



TransAlta Energy  
Marketing (US) Inc.

222 SW Columbia Street  
Suite 1105  
Portland, Oregon  
USA 97201

T (503) 295-8490  
F (503) 295-8181  
www.transalta.com

**Steve Lincoln**  
**Commercial Specialist**

Direct Line: (503) 295-8490  
Email: Steve\_Lincoln@TransAlta.com

January 22, 2016

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: TransAlta Comments on Southern Intertie HNF White Paper Alternatives**

Matt:

BPA requested comments on alternative solutions outlined in the white paper<sup>1</sup> prepared for the Southern Intertie Hourly Non-Firm (“HNF”) Workshop process. TransAlta’s comments follow.

### Collaborative Solutions

TransAlta reiterates its support for collaborative efforts between BPA, LDWP, and CAISO to solve the fundamental issues at the seam, such as evaluating precedent examples of how segmented interties can be managed equitably for all participants and revisiting curtailment policies that differ between adjacent Transmission Providers. BPA chose not to pursue these important topics now and suggested that “other forums” would follow to address seams issues not handled in today’s workshops. TransAlta contends that these solutions must be a part of those other forums because they have the best chance addressing the fundamental problems on the Southern Intertie, and potentially at new seams created when the ISO expands.

### White Paper Alternative Solutions

Of the white paper solutions on which BPA is seeking comment, TransAlta supports 1b, recalculating the HNF rate based on a different measure of Southern Intertie usage, because it is most closely aligned with BPA’s ratemaking principals and how the service is used today. TransAlta does not recommend a rate that could be deemed arbitrarily high or the other non-rate solutions that are designed to dramatically reduce access to the HNF product, such as ceasing to sell HNF entirely.

Sincerely,

**TRANSALTA ENERGY MARKETING (U.S.) INC.**

**Steve Lincoln | Commercial Specialist**  
**TRANSALTA ENERGY MARKETING (U.S.) INC.**

T: +1 (503)-295-8490 | C: +1 (503)-307-4523

[Email](#) | [Web](#) | [Facebook](#) | [Twitter](#)

<sup>1</sup> [https://www.bpa.gov/Finance/RateCases/BP-18/Meetings/White%20Paper\\_IS%20HNF\\_V2\\_20151222%20\(clean\).docx](https://www.bpa.gov/Finance/RateCases/BP-18/Meetings/White%20Paper_IS%20HNF_V2_20151222%20(clean).docx)