

TECHFORUM

April 22, 2016

Seattle City Light's Comments re: Customer Use of BPA Transmission for EIM Participation

Dear Mr. Mantifel,



Seattle City Light (Seattle) appreciates the opportunity to provide comments on BPA's stakeholder process regarding customer use of BPA Transmission for participation in the California Independent System Operator's (CAISO) Energy Imbalance Market (EIM). With the advent of Puget Sound Energy (PSE) joining the EIM this fall and other customers following suit, customer use of the BPA system is changing. BPA has worked collaboratively with the CAISO and put measures in place to accommodate both evolving customer usage and needs, and preserve existing rights. BPA has done a satisfactory job of reviewing with customers the impact of layering PSE onto the existing structure BPA has created for EIM participant use of the transmission system. What remains outstanding is how BPA will deal with the post-PSE go live. The nature of Seattle's comments focus more on the future and what comes next, rather than on BPA's present actions to onboard PSE.

Leveraging CAISO data for better system visibility and congestion management

EIM participation has brought with it increased data and information sharing between BPA and CAISO. As stated in the March 31, 2016 presentation, BPA receives approximately 100,000 data points per day from the CAISO. This number will only continue to climb as EIM participation increases. Receipt of this additional data gives BPA not only better visibility on flowgates, but more granularity on the entire transmission system. If BPA leveraged this data into the creation of congestion management tools, all customers could share in these benefits. Seattle encourages BPA to commit resources to exploring ways to utilize the data they receive from the CAISO to aid in congestion management and curtailment practices. While not all parties will participate in the EIM, this is an opportunity for all BPA customers to potentially share in the benefits derived from those who are.

System studies using non-historic use data

As additional parties continue to join the EIM it will be increasingly important for BPA to have a more realistic picture of how the transmission system is being used. Currently, system modeling for DTC and VTLs utilized historic data. Seattle encourages BPA to conduct new studies to reassess whether the current limits and capabilities are still appropriate given new or different uses. Without measuring the changes in usage there is the possibility that BPA will not be maximizing system capability. For more customers to benefit from a fully maximized system, current modeling is necessary. Should modeling

results render the ability for changes in capacity or VTLs, BPA would need to hold a regional discussion regarding how to apportion these changes.

Near-term strategic planning

Seattle requests BPA commit to holding a forum centered on near-term strategic planning in the two to five year time horizon, with CAISO. Dedicating time and resources to engage in near term strategic planning and involving customers could allow for collaboration, shared insight, and better visibility on upcoming changes. Giving customers an opportunity to voice suggestions could allow for better development and additional information exchange. Planning ahead, together, during a time of change, will put the region in the strongest position possible to shape our future.

Seattle appreciates the continued opportunity to provide input on customers' evolving use of BPA's transmission system. Should you have any questions about these comments, please don't hesitate to contact Sarah Davis at sarah.davis@seattle.gov or 206-386-4537.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Cromwell, Jr.', is written over the word 'Sincerely,'.

Robert W. Cromwell, Jr.
Director
Regional Policy and Contracts