



Transmission Services

Customer Comments on the Network Open Season Cluster Study & Redirects

Comments Received from
Powerex

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From: McDonald, Karen
Sent: Tuesday, April 27, 2010 4:24 PM
To: Tech Forum
Subject: 2010 Network Open Season Cluster Study Issues

Powerex offers the following comments regarding BPA Transmission Services' request for comments on the NOS 2010 Cluster Study Issue #1.

We appreciate the challenges that BPA faces in terms of planning its transmission system, and understand its objective to secure information relating to long-term system use. However, BPA seems to be assuming that all its customers are able to provide specific source and load information. While generators with long term contracts and/or network customers may be able to provide this information, some of BPA's transmission customers will not, such as marketers, or generators where only a portion of their output is tied to a specific long term purchase/sale agreement. For example, some customers sell out of a portfolio of generation resources to a variety of customers. These customers can only provide BPA with the points in the specific transmission path they wish to use, and typically do not have information regarding the specific substations for the source and sink.

As a result, we believe that BPA's approach needs to reflect the fact that some of its customers will be unable to designate a specific resource or load. BPA's approach also needs to consider the fact that usage patterns change over time, and that there will be a large number of redirected services, and shorter-term and real-time transactions which cannot be predicted.

Powerex believes that none of the proposed options in Issue #1 are an acceptable alternative. Option 1-C could be satisfactory provided that it is revised to state that customers are only required to provide the best information available to them. As stated above, while some customers are able to identify specific resources and loads, other customers will be unable to do so. We do not believe that the inability of a customer to provide this information should mean that it cannot participate in a Network Open Season and attempt to purchase long term firm transmission. In our view, this would be unduly discriminatory, unjust and unreasonable. Furthermore, we note that other transmission providers in WECC are not imposing such a restriction, and that FERC noted in its order on BPA's 2009 NOS filing that if the requirement for the customer to provide specific source information in Exhibit B of the PTSA proved unreasonable in practice, BPA should address these issues with its customers. In Powerex's view, BPA's proposed requirements are unreasonable in practice, and we encourage BPA to design Exhibit B in a manner which does not inadvertently penalize and discriminate against some customers by requiring them to provide information they do not have.

Thank you for the opportunity to provide comments on this important issue.

Regards.

Karen.

Karen McDonald
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