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Matt Rios Transmission Account Executive, Transmission Sales Bonneville Power Administration Mail Stop: TSE/TPP-2 7500 NE 41st Street, Suite 130 Vancouver, WA 98662-7905

Subject: TEMUS Comments on BPA's ATC 101 Forum

Matt:

TransAlta Energy Marketing (U.S.) Inc. ("TEMUS") appreciated the opportunity to discuss Available Transfer Capacity ("ATC") and BPA's forum held on November 12, 2019. Brief comments about two of the topics covered during the forum follow so BPA is aware of our continued interest in understanding the topics themselves and policy decisions that impact them.

During the ATC presentations, BPA staff underscored how available capacity is calculated using Total Transfer Capability ("TTC") as a key input and that TTC comes from another group within BPA. In several cases, questions were raised by customers seeking more information about how TTC is calculated, particularly for the short-term horizon, but they had to go unanswered because subject matter experts were not in the room. TEMUS is requesting a short follow-up session (an all-day forum is not necessary) with those TTC subject matter experts present. Using the North of Echo Lake ("NOEL") flowgate as one example, TEMUS wants to understand how Short-Term Seasonal Default ratings incorporate uncertainty factors that can dramatically lower TTC, down to 2,067 – 2103MW, from the flowgate's long-term, normal path rating of 2,800MW.

The ATC 101 forum also touched on BPA's approach to de minimis for short-term redirect transmission service requests ("TSR"). Subject matter experts described how de minimis rules are not applied to short-term incremental (net) impact analyses, such as when a redirect TSR needs marginally more capacity than its parent. The practice is inconsistent with what TEMUS considers equitable treatment for short-term redirects and apparently does not align with long-term redirect analyses. TEMUS requests BPA's continued engagement to find a swift solution to this problem. A sense of urgency is appropriate. Despite the fact that the methodology has reportedly been in effect for 10+ years, TEMUS contends that customers were unaware and largely unaffected until July 2019, when Hourly Firm service became limited.

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