



Your Northwest renewables utility

Via Tech Forum
Bonneville Power Administration
905 NE 11th Ave
Portland, OR 97232

Re: Comments on Transmission Pre-Rate Case Workshop Topics

Introduction

As BPA works towards developing their Initial Proposal, Snohomish appreciates BPA's engagement with Transmission stakeholders on topics important to the region. In response to the issues raised at the June 25 Pre-Rate Case workshop, Snohomish offers the following comments:

Transmission Cost Allocation (Raised by Tacoma)

Snohomish supports equitable cost allocation among BPA's transmission customers. As such, we believe that there is validity in the points made by Tacoma and agree that this issue must be addressed by BPA. We recommend that BPA continue working on the data requests made by Tacoma, as well as use the Pre-Rate Case workshop forum to engage customers, present findings, and solicit feedback on Cost Allocation. As this topic develops, Snohomish looks forward to working with BPA and the region to establish a methodology that assigns costs equitably between rate classes.

Peak Reliability/WECC RE Costs

As Peak Reliability develops its costs and billing process, we encourage BPA to refrain from including these costs in their rates. Until both a firm amount is established and Peak's methodology for assigning those costs is determined, BPA should continue to keep an "unfunded" placeholder in the IPR process. Once these two factors have been determined, BPA can establish a transparent methodology for assigning those costs to its customers.

With regard to WECC billing, Snohomish understands the administrative burden caused by BPA's election to have WECC directly bill load serving entities within its Balancing Authority. At the same time, inserting BPA between WECC and the load serving entities carries its own set of complexities. If BPA decides to have WECC bill its BA directly, then distribute the costs to its customers, Snohomish would expect that: 1) load serving entities would pay approximately the same costs to BPA that they paid directly to WECC and; 2) BPA would establish a transparent process for determining the cost allocation among those in its BA, making customers' relevant data and billing determinants available to that customer upon request.

To reduce billing confusion Snohomish would expect that the WECC RE and Peak Reliability would use a similar method and process of allocating costs to the loads in the Western Interconnection. Snohomish would be glad to support BPA in discussion with Peak as allocation discussions continue.

Conclusion

Snohomish thanks BPA staff for the work they have done on these topics and looks forward to continuing the dialogue in future Pre-Rate Case workshops. If there are any questions about our comments, please do not hesitate to contact us.

Sincerely,



Craig Collar
Assistant General Manager – Power, Rates & Transmission Management