

**COMMENTS OF THE NT CUSTOMER GROUP
ON BPA'S PROPOSED TSR STUDY AND EXPANSION PROCESS DRAFT VERSION 3**

These comments are submitted on behalf of Western Public Agencies Group (“WPAG”), Northwest Requirements Utilities (“NRU”), Mason PUD 3, Eugene Water and Electric Board (“EWEB”), and PNGC Power (collectively, the “NT Customer Group”) regarding BPA’s proposed revisions to the TSR Study and Expansion Process Draft Version 3 (“TSEP Business Practice”). We appreciate the opportunity to comment on the proposed TSEP Business Practice and have a few questions about how the proposed TSEP Business Practice will be implemented for customers taking Network Integration Transmission Service (“NT” or “NT Service”) from BPA.

Section H(5)(b) describes how BPA will return financial security assigned to an NT customer in the event a Plan of Service triggers a cost attributable to the NT Customer in excess of \$10 million. The NT Customer Group would like BPA to clarify a few items in order to fully understand the mechanics of the policy:

- 1) For an existing NT Customer, what constitutes “commencement of service” under Section H(5)(b)? Given that NT customers are billed based on their Network Load (as explained further below), our recommendation is that the commencement of service for an existing NT Customer be deemed to have occurred during the month in which the Plan of Service is energized because the NT Customer will incur a payment obligation for that month based on its total Network Load, which by natural operation will incorporate any newly energized Plan of Service on the Network. Does BPA agree? If no, why not?
- 2) If an NT Customer is deemed to have “commenced service” at a date later than originally requested, does BPA intend to monetize the financial security posted by the NT Customer or does BPA intend to delay the return of the financial security by the amount of time delayed?
- 3) NT Customers are billed on a \$/kW/mo basis based on the NT Customer’s Network Load on the hour of the Monthly Transmission System Peak Load. Many of the NT Customer Group have multi-user loads behind multiple Points of Delivery. As such, an NT Customer’s load can vary for a variety of factors, including weather, which may be completely outside of the NT Customer’s control. How does BPA intend to measure whether or not an NT Customer has met its obligations under this policy?

The NT Customer Group appreciates the opportunity to comment on the proposed TSEP Business Practice and hopes that BPA is able to clarify these items upon release of the final version.

Thank-you for the opportunity to comment.