



Portland General Electric
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Via Email (techforum@bpa.gov)

U.S. Department of Energy
Bonneville Power Administration
Transmission Services

Re: Comments of Portland General Electric Company on Conditional Firm

Portland General Electric Company (“PGE”) appreciates the opportunity to provide additional comment on BPA’s proposals regarding conditional firm (“CF”) products as presented in the BPA Transmission Business Model (“TBM”) and Pro Forma/Industry Standard Gap Analysis (“PFGA”) processes.¹

PGE signed on and fully supports the Comments of Puget Sound Energy, Inc. and Commenting Parties on Queue Management, Conditional Firm and Study Process, dated December 8, 2017, including those provided on the Conditional Firm Product. However, PGE is uniquely impacted by BPA efforts to increase the inventory on already constrained flow gates such as the South of Allston (“SOA”). PGE therefore provides additional comments on BPA’s CF product proposal as follows.

In any implementation of CF, BPA should protect long-term firm (“LTF”) service and the service of other owners on the path from any potential impacts of CF. PGE believes BPA’s push for CF is a short-sighted reaction to demands for additional capacity that will ultimately have a detrimental impact on reliability. Oversubscribing BPA’s own share of that path could jeopardize operation on the path for other owners. By the nature of the CF product terms that convert the product to 7F once the curtailment threshold or system conditions are met, these CF products will be curtailed at the same level as LTF contracts. This logic contradicts BPA’s stated commitment to reliability and appears to be simply an opportunity to sell additional capacity on an already congested path.

Further, BPA must recognize that congestion and any restrictions imposed on SOA not only impact SOA, but also any path that has a “non-deminimis” impact on SOA. Considering the way that BPA so conservatively assesses the impacts to other paths, the “non-deminimis” determination essentially imposes the same restrictions on all paths north-to-south and east-to-west toward Portland. BPA should consider the impacts to its customers, transmission co-

¹ See also the August 8, 2017, Comments of Puget Sound Energy, Inc. on BPA CF, Queue Management, and SOA Alternatives as well as the December 8, 2017, Comments of Puget Sound Energy, Inc. and Commenting Parties on Queue Management, Conditional Firm and Study Process.

owners, and adjacent balancing authorities while experimenting with products and congestion management pilots, especially for those entities serving load.

PGE looks forward to additional discussions and consultation with BPA regarding BPA's SOA Pilot, restrictions to hourly firm sales and redirects, CF products, and any updates to SOA operations in the near future.

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PGE appreciates BPA's review of these comments and consideration of the recommendations contained herein. By return e-mail, please confirm BPA's receipt of these comments.