

February 11, 2020

Via email:

techforum@bpa.gov

U.S. Department of Energy
Bonneville Power Administration
Transmission Services

Re: Comments of Portland General Electric Company and Puget Sound Energy, Inc., Regarding BPA Undesignation of Resources and BPA Transmission for EIM Transactions

Portland General Electric Company and Puget Sound Energy, Inc., (“Commenting Parties”) submit the following comments on BPA undesignation of resources and BPA transmission for EIM transactions, in response to the BPA presentation at the January 28, 2020, TC-22, BP-22 and EIM Phase III Customer Workshop on issues and on EIM Transmission Network Usage, Non-Federal Resource Participation in EIM, EIM Metering Policies.¹

A. Undesignation of Designated Network Resources and Over Encumbrance of BPA ATC

The January 28 presentation indicates at page 8 that “Required Undesignation” is not slated to be addressed in BP/TC-22, but may be addressed in subsequent BP/TC proceedings. The Commenting Parties recommend that BPA address this issue in the BP/TC-22 proceedings, as discussed below.

In particular, BPA should require the undesignation of designated network resources (“DNRs”) being used to make firm market sales,² which will free up Short-term ATC that should be available for uses such as hourly firm. In that regard, the *pro forma* OATT requires such undesignation; the BPA settlement Tariff in section 30.1 includes the following:

Network Resources may not include resources, or any portion thereof, that are committed for a sale of one year or more to non-designated third party load or otherwise cannot be called upon to meet the Network Customer’s Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program.

¹ Available at <https://www.bpa.gov/Finance/RateCases/BP-22-Rate-Case/Documents/28Jan20%20-%20Main%20Tariff-Rates-EIM%20Workshop.pdf> (“January 28 Presentation”).

² “Off-system sales” in this discussion of undesignation of DNRs do not include EIM transfers, which are beyond the scope of such discussion.

(Emphasis added.) DNRs that are committed for firm sales to non-designated third party load--regardless of whether or not committed for one year or more--are not available to meet the Network Customer's Network Load and should not be permitted to encumber BPA ATC.

In the absence of undesignation, the Short-term ATC for the DNR would be double-counted—for the NITS and for the point-to-point service used for the firm off-system sale. Accordingly, BPA should require undesignation of any DNR that is used for firm off-system sales--regardless of whether the sales are for a year or more. This is particularly important insofar as BPA's transmission system appears to be congested--such apparent congestion should not be exacerbated by permitting resources to remain as DNRs at the same time such resources are committed to firm off-system sales.

For reasons discussed above, BPA should address this issue in TC-22 proceedings and should require undesignation of DNRs that are used for any firm sales to third parties--regardless of the duration of such sale. Failure to do this arbitrarily understates the ATC that should be available on BPA's transmission system.

Further, the effect of BPA's Memorandum of Agreement For The Management of Network Integration Transmission Service for Delivery of Federal Power To Network Customer Loads ("NT MOA")³ on BPA's ATC is unclear and should be reviewed in TC-22 proceedings to provide transparency and help ensure that it is not resulting in over encumbrance of ATC on BPA's transmission system. The NT MOA should be reviewed along with review of the encumbrance of BPA ATC by designated network resources that are committed to firm off-system sales.

B. BPA Transmission Products for EIM Transfers

The January 28 presentation at pages 22-23 raises questions including "What type of transmission reservation, if any, should be required for [EIM] Participating Resources?" and "Which transmission products should be eligible for customer donations of transmission for EIM transfers?" These questions raise fundamental issues regarding BPA's implementation of the EIM. BPA should set forth its preliminary evaluation of the pros and cons of using various types of transmission for EIM transfers on BPA's transmission system and should facilitate discussion with its stakeholders of the use of various types of transmission on BPA's transmission system for EIM transfers.

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Nothing contained in these Comments constitutes a waiver or relinquishment of any rights or remedies provided by applicable law or provided under BPA's Tariff or otherwise under contract. Commenting Parties appreciate BPA's review of these comments and consideration of the recommendations contained herein. By return e-mail, please confirm BPA's receipt of these comments.

³ Available at:
https://www.bpa.gov/transmission/CustomerInvolvement/NTService/Documents/nt_moa_agreement.pdf.