



Eugene Water & Electric Board

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December 30, 2021

Bonneville Power Administration

via: techforum@bpa.gov

Re: Concurrent Loss Returns

To Whom it May Concern,

These comments are respectfully submitted by the Eugene Water & Electric Board (“EWEB”). EWEB is the largest publicly owned electric and water utility in Oregon, and our electric system supplies service to 93,000 residential, commercial, and industrial customers in and around the city of Eugene. EWEB appreciates the opportunity to engage with BPA on developing a financial and operational solution to loss returns that works for both BPA and its customers.

To begin, EWEB would like to confirm that BPA will continue to allow Slice customers to return losses through the Slice Application via a reduction to our Right to Power (RTP) calculation. The current process for Slice Returns eliminates what would otherwise be additional, unnecessary workload for EWEB staff in the creation of new TSRs and e-Tags to facilitate in-kind loss returns, which would themselves require approval by BPA staff. We are somewhat concerned that to date, BPA has not provided any insight into the intended treatment of Slice Returns when concurrent loss returns is implemented, or any justification for their preclusion in the future.

Operationally, EWEB currently uses a CDE interface to import our Loss Return obligation into our Energy Trading and Risk Management (ETRM) software. Should BPA choose to require another platform to communicate loss obligation data, this will also result in additional workload on EWEB staff, this time impacting our IS staff in requiring an additional interface.

EWEB acknowledges the difficulty in managing the partial kWh’s that are the result of using a flat percentage when calculating Loss Return obligations. In addition to BPA’s noted concern with managing kW remainders, EWEB is concerned with the partial obligation balance that remains when e-Tags are curtailed, which results in the customer realizing a reduced obligation from what had already been calculated and e-Tagged. These kW remainders will be either an obligation to the customers or a credit to the customers. While EWEB appreciates the opportunity to collaborate on a

mutually acceptable solution to managing kW remainders, BPA's comment in its December 8th presentation that "*hourly carry forward of kW remainders is not feasible for BPA*" fails to provide customers with the level of understanding necessary to comment. EWEB would appreciate clarification as to why this is not feasible before developing an opinion on a potential path forward.

In that same presentation, BPA outlined were two options for loss return e-Tags. EWEB has a strong preference for Option #2, the Separate Segregated e-Tag, believing it to be advantageous for both BPA and its customers. These separate e-Tag/tags would make reconciling easier for all parties and would help facilitate third-party returns; an option that customers have worked hard to maintain.

EWEB is also concerned as to the timing of the loss return calculation. With BPA joining the EIM and with transmission schedules financially binding at T-57, the timing of this calculation could leave customers financially exposed. Given the potential impact on all BPA Transmission customers, EWEB would appreciate additional detail as to the energy tag submission schedule and the timing of recalculated Loss Return obligations that BPA will be supplying to customers.

EWEB also wants to confirm that BPA's Oversupply Management Protocol (OMP) will not change with respect to notification and timing of the current program. EWEB has created business processes that work with the current framework and would ask that BPA not force customers to change their operations, procedures, and internal processes unnecessarily.

Finally, as part of this ongoing discussion, EWEB would appreciate additional background information with respect to the other Balancing Area Authorities BPA has worked with to identify alternative solutions to concurrent loss returns.

Once again, EWEB sincerely appreciates the opportunity to provide these comments and looks forward to continuing to work collaboratively with BPA to develop a mutually acceptable solution to ensuring the continued viability of in-kind loss returns in the future.

Best Regards,

A handwritten signature in blue ink that reads "Matthew A. Schroettig". The signature is written in a cursive style and is positioned above a blue outline of the state of Oregon.

Matthew A. Schroettig
Power Planning Supervisor & Staff Counsel
Eugene Water & Electric Board

cc: Christopher Lockman, BPA Transmission Services