

Energizing Life in Our Communities

December 3, 2021

Comments of Public Utility No. 1 of Snohomish County regarding Bonneville Power Administration's November 17, 2021 EIM Implementation Workshop

Submitted via email to techforum@bpa.gov

Public Utility District No. 1 of Snohomish County (Snohomish) appreciates Bonneville Power Administration (BPA) hosting the November 17, 2021 workshop (November Workshop) on EIM Implementation. Continued communication between BPA and customers is critical as we collectively prepare for BPA's entrance into the EIM next Spring. We offer the following comments for consideration on select topics covered at the November Workshop.

#### **EIM Testing**

Snohomish thanks BPA for providing the update on BPA's extensive testing with CAISO in various testing phases and acknowledge the immense amount of work undertaken by BPA staff to help ensure a smooth transition into the EIM. It appears that BPA only plans to coordinate with generator customers on an "as needed" basis (Slide 25). Snohomish reiterates the request made during the November Workshop that BPA engage in more coordinated "end-to-end" testing with customers that submit base schedules and that will be subject to BPA EIM settlements. As a Slice customer and resource owner, Snohomish has a substantial interest in ensuring that data is flowing correctly from customer schedules and meters, through BPA systems, to CAISO systems; and in verifying that accurate settlements are flowing back from CAISO, through BPA, to the EIM settlement statements that BPA will be providing to customers. Ideally this testing would allow BPA, CAISO, and/or customers to identify and resolve any discrepancies or other errors before BPA joins the EIM.

## **EIM Settlements**

Snohomish thanks BPA for providing the progress update on EIM settlements. Snohomish is developing an automated shadow settlements process to help us validate the large volume of EIM settlements data expected. We were disappointed to learn that settlements configuration, including finalizing the format of the settlement statement has been delayed. As requested in the November Workshop, we ask that BPA provide customers with updated draft settlement statements at the earliest date(s) possible in order to facilitate our shadow settlement development work and to minimize the number of changes we will need to make during the short window between the release of the final settlement statement format and EIM go live.

During the November Workshop, Snohomish and other customers made several other settlements-related requests that we would like to restate here:

- We appreciate BPA staff's willingness to post a master list of EIM nodes within the BPA footprint. We request that BPA notify customers through Tech Forum or other means with the location of this posting when it is made available.
- At the November Workshop, BPA staff indicated that EIM Entity customers can have
  access to CAISO's CMRI portal. We believe that some information available in CMRI
  will be useful in our shadow settlement validation. Our understanding is that CMRI
  access is through the EIM Entity. We request that BPA provide timely information on
  this process in order to facilitate our validation development.
- During this November Workshop and in comments made during the implementation
  workshop series last Spring, Snohomish requested that settlements data be made available
  through an API to facilitate data transfer into customer systems. Snohomish appreciates
  BPA staff's continued consideration of this request and hopes that even if not available at
  EIM go-live that it can be revisited at a later date.

#### **EIM Reporting**

In comments to prior workshops and to the draft closeout letter, Snohomish has consistently advocated for BPA to report on EIM-related metrics to enhance the transparency of BPA's EIM

participation. We appreciate that developing specific metrics ahead of actual EIM participation may be challenging, and we are glad to see BPA continuing to engage with customers on this topic in the midst of preparations to join the market. It is helpful to have a reporting plan laid out in the workshop as a starting point. In the Final EIM Close-out Letter, BPA stated that it intends to engage with customers and constituents in a report-out development process which "will involve an iterative process of proposals and customer feedback." It is Snohomish's expectation that the reporting discussion at the November Workshop was the start of that iterative process to develop EIM reporting metrics and the plan laid out does not represent a final determination by BPA.

Snohomish supports PPC's comments on this topic and offers some additional input for consideration on certain metrics.

## Phase 0 Metrics – BPA does not plan to pursue reporting

Asset Controlling Supplier (ACS) emission factor

Snohomish appreciates BPA's commitment to pursue more frequent reporting on its ACS emissions factor than annually. Snohomish understands that BPA intends to pursue this reporting outside of the scope of EIM reporting because some factors related to ACS reporting may be outside of the scope of BPA's EIM participation. Snohomish requests BPA include in that reporting an assessment of how BPA's EIM participation, including decisions to allow its generation to be deemed delivered to California, has impacted BPA's ASC emissions factor.

In the EIM Closeout Letter, BPA stated that it would monitor the costs and benefits of selling into California through the EIM and would only opt to sell into California when conditions warrant.<sup>1</sup> Information on the impact of EIM participation on BPA's ACS emissions factor (which directly impacts the emissions attributed to BPA's power customers, some of whom, either now, or may in the future, incur additional utility financial costs to offset carbon) will be beneficial to customers who may wish to: (1) provide input into BPA's assessment of whether the monetary benefits of selling into California outweigh additional emissions attributions;

<sup>&</sup>lt;sup>1</sup> Final EIM Close-out Letter, September 27, 2021,

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and/or (2) engage in CAISO discussion on GHG accounting including the forthcoming CAISO EDAM stakeholder process.

Load forecast used for resource sufficiency balancing test

BPA states that it does not intend to share whether it is using a CAISO or BPA load forecast for the BPA balancing authority area for the purpose of the resource sufficiency balancing test. The forecast selected in a given hour has a direct impact on whether BPA passes the balancing test; use of the CAISO forecast eliminates any risk of failure. Snohomish recognizes that there may be other considerations, such as forecast accuracy, that might lead BPA to choose not to balance to the CAISO forecast and fully supports BPA as the best party to make that determination on an hour-by-hour basis. That said, transparency in this topic is of interest to Snohomish as a scheduling customer with potential exposure to an allocation of any over- or under-scheduling penalties. Snohomish fully intends to schedule to its own best forecast, but like any other utility will face load forecast error. Whether or not Snohomish is penalized for such error is in part a function of which forecast BPA chooses for the balancing test.

BPA cited CAISO's new RSE report as a potential source of information. Snohomish has reviewed this report, which contains useful information. However, it appears to focus on the flexible ramping sufficiency test and the bid range capacity test, with no information on the balancing test. Snohomish appreciates BPA's willingness to provide the frequency of passing the RS balancing test among the Phase 1 metrics. Snohomish suggests BPA also consider providing information about the accuracy of the BPA forecast relative to the CAISO forecast, or frequency that BPA chooses to utilize the CAISO forecast. This information would be particularly useful context during periods BPA has a large number of balancing test failures.

# Phase 1 Metrics – BPA commits to reporting within 6-months of EIM go-live

Snohomish appreciates BPA's responsiveness to customer requests by committing to report on these items and looks forward to a more detailed discussion on these reports.

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## <u>Phase 2 Metrics – BPA commits to reporting by BP-26</u>

Snohomish appreciates BPA's willingness to eventually report on charge code allocations and transmission donations. Snohomish understands that it may take some time to develop ongoing reporting metrics around these items. However, Snohomish also views both of these items as important inputs into rate design and policy decisions that BPA and/or customers may wish to reevaluate for BP-24. Snohomish requests that if BPA is not able to implement ongoing reporting on these items ahead of BP-24, that it provide as much information as practicable during the pre-rate case workshops. Snohomish understands that this data will represent a very limited duration of BPA's initial EIM participation. However, even data from a limited time period may shed light on an issue that may be important to address earlier than BP-26.

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Snohomish thanks BPA staff for hosting this workshop and looks forward to continued engagement on implementation as we all prepare for BPA's potential entrance into the EIM next spring. Please don't hesitate to reach out if you have any questions.