



*Energizing Life in Our Communities*

March 2, 2020

Bonneville Power Administration  
905 NE 11<sup>th</sup> Ave  
Portland, OR 97232

Submitted via email: [techforum@bpa.gov](mailto:techforum@bpa.gov)

**RE: Snohomish PUD observations regarding the post TC-20 Hourly Firm Product**

Snohomish PUD (Snohomish) appreciates the opportunity to provide feedback to the Bonneville Power Administration (BPA) on our experience with the post TC-20 Hourly Firm product since initial transition to this change in July 2019. Snohomish continues to evaluate how changes made to the Hourly Firm product have and will affect its business processes and we offer the following observations:

**Limiting Hourly Firm to day-ahead shifts real-time adjustments to Non-firm service**

As of January 1, 2020, scheduling of the hourly firm product has been restricted to the day-ahead time horizon. When real-time schedulers are attempting to balance their utility's loads and resources for the next hour, and if conditions have changed since the prescheduled flow of energy was completed, then scheduling utilities like Snohomish may need to adjust or redirect their long-term firm transmission rights. These redirects are now only available as non-firm.

Since the day-ahead restriction was implemented for hourly firm, Snohomish has seen a significant increase in its load service flowing on non-firm transmission, regardless of any firm available transfer capability (ATC) on potential paths for the next hour. Snohomish endeavors to efficiently use its firm transmission rights for all load service in order to ensure quality of service and minimize potential disruption to our customer-owners due to curtailments by the BPA Balancing Authority. The inability to access a firm transmission product on real-time has directly affected Snohomish's ability to serve load on a firm basis.

**Inability to perform firm redirects during real-time limits opportunities to mitigate Unauthorized Increase Charges (UIC)**

In normal business operations, even with diligent attention to detail and following best practices, mistakes resulting in a UIC penalty can occur. Snohomish observes that without the ability to perform firm redirects during real-time, a utility that inadvertently overschedules its firm rights on a particular POR or POD has no recourse to correct the action outside of a tag adjustment or an annulment, which are not always options based on the timing of the error. Previously, the customer could perform a firm redirect to add capacity to the overscheduled POR or POD, alleviating the UIC. Without the ability to complete firm redirects in the real-time horizon, customers are exposed to significant and costly penalties without the ability to mitigate or correct mistakes.

Snohomish appreciates the opportunity to provide these observations regarding the hourly firm product. We look forward to continuing to work with BPA to find the correct operational balance for hourly firm. If you have any questions about our comments or would like further context for our observations, please do not hesitate to contact me.

Sincerely,



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