

Comments on BPA's

"Connecting Variable Generating Resources to the Federal Columbia River Transmission System (FCRTS), December 29, 2008":

Submitted by

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On

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1. The amendments to Appendix C of the LGIA should explicitly contain important provisions referenced in the broader "Variable Resources" document:
  - a. The idea that the DSO 216 will not be issued to variable generators until 90% of total regulation reserves have been exhausted should be explicitly stated in the Appendix C language. The language should be amended to include something similar to, "DSO 216 will not be issued unless at least 90% of total reserves authorized for control area balancing and reliability have been exhausted."
2. The amendments to Appendix C of the LGIA should explicitly reference certain documents containing important provisions that may change over the life of the LGIA:
  - a. References to "dispatch standing orders" and "order" should be changed throughout the amendments to Appendix C to reference the specific DSO(s) to be used, DSO 216 or otherwise.
  - b. The document(s) referencing and governing the following provisions (possibly a business practice) should be explicitly referenced in the amendments to Appendix C of the LGIA:
    - i. 90% rule.
    - ii. Allocation of reserves based on installed capacity.
3. Copies of certain documents referenced in the amendments to Appendix C of the LGIA should be provided:
  - a. Copies of DSO 216 should be provided to parties agreeing to the amendments to Appendix C of the LGIA.

4. We support the allocation of reserves based on installed capacity (equation 1), or otherwise consistent with the allocation of reserve costs and wind integration rate design in the FY 10-11 rate case.
5. The early warning signal and communication of DSO 216 should be through an e-Tag and a phone call.
6. Under “Testing and Acceptance Procedure,” BPA should commit to arrange testing times with operators and also conduct random tests when there is no threat of running out of reserves. BPA should not have to trip generators under these testing and acceptance situations and should not count any test failures against the facility’s three allotted violations.
7. The amendments to Appendix C of the LGIA should explicitly state the circumstances under which BPA is liable for damages:
  - a. Failure to contact the appropriate parties.
  - b. Failure to send the signal appropriately.
  - c. Dispatching the DSO 216 inappropriately.
8. Please calculate the risk of limit-to-schedule events assuming, 1) BPA holds reserves associated with two-hour persistence scheduling and the wind fleet indeed schedules with this degree of accuracy, and 2) BPA holds reserves associated with ½-hour persistence scheduling and two-hour persistence scheduling persists.
  - a. Please separate out the instances of limit-to-schedule events due to “preserv[ing] the reliability of the Transmission System or to avoid a violation of the Clean Water Act or the Endangered Species Act.”
9. Amendment (b)(ii) to Appendix C should be changed to “If Interconnection Customer does not reduce the output of the Generating Facility in the amount ordered within 10 minutes of receiving the order, and the system condition under (b)(i) persists, Transmission Provider has the right to ...”
10. Amendment (b)(iii) to Appendix C should be changed to “... Interconnection Customer shall give Transmission Provider the ability to override and take temporary operational control of the Generating Facility during system conditions under (b)(i)...”

11. BPA should commit to issuing a report of system conditions after every issuance of DSO 216. The report should include: total load, total variable generation, total variable generation schedules, reserve usage levels, total secondary sales, any physical event on the system, what generators were curtailed and the total curtailment amount (MWh).
  
12. Amendment C to Appendix C should be changed to read: At any time during the course of this LGIA, Interconnection Customer may self supply, or acquire from a third party, any of the Control Area Services listed above and/or those added after the execution of this LGIA, ~~if Transmission Provider agrees that Interconnection Customer may do so. Interconnection Customer~~ provided that any Control Area Services(s) provided by Interconnection Customer or a third party are (1) comparable to the Control Area Services provided by Transmission Provider and (2) consistent with Transmission Provider's Open Access Transmission Tariff and associated business practices. Interconnection Customer's obligation to take and pay for ~~a~~ any Control Area Service will terminate ~~if~~ as soon as Interconnection Customer ~~(i) self supplies such Control Area Service (s) and/or acquires it from a third party, and (ii) compensates Transmission Provider for Transmission Provider's stranded costs, as determined by Transmission Provider, that result from.~~