Follow-up for BPA on EIM Cost Benefit Analysis

Questions:

1. When will the detailed E3 report be available?
2. Why is it a good thing that everyone is using the same model and coming up with roughly the same $40 million benefit results? Shouldn’t that be a cause for concern?
3. How do benefits reported directly from utilities that have joined compare to what CALISO reports as benefits?
4. Why are only benefit scenarios considered, and not unanticipated costs?
5. BPA has assumed that if it does not pass resource sufficiency (flex ramp test) that it considers this a zero-benefit occurrence. Are these actually cost occurrences? Won’t BPA incur costs rather than just zero benefits?
6. The presenters noted that when other entities have performed similar analysis they first look at how they might have dispatched in existing markets differently, before analyzing the benefits of new intra-hour EIM energy markets. This seemed to be one of the reasons cited as why BPA’s benefits seem higher than what other entities have come up with. Is it possible that BPA could have achieved the same benefits over the same time period by simply taking better forward positions? BPA cited increased hourly optimization discipline as a benefit of the EIM, what part of the potential benefits is this?
7. What are the lost opportunity costs of using Spinning Reserves for the EIM, what other market opportunities are there for this capability? Where those costs considered?
8. BPA costs seem to be in the categories of operations and grid modernization, with E3 analysis focusing on net benefits of the dispatch model, both purchases and sales, are CALISO fees and penalties included in the current cost estimates?
9. What EIM benefit studies were not performed by E3 and did BPA review the results compared to E3 results?
10. Is this really a non-wires solution if it does not free up ATC?

Requested Sensitivities:

1. Expected costs increases twice as much as anticipated for both startup and annual operations and participation. Generally, some realistic cost side sensitivities of a similar scale to realistic benefit sensitivities.
2. 50% success rate applied to offset perfect foresight to see the impact of this assumption on the model results.
3. The study assumed non-BPA generation resources were fixed at historical output, what is impact of if non-BPA resources are 20% higher or 20% lower?
4. How well does BPA fair during a sustained cold spell with very little wind generation?
5. What are the results if participation is limited to 500 MW?