

- **January 5:** NERC briefing to the White House Climate Policy Office.
- **February 7:** NERC hosted a [webinar](#) on initial ITCS study efforts for state and provincial leaders, providing an overview of initial study efforts.
- **February 7:** NERC provided an overview and regional impacts of the ITCS to the Illinois Commerce Commission.
- **February 7:** NERC provided an update on the ITCS progress to the NERC Reliability Assessment Subcommittee.
- **February 9:** NERC sent a letter to industry primary compliance contacts providing study details and opportunities for engagement and input.
- **February 21:** NERC provided an update to the ReliabilityFirst Transmission Performance Subcommittee.
- **February 27:** SERC briefed the Organization of MISO States Board of Directors during the National Association of Regulatory Utility Commissioners

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meeting in Washington, D.C.

- **February 27:** WECC briefed its Reliability Assessments Committee.
- **March 26:** NERC met with Edison Electric Institute to provide an overview of ITCS.
- **Q1:** NPCC shared activities with stakeholders at their committee and task force meetings. In addition, NPCC conducted several ITCS case development meetings with the New York ISO.

In addition, NERC and the Regional Entities continue collaborating with industry, hosting several stakeholder meetings where ITCS updates are provided.

Resources

NERC added Kevin Sherd and Matthew Lewis to the Transmission Assessments team, bringing a wealth of

industry knowledge and experience. The two new senior engineers will directly support ITCS efforts.

More information about the study, including project timelines, updated FAQs, quarterly updates, scoping and framework documents, project team information, and upcoming meetings, is available on NERC's [ITCS web page](#). Information can also be found on the following Regional Entity websites:

- [MRO](#)
- [NPCC](#)
- [ReliabilityFirst](#)
- [SERC](#)
- [Texas RE](#)
- [WECC](#)

Next Steps

ITCS Key Meetings

The next Advisory Group in-person meeting is scheduled for June 4 and will provide more in-depth discussion on topics including analysis results and study report preparation. The [Advisory Group's meeting schedule](#) has been set throughout the lifecycle of the project and is posted on the [ITCS web page](#).

Study and Report Schedule

- **Study Overview:** Educational document regarding the ITCS and details regarding transfer capability calculations. *Report to be published in Q2.*
- **Part I:** Determine the total transfer capability between neighboring transmission planning regions. *Completion expected in June 2024, report published in Q3.*
- **Part II:** Identify "prudent" additional transfer

capability between neighboring areas to resolve reliability issues in the future. *Completion expected in July 2024, report published in Q4.*

- **Part III:** Identify mechanisms to achieve and sustain the identified transfer capability and any recommended enhancements. *Completion expected in August 2024, report published in Q4.*

Project Phases

We are currently in Phase 1. During this phase, transfer capability will be calculated and generation deficient and surplus areas identified.

