

August 10, 2017

Via Email (techforum@bpa.gov)

U.S. Department of Energy
Bonneville Power Administration (“BPA”)
Transmission Services

RE: General Comments of Avangrid Renewables Regarding BPA’s Queue Management Reform Proposals

Avangrid Renewables submits these comments following BPA’s July 26, 2017 Transmission Business Model Workshop addressing BPA’s proposals for: (1) The continued use of BPA’s Conditional Firm product; (2) Queue Management; (3) Tariff Engagement Design, and (4) South of Allston (“SOA”) Service Alternatives. Although Avangrid Renewables herein provides general comments regarding the current Queue Management proposals, Avangrid Renewables reserves the right to further comment on this and the other above-noted topics as these workshops continue.

1. Format of the July 26, 2017 workshop: well-intentioned but not effective

Although Avangrid Renewables appreciates BPA’s intent to encourage more participation by breaking up participants into groups and assigning them to topical breakout sessions during the July 26 workshop, this format prevented comprehensive stakeholder participation because it ensured that individual participants only heard one-third of the discussion on a topic. Moreover, the telephone microphones in the breakout rooms—particularly the SOA Alternatives and Tariff Engagement Design rooms—were not sufficient to allow telephone participants to fully track what was being discussed.

For these reasons, Avangrid Renewables encourages BPA to conduct the next workshops in its usual format: through a single session in which all participants are present (in person or over the phone) and in which topics and related questions are addressed sequentially, with occasional allotted breaks provided. Counsel for Avangrid Renewables submitted this feedback to BPA as part of BPA’s requested survey following the July 26 workshop.

2. There is a lack of clarity over the problem that BPA is trying to solve

Avangrid Renewables agrees with the concerns raised by some workshop participants that there is a lack of clarity over what BPA’s ultimate goal is for its Queue Management proposals. For example, if the goal is to “clear the queue,” as opposed to fully align with FERC’s *pro forma* Open Access Transmission Tariff (“OATT”) or industry standards, BPA should explain why this goal is necessary to comply with BPA’s statutes, or why it is superior to a tariff-based or industry standard approach.

3. *There is insufficient clarity and justification for eliminating BPA’s remainder policy*

BPA should clarify the basis of its proposal to eliminate its current remainder policy. At the July 26 workshop, BPA did not explain why it believes its current remainder policy is inconsistent with either the *pro forma* OATT or with industry practice. The basis for BPA’s proposal should be discussed further so that Avangrid Renewables and other customers can fully understand why BPA is seeking to eliminate the current remainder policy.

4. *More details are needed on BPA’s proposal to “develop more tools than ‘build’” and BPA should discuss what lessons have been learned from the SOA Non-Wires pilot*

In the Queue Management presentation and related breakout sessions, BPA introduced five proposals to participants: (1) allow rebids on capacity; (2) eliminate BPA’s current remainder policy; (3) revise BPA’s rollover policy; (4) require more granular POR/POD information in transmission service requests; and (5) develop more tools than “build.” Avangrid Renewables reiterates that it reserves the right to comment on these proposals as they become more developed in the workshop process.

Avangrid Renewables is particularly interested in the final proposal—develop more tools than “build”—but this proposal was only noted briefly in BPA’s Queue Management power point presentation and was not further discussed in the breakout sessions. Non-wires solutions (i.e. non-build solutions) are some of the most cost-effective and easily-implementable tools at BPA’s disposal—and they may well solve BPA’s stated queue management problem on their own—yet there is a surprising lack of discussion on this topic.

Avangrid Renewables encourages BPA to define what non-build/non-wires solutions it proposes to “develop,” whether they are different from non-wires solutions identified in the past,¹ and how BPA proposes to “develop” them. In addition, Avangrid Renewables would like to hear BPA discuss what lessons have been learned regarding redispatch and other non-wires solutions as a result of the South of Allston Non-Wires pilot program, and how those lessons can be used to alleviate the queue management problem and free-up available transfer capability (“ATC”).

5. *BPA should better analyze and explain each proposal’s benefits and risks to BPA and customers*

A recurring theme in several of the Queue Management breakout sessions, which BPA acknowledged, was that there is insufficient clarity on how each proposal will impact both BPA and its customers. Avangrid Renewables encourages BPA to further flesh-out the details of its Queue Management proposals as well as analyze and explain the benefits and risks of each proposal to BPA and its customers.

¹ See, e.g. Bonneville Power Administration, *Non-Wires*, <https://www.bpa.gov/Projects/Initiatives/Pages/Non-Wires.aspx> (noting that non-wires alternatives “that are often explored include energy efficiency programs, demand reduction initiatives, pricing strategies and distributed generation, among other things.”).

6. *Requiring source/sink information on short-term transmission requests and, potentially on E-Tags as well, is not consistent with industry standards and would be unduly burdensome on BPA and customers*

Avangrid Renewables reiterates the concerns raised by Snohomish PUD, Public Power Council, and Powerex in the breakout sessions that requiring source and sink information on short-term requests, as opposed to only long-term requests, is not the industry standard. Avangrid Renewables also requests clarity on whether, and how, the e-tag process will be impacted by this proposal.

For short-term requests in particular, it is difficult to provide source and sink information because that information is often not timely available. As such, this requirement would be difficult for customers to comply with and for BPA to administer. It is also highly likely that such a requirement will cause a significant amount of traffic on BPA's OASIS, which BPA should be prepared to address.