



Transmission Services

NT Redispatch Protocols

Customer Comments

Table of Contents

1. Clark Public Utilities.....	2
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1. Clark Public Utilities

Clark Public Utilities appreciates the opportunity to submit comments to BPA on its latest iteration of its draft NT Redispatch Protocols (shared at the April 23 public meeting). Clark further appreciates BPA's continued coordination with its customers to ensure the new NT Redispatch Protocol efficiently and effectively implements NT Redispatch and works for all involved (i.e., BPA Power's dispatch of the FCRPS and NT customers with non-federal Designated Network Resources (DNRs)).

Below, please find Clark's comments based on the draft protocols shared at the April 23 public meeting.

Overall Implementation Process

Holistically Address All NT Issues. Clark asks that BPA continue to holistically address all outstanding NT issues, including: development of these revised NT Redispatch Protocols, implementation of netting in the Short-Term Firm ATC evaluation process (to sync with BPA's netting in its Long-Term Firm ATC evaluation process), and revision to its Long-Term and Short-Term planning processes to ensure availability of Firm transmission to serve NT customers' load and peak load requirements (from both Federal and non-federal resources).

Transmission Services Response

BPA will continue working collaboratively with NT Customers in the development and evolution of NT related policies, including NT Redispatch policy and protocol development.

Tariff Modifications. Clark understands that BPA is currently internally evaluating its position on filing its Tariff with FERC and seeking reciprocity. The timeline for conclusion of this evaluation has yet to be established; we ask that BPA continue to update and include its customers in this evaluation. Further, Clark supports BPA's position to not submit any Tariff filings related to NT Redispatch to FERC until the Agency decides its position on seeking reciprocity at FERC. In general, Clark asks that the Agency withhold from submitting piecemeal modifications to the Tariff until all of the outstanding NT issues can be resolved and incorporated in the Tariff, if appropriate.

Transmission Services Response

BPA continues to review the Federal Energy Regulatory Commission's ruling on its most recent filing for safe harbor reciprocity status. BPA's goal is to develop a path forward that results in a tariff process that best serves BPA, our customers, the region, and FERC. We plan to share our path forward later this fall. While we are in review, BPA does not intend to make any additional filings.

Proper Documentation of NT Redispatch for Each Customer. Clark strongly encourages BPA to memorialize the contractual relationship between the NT transmission holder and BPA as it relates to NT Redispatch (including whether a particular DNR is subject to NT redispatch and, if so, the particular terms and conditions and generating characteristics of that DNR) in a form that is countersigned by the customer. For example, as an Exhibit

to the NT Services Agreement. It is imperative that both the customer and BPA fully understand the nuances of each DNR and whether and how the DNR will be included in NT Redispatch. Having such document be signed by both the customer and BPA will ensure understanding and agreement on those nuances.

Transmission Services Response

Transmission Services agrees that the terms and conditions under which any customer DNR is redispatched should be memorialized. BPA is evaluating whether this memorialization is most appropriate in a new exhibit of the NT Service Agreement, within the special provisions section of the NT Service Agreement or through some other mechanism tied to the NT Service Agreement.

Specific Comments on the April 23 Version of the Draft NT Redispatch Protocols

Section B. For purposes of enhanced clarity, Clark recommends revising Section B(2) as shown below:

2. Controllability - Generation levels can be adjusted remotely or by staff within 10-minutes in order to achieve the ramp rates stated in criteria B(1) above; AND

Transmission Services Response

Transmission Services will incorporate a modified version of Clark's suggested language into the next draft of the NT Redispatch Protocols. The modification will clarify that generation levels can be adjusted within 10 minutes of the NT Redispatch request.

Section C. This section should be restructured to more clearly state under which circumstances a DNR would be exempted from providing INC and/or DEC capacity, and that once a DNR is exempted from participating in the NT Redispatch program, this is binding and will not change (i.e., the DNR will be exempted, instead of may be exempted). For example, Section C could be structured along the lines of the following:

1. The following exemptions will be available to DNRs:
 - a. A DNR will be exempted from participation in the NT Redispatch program if it does not meet any one of the criteria listed in Section B above.
 - b. A DNR will be exempted from participation in the NT Redispatch program if the customer demonstrates the "non-dispatchability" of the DNR by demonstrating that moving the resource (INC or DEC) in any manner outside of its normal operating parameters/curve could damage the resource or cause it to violate operating and/or regulatory restrictions. The customer will demonstrate this by providing resource operating specifications/manual, actual data and/or any other supporting information.
 - c. A DNR will be exempted from providing INC capacity if the customer demonstrates the "non-dispatchability" of the DNR due to the resource operating as a "base load" DNR. The customer will demonstrate this by providing information showing that the resource is operated as a base load resource (minimal variation in generation level across a 24-hour period), based on historic use.

Transmission Services Response

BPA has revised merged sections B and C into one section for greater clarity. The revised draft protocols should address Clark's concerns, with one exception. Clark's proposed revisions indicate that once a DNR is exempted from NT Redispatch, the exemption would apply in perpetuity. However, BPA does not agree that once a DNR has been exempted from NT Redispatch, it should be forever exempted. For instance, a resource that is exempted from NT Redispatch because it is not staffed and cannot be remotely controlled may one day be staffed. Material changes to the operating parameters of an exempted DNR may allow the DNR to be added to the NT Redispatch program. Furthermore, Peak Reliability can direct that these resources be redispatched if it finds them to be contributing to congestion.

Additionally, BPA should include some sort of dispute resolution process to address potential disagreements between customers and BPA regarding whether a DNR is exempted from the NT Redispatch program.

Transmission Services Response

Disputes regarding BPA's NT Redispatch program will be addressed through the dispute resolution procedures in Section 12 of BPA's OATT.

Section E. BPA should include a dispute resolution process to address potential disagreements between customers and BPA regarding proper compensation of redispatched DNRs.

Transmission Services Response

As discussed above, disputes involving any aspect of BPA's NT Redispatch program will be resolved per Section 12 of BPA's OATT. Additionally, financial disputes could be resolved through the billing dispute procedures.

Section F. Clark appreciates the explanation provided on how BPA will create the NT redispatch resource stack. However, there needs to be discussion of the timeframe for submission of cost and resource characteristics and the subsequent ranking within the redispatch stack. Clark asks that BPA put together a few example timelines to share with customers and receive our input in the next round of comment.

Transmission Services Response

At an upcoming NT Redispatch customer meeting, BPA will share suggested timeframes for submission and updates of redispatch cost and other operational information.

Accounting and Billing. Clark looks forward to seeing BPA's analysis and proposal for the billing and accounting of NT redispatch costs, including how Energy Imbalance, generation Imbalance, VERBS, DERBS, etc. will be waived or otherwise fully compensated. We would like the opportunity to comment on BPA's proposed approach on this to ensure the process is the most streamlined and workable for customers.

Transmission Services Response

BPA will provide a proposal for billing treatment of products and services potentially impacted by an NT Redispatch event and will request customer comment on the proposal.

Inclusion of Federal Resources in the NT Redispatch Stack

Clark seeks BPA affirmation that it will continue to include Federal DNR's within the NT Redispatch stack going forward. We understand the need to broaden the NT Redispatch program to include non-federal DNRs. However, the FCRPS serves a significant portion of NT loads and has historically provided substantial redispatch flexibility and benefit and we would like assurance that these resources will remain available for participation within the NT Redispatch program and not be otherwise dedicated to alternative uses, such as provision of balancing reserves to further integrate variable energy resources.

Transmission Services Response

The FCRPS is a DNR for many NT customers and will continue to provide NT Redispatch subject to the terms of the NT Redispatch protocols and Attachment M of the tariff. DNR's, both federal and non-federal, are not required to set aside capacity for the provision of NT Redispatch.

Discretionary Redispatch

Clark expresses its continued desire that the provision of Discretionary Redispatch by the FCRPS be analyzed and that BPA discuss its relevance in a public forum. Clark is concerned that the provision of Discretionary Redispatch may have the unintended consequence of diminishing the future availability of the FCRPS to participate in NT Redispatch. For example, providing Discretionary Redispatch will affect future availability of the FCRPS to participate in NT Redispatch. The crediting towards NT Redispatch that occurs when Discretionary Redispatch happens is only for the current hour. Because of changes in river flow, the FCRPS may not be as available to participate in NT Redispatch in future-hours, when it would have otherwise been had Discretionary Redispatch not occurred.

Transmission Services Response

As stated in BPA's April 10, 2014, Response to Customer Comments on NT Redispatch Protocols, Transmission Services has analyzed past redispatch events and has not found instances of Power Services providing Discretionary Redispatch in one hour and then later being unable to provide NT Redispatch in future hours.

Discretionary redispatch is a valuable tool to relieve transmission congestion and BPA does not believe it should be removed as an option. BPA will continue to monitor the use of Discretionary Redispatch and its impact on NT Redispatch.

Conclusion

Again, Clark Public Utilities appreciates BPA's ongoing interaction with its customers seeking comment and modification to the current proposed NT Redispatch Protocols. Clark supports BPA's goals of implementing an NT Redispatch Protocol that provides the most effective and cost-effective Redispatch in the most efficient and streamlined manner. Clark will continue to be involved in this process and looks forward to continuing

to provide feedback on BPA's next iteration of this proposal. Any questions may be directed to Megan Stratman (mstratman@clarkpud.com).

DRAFT