

June 12, 2020

Via Email (techforum@bpa.gov)

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

Re: Comments of Avangrid Renewables, LLC on the Short-Term *De Minimis* Policy Options

Avangrid Renewables, LLC, (“Avangrid”) hereby submits comments to the Bonneville Power Administration (“Bonneville”) concerning the short-term *de minimis* policy options (the “Options”) presented at the May 29, 2020 workshop (the “Workshop”). Avangrid does not support either of the Options and therefore urges Bonneville to hold at least one more customer workshop to continue discussing other *de minimis* alternatives before making a final decision.

At the Workshop, Bonneville requested feedback on the two short-term *de minimis* alternatives the agency is still considering: 1) maintaining the status quo (keeping Test 1 at the existing 10% threshold with no Test 2); and 2) lowering the Test 1 threshold from 10% to 5% and adding Test 2 with a 3% threshold, except during TLR Avoidance).¹

Avangrid does not support either of the Options because they would diminish the Company’s ability to redirect its long-term transmission rights. Avangrid has previously filed comments in support of Alternative 2, whereby Bonneville would apply the same *de minimis* test (i.e., Test 1 and Test 2) to both long-term and short-term redirects.² Avangrid continues to believe that as a matter of policy, Bonneville should not treat redirects any differently from new requests, and thus, continues to support Alternative 2.

Moreover, Avangrid is not convinced that providing this type of parity would threaten system reliability. At the Workshop, Bonneville appeared to reason that between 50 and 115 MW of *de minimis* impacts on constrained flowgates could threaten system reliability.³ Bonneville failed to demonstrate, however, how this volume signals any such threat. It also appears out of place in this context, because all 115 MW were redirected under the current *de minimis* implementation, which means they did not exceed any parent rights. Avangrid struggles to see how this example is relevant when considering the potential magnitude or reliability

¹ Short-Term De Minimis Update at 32 (May 29, 2020) (hereinafter “Presentation”), available at <https://www.bpa.gov/transmission/Doing%20Business/ATCMethodology/Documents/05.29.20-Customer-Presentation-De-Minimis-Update.pdf>.

² See Avangrid Comments (Aug 26, 2019) and Avangrid Comments (Jan. 8, 2020), available at <https://www.bpa.gov/transmission/Doing%20Business/ATCMethodology/Pages/Customer-Comments.aspx>.

³ Presentation at 17.

impact of realigning the short and long-term *de minimis* policies. Rather than speculate about potential impacts, Bonneville should immediately implement Alternative 2, put customers back into the position they believed they were in when negotiating the TC-20 settlement (including the current limitations on Hourly Firm service) and then come back to customers if/when there is an observable impact attributed to short-term *de minimis* use.

Finally, it is imperative that Bonneville understand that the ability to redirect long-term rights serves a critical role in the region's bilateral markets. Simply put, redirects are not an inconsequential part of the value point-to-point transmission customers purchase when buying their long-term rights. If implemented, the Options would undermine that value and give new short-term requests an advantage over short-term redirects.

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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 Bonneville's Tariff or otherwise under contract. Avangrid appreciates Bonneville's review of these comments and consideration of the recommendations contained herein. By return e-mail, please confirm Bonneville's receipt of these comments.