



Bonneville Power Administration

**Customer Comments on the BPA
Stakeholder Meeting addressing the
Imbalance Service public process**

April 11, 2014

Comments Received from

Northwest Requirements Utilities

Posted April 17, 2014

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Tech Forum

Bonneville Power Administration

RE: Scope of BP-16 Rate Case Ancillary and Control Area Services Issues

Via email: techforum@bpa.gov

Northwest Requirements Utilities (NRU) appreciates this opportunity to comment on the scope of the BP-16 rate case involving Ancillary and Control Area Services (ACS) issues. At the April 1st ACS Practices Workshop, BPA staff asked customers to consider whether certain ACS issues should be excluded from the BP-16 rate case and resolved in a separate process. NRU has reviewed and supports the more detailed comments of the Public Power Council (PPC). NRU is deeply concerned about the prospect of removing these issues from the rate case process, which is governed by section 7(i) of the Northwest Power Act. The ACS issues, which have been highly contentious in the past, should be subject to review and debate within the confines of the 7(i) process to give parties their full legal protections under the Northwest Power Act.

Furthermore, the Northwest Power Act dictates the FERC standard of review of BPA rates. NRU is concerned that if BPA removes ACS issues from the rate case process, BPA decisions involving those issues would be subject to different standards of review by FERC, which were not intended by Congress when it passed the Northwest Power Act.

NRU believes that dialogue in the pre-rate case workshops can be extremely valuable. It can lead to more thoughtful decision-making and generate a better understanding for all parties involved, especially on issues of highly technical detail such as ACS. However, absent settlement, the outcomes of such pre-rate case workshops should only be considered as an input to BPA's Initial Proposal where parties can exercise their full procedural rights. Therefore, NRU strongly urges BPA to continue to address all ACS issues in the rate case.

Best Regards,



John D. Saven

Chief Executive Officer

CC: Members of NRU

Scott Corwin, Executive Director, Public Power Council