

Response to Customer Comments - SURPLUS INTERCONNECTION SERVICE

BPA Transmission Business Practice

Version 1

Posted 9/23/2019

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This document contains customer comments and BPA Transmission Services’ response to the **Surplus Interconnection Service, Version 1** posted for comment from **July 23, 2019, to Aug. 26, 2019**.

For more information on business practices out for comment, visit the BPA Transmission Business Practices [Comments and Responses page](#).

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A. Renewable Northwest

Re: Comments of Renewable Northwest on Draft Surplus Interconnection Service Business Practice, Version 1

Renewable Northwest thanks the Bonneville Power Administration (“BPA”) and its staff for working to develop a Surplus Interconnection Service Business Practice, consistent with BPA’s commitments under the TC-20 Settlement.¹ We also appreciate BPA’s efforts to seek stakeholder feedback in developing Version 1 of its Draft Surplus Interconnection Service Business Practice (the “Draft BP”). Below, we highlight areas of improvement to Version 1 of the Draft BP that we encourage BPA to consider.

¹ TC-20 Administrator’s Final Record of Decision, Appendix 1 at 18.

I. The Draft BP needs greater detail on deposit amounts and the estimated timeline for processing surplus interconnection requests

Section D of the Draft BP requires Surplus Interconnection Customers to “submit deposits required during the processing of a Surplus Interconnection Request” in accordance with criteria outlined in the section. However, Section D does not specify the deposit amount that a Surplus Interconnection Customer must submit to BPA. Since the Draft BP does not include sufficient detail on the required deposit amount for interconnection customers to begin transacting, we encourage BPA to specify a deposit amount in Version 2 of the Draft BP.

BPA Response #1:

BPA appreciates the comments submitted by Renewable Northwest and Avangrid Renewables, LLC.

Section D of the Draft Surplus Interconnection Service Business Practice (BP) does not specify deposit amounts because Section C of the BP requires the Surplus Interconnection Customer to submit Appendix 1 to the LGIP when making a request for Surplus Interconnection Service. Appendix 1 to the LGIP states that the applicable deposit amounts are specified in the LGIP. However, BPA agrees that the deposit amounts could be clearer. Therefore, BPA will revise the BP to clarify that the deposit amounts will be in accordance with the LGIP.

Section E of the Draft BP, “Timelines and Study Process,” outlines the study process for Surplus Interconnection Service Requests. Section E also specifies that BPA “will use reasonable efforts to hold a meeting with the Surplus Interconnection Customer and the Original Interconnection Customer after BPA has deemed the request for Surplus Interconnection Service complete.” While Section E goes on to list what studies may be performed, it does not include expected timelines for processing the Surplus Interconnection Service requests or for any individual studies. We encourage BPA to include an estimated timeline for processing Surplus Interconnection Service requests and any component studies in Version 2 of the Draft BP.

BPA Response #2:

BPA will revise the BP to indicate that the timelines for processing and studying a Surplus Interconnection Request will be in accordance with the timelines in the LGIP.

II. Additional opportunities for stakeholder comment would help in the development of a stronger Surplus Interconnection Service Business Practice.

Renewable Northwest again thanks BPA Staff for seeking stakeholder engagement, and encourages BPA to seek additional stakeholder feedback before finalizing the Surplus Interconnection Service Business Practice. While we acknowledge BPA’s time constraints, we encourage BPA to release Version 2 of the Draft BP for comment before finalizing the BP.

BPA Response #3:

BPA appreciates the desire to further engage in the development of this BP. However, BPA is committed to meeting its timeline for posting the BPs in accordance with Section 8 of Attachment 1 of the TC20 Settlement Agreement. BPA is open to continuing discussions regarding additional phases in the development of the BP during the TC22 process.

III. The TC-22 process should also address Surplus Interconnection Service

Renewable Northwest understands that time constraints associated with the process leading to the TC-20 Settlement factored into the settlement parties’ agreeing that BPA should implement the Order No. 845 Surplus Interconnection Service reform through a Business Practice. Ultimately, Surplus Interconnection Service language should be included in BPA’s Open Access Transmission Tariff (“OATT”). Hence, we encourage BPA to include in the list of TC-22 issues the need to add Surplus Interconnection Service language to BPA’s OATT.

Additionally, we expect that the Federal Energy Regulatory Commission (“FERC”) will have issued orders in response to public utilities’ compliance filings with Order 845 by the time TC-22 begins. While BPA is generally not subject to the public utilities requirements to adhere to FERC’s pro forma tariff, BPA has expressed a commitment to aligning with FERC’s pro forma

tariff to the extent possible.² As a result, we expect that FERC's response to FERC-jurisdictional entities' Order 845 compliance filings may provide additional guidance to BPA going into the TC-22 process.

² *Id.* at 1.

BPA Response #4

BPA thanks Renewable Northwest for the comments. We will take this into consideration when planning the scope of TC22.

IV. Conclusion

Renewable Northwest is grateful for this opportunity for comment and looks forward to continue working with BPA on Order 845 reforms. We encourage BPA to add additional details on deposit requirements and process timelines to the Draft BP. We also encourage BPA to seek additional stakeholder comment before finalizing the Surplus Interconnection Service Business Practice, and suggest doing so through the release of Version 2 of the Draft BP for comment before finalizing the BP. Finally, we encourage BPA to add Surplus Interconnection Service language to its OATT as part of the TC-22 Process.

BPA Response #5

BPA has addressed these concerns in responses to previous comments within this document. BPA looks forward to engaging with customers in the further development of Surplus Interconnection Service during the TC22 process.

B. Avangrid Renewables, LLC

Re: Comments of Avangrid Renewables, LLC on the Proposed Surplus Interconnection Service Business Practice

Avangrid Renewables, LLC, ("Avangrid") hereby submits comments on the Bonneville Power Administration ("BPA") proposed Surplus Interconnection Service Business Practice (the "Proposed BP").¹ As BPA has indicated, the Proposed BP—along with two separate revised business practices—are needed to implement certain reforms from Federal Energy Regulatory Commission ("FERC") Order No. 845, as agreed upon in the TC-20 Settlement Agreement.² The Proposed BP could take effect as early as October 1, 2019, but does not address the new service requirements with enough detail to allow interconnection customers to begin transacting. While Avangrid appreciates that the Proposed BP may merely be a first incremental step towards implementing the new Surplus Interconnection Service, we respectfully request BPA establish a process to fully implement the new service in a timely fashion. Several key areas that Avangrid would like to see further detail on are addressed below.

¹ BPA Transmission Business Practice, Surplus Interconnection Service, Draft Version 1 (Oct. 1, 2019) available at <https://www.bpa.gov/transmission/Doing%20Business/bp/Pages/Comments-and-Responses.aspx>.

² Tech Forum Notice (July 23, 2019) (“As part of the TC-20 Settlement Agreement, Bonneville agreed to develop a Business Practice taking a phased approach to implementation of FERC Order No. 845 reform Utilization of Surplus Interconnection Service.”).

1. Additional Stakeholder Involvement is Needed

Avangrid appreciates BPA’s willingness to move forward with the new service, but believes stakeholder participation and/or workshops will be needed for BPA to provide a workable business practice. BPA demonstrated a willingness throughout the TC-20 settlement to introduce Surplus Interconnection Service with a collaborative approach that involved its customers. BPA also expressed a desire to review other utilities’ Order No. 845 compliance filings, which were due on May 22, 2019, to fast-track its own implementation. Now that the agency has realized its commitment to offer Surplus Interconnection Service, the agency should establish a procedural schedule to thoroughly vet its proposal with stakeholders and host at least one workshop prepared to discuss its findings from other utilities’ implementations.

BPA has several options for any such additional process. First, Section 4.5.1 of the agency’s new Business Practice Process states that “[i]f circumstances warrant, Bonneville will schedule additional discussions of such Proposed Business Practices at subsequent meeting(s) or conference calls.” Avangrid maintains that the current circumstances warrant additional discussions. Second, because the Surplus Interconnection Service implementation was part of the TC-20 Settlement Agreement, the agency could use the ongoing TC-20 Update meetings to refine its Surplus Interconnection Service proposal. The TC-20 process could solicit additional collaboration or an opportunity to sound board ideas. Finally, any future tariff revisions will need to be addressed in the TC-22 proceeding. Avangrid suggests fully fleshing out Surplus Interconnection Service before TC-22 begins, as there are already several issues set aside for that process. While Avangrid believes that all three of these venues may ultimately be needed to implement Surplus Interconnection Service, we encourage BPA to lay out a clear procedural process early.

BPA Response #6

See Response #3

2. Key Areas That Warrant Additional Consideration

Avangrid suggests the agency begin with at least three key sections from the Proposed BP. Critically, more procedural clarity is needed with respect to the time frames and costs for BPA’s study processes. Additionally, it is not yet clear what a study agreement will look like overall or how it will relate to other interconnection processes. We pose the following issues to direct efficient, meaningful conversation.

First on timing, Section E states, “BPA will use reasonable efforts to hold a meeting with the Surplus Interconnection Customer and the Original Interconnection customer after BPA has deemed the request for Surplus Interconnection complete.”³ This section goes on to lay out different studies that “may” be needed.⁴ Because Section E does not provide any specific notification or timing requirements, it is not clear how customers will know that BPA has deemed the request complete or decided whether any of the additional studies are necessary. Avangrid requests BPA commit to specific deadlines and timeframes for each step in its process.

³ The Proposed BP at Section E.1.

⁴ *Id.* at Section E.2 (“[s]tudies for Surplus Interconnection Service may consist of:...”), E.3 (“[s]teady-state (thermal/voltage_ analysis may be performed”), E4 (off-peak steady state analysis may be performed”) and E.5 (“both off-peak and peak analysis may need to be performed”).

BPA Response #7

Requests for Surplus Interconnection will be processed under BPA’s current LGIP as a new request in BPA’s interconnection queue and therefore are subject to the specific timelines, deposits, and notifications required under the LGIP. BPA reserves the right to determine what studies, if any, are required in order to enable the Surplus Interconnection. See LGIP Business Practice for details.

See BPA Response #2 for additional information on interconnection study timelines.

Turning to costs, pursuant to Section D, “[t]he Surplus Interconnection Customer shall submit deposits required during the processing of a Surplus Interconnection Request in accordance with the electronic funds transfer criteria described below.”⁵ This section sets out the process by which deposits and refunds will be submitted, but does not provide any specific cost information. We respectfully ask that BPA clarify what the agency expects the deposit amount for Surplus Interconnection Service will be.

⁵ *Id.* at Section D.1.

BPA Response #8

See BPA Response #1.

Finally, the Proposed BP does not adequately explain how BPA anticipates the Surplus Interconnection Service Agreement will work with the Large Generator Interconnection Agreement. For example, the Proposed BP does not address whether there will be cross defaults between the two agreements. The Proposed BP also does not address what will happen when the original Generating Facility shuts down. And overall, it is not clear what a Surplus Interconnection Agreement will look like. It is imperative that both existing customers, and potential surplus customers, know how BPA will address these issues before parties can evaluate whether the new service provides value or is a workable option.

BPA Response #9

For this phase, the Surplus Interconnection Agreement will take the form of the LGIA modified to add a description of the Interconnection Service in Appendix A of the LGIA and operating limit in Appendix C of the LGIA. BPA expects default to be a term in the Surplus Interconnection Agreement; we are working on this issue internally.

Avangrid appreciates the opportunity to submit these comments and looks forward to working with BPA on the Order No. 845 reforms, including Surplus Interconnection Service. By return e-mail, please confirm BPA’s receipt of these comments.

BPA Response #10

On August 26, 2019 at 4:37pm, BPA confirmed receipt of these comments via email.