

Interregional Transfer Capability Study (ITCS) Advisory Group Scope

Purpose

The Fiscal Responsibility Act directed the North American Electric Reliability Corporation (NERC) to perform an Interregional Transfer Capability Study (ITCS) in consultation with Regional Entities and transmitting utilities, and file that ITCS with the Federal Energy Regulatory Commission (FERC) by December 2, 2024.¹ The ITCS will be conducted on the reliable transfer of electric power between neighboring “transmission planning regions”.² The key findings and recommendations will serve as technical input to NERC, FERC, and industry reliability activities³ regarding current and future total transfer capabilities between transmission planning regions.⁴ NERC and the Regional Entities (the ERO Enterprise) will implement the ITCS over the course of 2023-2024. In addition, NERC is forming this ITCS Advisory Group (ITCSAG) for the purpose of ensuring adequate consultation with industry throughout design and execution of the ITCS. The ITCSAG will consist of members representing a group of planning areas to provide insights, expertise, and inputs to the study scope, approach, results, and recommendations. As required by congressional directive, NERC will file the ITCS report by no later than December 2, 2024.

Roles and Activities

1. Consult with the ERO Enterprise regarding ITCS study design, execution, and recommendations;
2. Provide expert insights and inputs on transfer directions or point-to-point interfaces;
3. Review and provide inputs on methodology and criteria to determine transfer capability megawatt amount;
4. Provide suggestions and direction on study cases and scenarios for transfer capability analysis;

¹ See, Section 322 of the Fiscal Responsibility Act (providing, “The Electric Reliability Organization ...in consultation with each regional entity... and each transmitting utility (as that term is defined in section 3(23) of such Act) that has facilities interconnected with a transmitting utility in a neighboring transmission planning region, shall conduct a study of total transfer capability as defined in section 37.6(b)(1)(vi) of title 18, Code of Federal Regulations, between transmission planning regions that contains the following:

1. Current total transfer capability, between each pair of neighboring transmission planning regions.
2. A recommendation of prudent additions to total transfer capability between each pair of neighboring transmission planning regions that would demonstrably strengthen reliability within and among such neighboring transmission planning regions.
3. Recommendations to meet and maintain total transfer capability together with such recommended prudent additions to total transfer capability between each pair of neighboring transmission planning regions.

² <https://docs.house.gov/billsthisweek/20230529/BILLS-118hrPIH-fiscalresponsibility.pdf>

³ For example, NERC’s Reliability Standards and project prioritization, compliance process improvement, event analysis, reliability assessment, Reliability Issues Steering Committee and critical infrastructure protection.

⁴ (a) IN GENERAL.—The Electric Reliability Organization (as that term is defined in section 215(a)(2) of the Federal Power Act), in consultation with each regional entity (as that term is defined in section 215(a)(7) of such Act) and each transmitting utility (as that term is defined in section 3(23) of such Act) that has facilities interconnected with a transmitting utility in a neighboring transmission planning region, shall conduct a study of total transfer capability as defined in section 37.6(b)(1)(vi) of title 18, Code of Federal Regulations, between transmission planning regions that contains the following:” [1-3 bullets quoted above]

5. Review and comment on metrics for determining transfer capability increases;
6. Coordinate with the ERO Enterprise staff to help provide an integrated view of transmission infrastructure, system constraints, and potential areas for improvement;
7. Review and comment on the ITCS report, including any recommendations for enhancing interregional transfer capability future studies.

Deliverables

Throughout the study, the ITCSAG will review and provide comment on materials shared by the ERO Enterprise in support of the ITCS. The ITCSAG will also identify any areas of potential transmission reliability risks for further analysis.

As stated above, the purpose of ITCSAG business is to consult with the ERO Enterprise to advise and provide input on ITCS study design, execution, and recommendations. The ITCSAG will provide the ERO Enterprise with its feedback in a timely and clearly documented manner. Feedback documented via email or other written method (including, but not limited to comment boxes on draft documents) shall be considered sufficient to convey input.

Membership

NERC shall solicit participation in the ITCSAG via ERO members and the US and Canadian governments to recommend members that represent diverse industry expertise across regional transmission planning areas. The advisory group shall be comprised of the following members that should include transmitting utilities from transmission planning regions across North America:

- At least two (2) stakeholder representatives from each Region
- Maximum of five (5) "at-large" members, with at least one representing Canada
- Additional members may be added at the request of NERC
- NERC staff coordinator(s)

The Advisory Group members shall serve for the duration of the study.

Meetings

Meetings of the ITCSAG will occur monthly for virtual meetings, and quarterly for in person meetings. The schedule for the Advisory Group meetings is available on the ITCS Webpage. The meetings will open and permit participation by observers. Observers may include, for example, participants from the FERC, the United States Department of Energy and the National Energy Board, Canada.

Approved by the NERC ITCS Project Group on September 20, 2023.