Response to Customer Comments – Energy Imbalance Market

BPA Transmission Business Practice

Version 1
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Version 1

This document contains customer comments and BPA’s response to the Energy Imbalance market, Version 1 posted for comment from Aug. 23 to Oct. 1, 2021.

For more information on business practices out for comment, visit the BPA Transmission Business Practices Comments and Responses webpage.

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A. Snohomish PUD

Comments of Public Utility No. 1 of Snohomish County regarding Bonneville Power Administration’s Proposed Energy Imbalance Market Business Practice

Submitted via email to techforum@bpa.gov

Public Utility District No. 1 of Snohomish County (Snohomish) appreciates the opportunity to comment on Bonneville Power Administration’s (BPA’s) recently proposed Energy Imbalance Market (EIM) Business Practice (BP). Snohomish is in agreement with much of the proposed EIM BP. We offer the following clarifying questions and comments on select sections.

Section D – Registration Data

In D.2.a.i. BPA states that for non-participating resources, BPA will fill out initial registration and provide to MO for EIM Implementation; in D.2.b.i, BPA states that non-participating resources shall submit to BPA information required by Market Operator.

- We request that BPA clarify that for initial registration for existing non-participating resources during EIM implementation, BPA will fill out the Non-Participating Resource Data Template (NPRDT) to the Market Operator based on the NPRDT filled out by the resource owner, and that BPA will not submit the Non-Participating Resource Data Template (NPRDT) unilaterally without consulting with the resource owner.

- We request that BPA specify the timeline for existing non-participating resources to provide the NPRDT to BPA ahead of March 2, 2022 when BPA intends to join the EIM.
BPA Response 1
BPA acknowledges that the business practice language is not clear. BPA made edits to Section D.2.a and Section D.2.b to clarify that a Non-Participating Resource already modeled in the BPA network model will not need to fill out the NPRDT. With the exception of a few resources, all resources 3 MWs and greater are currently modeled in the BPA network model. BPA has all the information required by the MO for the go live model. If a customer is uncertain of how their resource is modeled in the network model they can contact their Transmission Account Executive to get verification.

If a customer has changes to information previously provided to BPA to create the existing BPA network model, the customer should complete and submit the NPRDT consistent with Section D.2.c and D.2.d of the business practice.

Snohomish also reviewed the draft NPRDT posted by Bonneville. The Ramp Rate Info section appears to assume that upramp capability and downramp capability are equivalent. However, Snohomish owns a hydro facility that has much lower downramp limits than upramp limits due to FERC licensing constraints. Ramp rate limits also vary significantly by season and hydrological conditions. Providing a single bidirectional ramp rate curve will result in either overstating or understating the resource’s actual capability.

- We request that BPA consider modifying this form to allow additional flexibility.

- If that is not modification is not possible, we request additional guidance on how to approach the ramp rate section of the NPRDT.

BPA Response 2
BPA appreciates Snohomish’s review of the draft NPRDT. As Snohomish notes, the CAISO generation resource data template (GRDT) does not accommodate the modeling of differing ramp rates by direction. The template does allow for gradients of ramp rate based on MW thresholds. BPA has noted the deficiency and has advised the CAISO.

Until there is a change in the CAISO generation resource data template (GRDT), BPA is using the least limiting ramp rate in this table for NPRs. For each hour, the Base Schedule for the NPR will be provided to the MO model. In the computation of 5-minute market solutions the market will expect a resource that is operating off of its Base Schedule to be moving toward that Base Schedule based on that resource’s ramp rate(s) recorded in the GRDT. The use of the least limiting ramp rate would ensure that the configuration for the NPR minimizes the impacts on market solutions.

Section F – Forecast Data
In F.1.a.iv BPA states that it will set Transmission Customer Base Schedules from Generation Estimates entered into CDE and e-Tags submitted by customers.
We request that BPA clarify what value will be used for the base schedule if there are differences between an e-tag value and a CDE entry for a particular resource in a given hour.

**BPA Response 3**

BPA will use the e-Tag to determine the Base Schedule and not the CDE entry if a customer submits Generation Estimates using both methods. BPA has added F.1.a.v to the business practice to reflect that the e-Tag will be used to determine Base Schedules in the event a customer submits Generation Estimates into CDE and an e-Tag.

In F.2.c.i BPA states that customers may submit initial hourly generation forecast data for each hour of the operating day seven calendar days in advance (with the term "may" implying that this is at the customer's discretion). Table 2 references an "Initial Submission Deadline" of T-7 days for generation, interchange, and intrachange forecast data for customers with resources or load in the BPA BAA (the term "Deadline" implies this is a requirement).

We request BPA clarify whether it is an option or a requirement for customers to submit generation, interchange, and intrachange forecast data seven calendar days in advance of the operating day.

**BPA Response 4**

BPA apologizes for any confusion the draft language in the business practice may have caused concerning the T-7 day forecast requirement. Section 4.2.4.5.1 of Attachment Q to the Tariff provides that “Transmission Customers with resources or load in the BPA BAA shall submit their initial Transmission Customer Base Schedules to the BPA EIM Entity 7 days prior to each Operating Day (‘T – 7 days’).” BPA edited the language in Section F.2.c. of the BP from “may” to “shall” to reflect the Tariff requirement.

The T-7 day initial hourly forecast is not financially binding and will not impact settlements. Parties should use the best information available to them at that time for their Generation Forecasts, interchange, and intrachange.

In 2.c.ii BPA states that customers shall submit hourly generation forecast data by 1000 PPT the day before each operating day.

Please clarify that existing data entered on a prior weekday for a weekend and/or holiday will be sufficient to meet this requirement.

**BPA Response 5**

BPA edited Section F.2.c.ii to state, “...but shall submit hourly generation Forecast Data no later than 1000 PPT the day before each operating day....” Data is required to be submitted prior to 1000 PPT day-ahead, but can be satisfied by a submission multiple days in advance. Thus, Parties may continue to use the preschedule time frame.
The middle row of Table 2 appears to state that for customers with resources or load in the BPA BAA, eTags for the Initial Submission Deadline are due at T-7 days and must be updated by 10:00 AM on the day before the operating day.

- Snohomish requests clarification on the potential requirements for customers to submit interchange and intrachange tags to meet these two deadlines which would be a significant change from current practice. These proposed requirements raise concerns from both an operational and a marketing perspective as they do not align with trading and transmission scheduling windows. Trading activities throughout the day and hourly transmission product availability have a direct impact on when and how accurately customers are able to submit tags.

**BPA Response 6**

As noted in Response 4, the T-7 day submission is required by the Tariff. As stated in F.2.c.i, the requirement is for initial hourly generation Forecast Data. BPA expects that this data will change as parties continue to refine their operations and their marketing activities ahead of the hour of delivery. As noted in Response 4, the T-7 day initial hourly Forecast is not financially binding and will not impact settlements. Parties should use the best information available to them at that time for their Generation Forecasts, interchange, and intrachange.

Also as noted in Response 5, BPA made an edit to Section F.2.c.ii in order to indicate that the data required to be submitted no later than 1000 PPT day-ahead can be satisfied by a submission multiple days in advance. Thus, Parties may continue to use the preschedule time frame.

Base Schedules may continue to be updated at T-77 and T-57 to allow parties to continue their trading practices.

In 5.b.i. and Table 3, BPA explains that BPA-provided scheduling values for VERS will be updated every 5 minutes. The scheduling value that will be the basis for calculating the Intentional Deviation Penalty Charge, will be posted from T-70 through T-65 and then replaced in the data link with a new value. Snohomish intends to generally, if not always, schedule to the T-70 scheduling value in order to avoid incurring Intentional Deviation penalties. It is not clear to Snohomish whether there is any benefit in BPA continuing to update the scheduling value after the T-70 scheduling value is posted. Moreover, updating the scheduling value after T-70 increases the risk that the T-70 scheduling value will be unavailable to customers due to, for example a communication error, late posting by BPA, late data pull by a customer, etc.

- Snohomish recommends that BPA preserve customer access to the T-70 scheduling value to be used for calculation of potential Intentional Deviation Penalties (e.g., on iCRS) for retrieval as needed after the scheduling value is updated at T-65.

Snohomish thanks BPA for the effort in developing this BP and for providing the opportunity for customers to provide feedback. We look forward to continuing to work with BPA staff on EIM implementation efforts to ensure we are collectively ready for the start of Parallel
Operations in December and for BPA to join the EIM next March. Please don’t hesitate to reach out if you have any questions.

**BPA Response 7**

As Snohomish points out, the BPA-provided hourly scheduling values for VERs will be updated every 5 minutes in alignment with the update cycle from BPA’s VER forecast vendor. Effective starting November 24, 2021, that BPA-provided hourly scheduling value will be posted from T-70 through T-65 and will be the basis for calculating the Intentional Deviation Penalty charge. As noted by Snohomish, BPA recommends parties schedule to the T-70 scheduling value in order to avoid incurring Intentional Deviation penalties.

BPA has added a feature to the VER Forecast API to retain each forecast up to 60 minutes, where the VER customer can query the VER Forecast API by the forecast posting period. If for some reason, a customer is not able to pick-up the T-70 scheduling value before the next forecast update is published at T-65, that customer will be able to query a specific version in the VER Forecast API until the following T-70 forecast is published. For example, the T-70 forecast for HE12 is published at 9:50 and can be retrieved through the VER Forecast API all the way through 10:49, though it must be scheduled by 10:03 to meet the financially binding tag deadline in the EIM.

BPA appreciates the comments from Snohomish PUD and looks forward to working with customers in the future as EIM procedures and processes evolve.

**B. Other Modifications**

In addition to the modifications described above, BPA has made the following modifications to the business practice:

- BPA updated the reference to the location of a formula in Section G.11.b.i. The reference was changed from Section G.11.b to the correct formula location, Section G.9.b.

- BPA removed references to PDCI in Section J.1.g and J.1.h as well as in the Import/Export Source/Sink and POR POD Combinations table in Section J.2 of the business practice.

- Due to technical issues, the Pacific Direct Current Intertie (PDCI) will not be available for EIM dispatches when BPA goes live in the EIM on March 2, 2022. BPA and CAISO are working together to resolve the technical issues causing the delay and once they are resolved, BPA will incorporate PDCI information back into the business practice.