September 12, 2017

Via Email (techforum@bpa.gov)

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

Re: Comments of Avista Corporation, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. on ATC, NT Scope, and Study Process

Avista Corporation, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. ("Commenting Parties") hereby comment on BPA available transmission capability ("ATC"), NT Scope, and Study Process, following up on the August 29, 2017, BPA pro forma gap analysis workshop discussions. The August 29 workshops were divided into the three topics referenced above. However, consideration of these topics overlap. Accordingly, the comments below will touch on various of these topics.[1]

A. Provision of Long-Term Congestion Information

At the workshop, BPA indicated that

(i) BPA seeks to send the clearest possible signals about the congestion on its system (including the cost of addressing that congestion);

(ii) BPA is concerned that long-term ATC ("LT ATC") that it posts is not reliable because of a current "misalignment between ATC and Powerflows"[2];

(iii) BPA is considering whether "Heat map or proactive studies for ideal locations for new generation and loads"[3] would provide better information regarding congestion than LT ATC;

BPA is the largest provider of transmission in the region. The Commenting Parties support BPA's goal of providing enhanced and more reliable information regarding congestion on its system. BPA's customers use information provided by LT ATC on BPA's system for a number of purposes in addition to evaluating locations for new generation and loads- -e.g., evaluating possible long-term redirects, possible long-term power purchase agreements, and long-term transmission commitments under existing obligations.

[1] It should also be noted that the comments below are intended to supplement the discussions at the August 29 workshops and do not substitute for the comments that are due to be submitted at the end of the workshops.

[2] August 29, 2017 BPA ATC presentation, page 8.

[3] August 29, 2017 BPA ATC presentation, page 8.

BPA's goal of providing enhanced and more reliable information regarding congestion on its system can best be met by the following:

(i) BPA should work to make its LT ATC calculations (and LT ATC calculation tools) more reliable.

(ii) To the extent practicable, BPA should post LT ATC that is available for purchase. To the extent it is not practicable for BPA to reliably calculate and post LT ATC that is available for purchase, BPA should make available to customers BPA's best estimates of LT ATC.

(iii) BPA should supplement the above LT ATC information with tools in the form of (a) heat maps showing transmission congestion on BPA's system and (b) LT ATC calculation tools that provide customers with proactive study capabilities. Information from these tools should be as granular as practicable--e.g., seasonal and on-peak/off-peak. BPA should work with its customers on the design of such tools, to help ensure that they are practical and useful.

Information on congestion on BPA's system is particularly important in light of BPA's emphasis on increased use of its existing transmission facilities, because such information will facilitate such increased use.

We look forward to further discussion of ways in which BPA can provide enhanced and more reliable information regarding congestion on its system, in the context of other workshop topics that involve reliance on or use of ATC information.

B. Calibrated Model Assumptions

At the workshop, BPA indicated that it is contemplating "Calibrated Model Assumptions" for use in calculating ATC, with the objective of providing more accurate and efficient ATC calculation. Under this approach, ATC would apparently be calculated using "risk informed assumptions" and determining "a certain amount of risk to be acceptable". [4]

If BPA uses calibrated model assumptions in calculating ATC, those assumptions should be transparent to customers, so they can understand the risks and benefits of BPA's making those assumptions. Any calibrated model assumptions should also be incorporated into the ATC calculation tools that BPA makes available to customers.

Finally, BPA should ensure that its adoption of any calibrated model assumptions are consistent with system operating limits and do not adversely affect other balancing authorities and transmission providers.

C. Processing BPA's Queue

[4] August 29, 2017 BPA ATC presentation, page 6.

At the workshop, BPA indicated that it seeks to "[p]rocess the queue consistently and efficiently".[5] This is appropriate. However, as indicated in the August 8, 2017 Comments of Puget Sound Energy, Inc. on BPA CF, Queue Management, and SOA Alternatives, [6]

(i) BPA should seek to maximize usage of its transmission,

(ii) BPA's queue represents transmission service requests ("TSRs") by BPA customers, and

(iii) those requests should be satisfied to the maximum extent practicable.

BPA's queue is an indication of transmission service that is desired on BPA's system, and removing TSRs that are not fully satisfied or withdrawn from the queue may well distort and understate the interest in transmission and the need for upgrades on BPA's system. In short, BPA's objective to process its queue consistently and efficiently should not result in removal of unsatisfied TSRs from BPA's queue.

D. Undesignation of Network Resources for Market Sales

At the workshop, BPA indicated that (i) BPA would require undesignation of designated network resources being used to make firm market sales and "[a]ssure reliable ST ATC availability and reliable NT redispatch"[7] but (ii) BPA may not proceed with this requirement if ST ATC ("ST ATC") freed-up by such undesignation cannot be reflected in short-term ATC.

Requiring undesignation of designated network resources being used to make firm market sales is appropriate and will free up ST ATC. (In the absence of such undesignation, the ATC used by the resource would be double-counted--for the NT service and for the point-to-point service used for the market sale.) As discussed above, information on congestion on BPA's system is particularly important in light of BPA's emphasis on increased use of its existing transmission facilities. ST ATC freed up by undesignation of network resources for market sales is an important component of that information. Accordingly, BPA should work to ensure that ST ATC freed-up by such undesignation will be reflected in short-term ATC.

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Commenting Parties appreciate 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.

[5] August 29, 2017 BPA Study Process presentation, page 6.

[6] Available at https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/Puget-CF-Queue-Management-SOA-Alternatives.pdf

[7] August 29, 2017 BPA Study Process presentation, page 6.