

October 6, 2017

Via Email (techforum@bpa.gov)

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

Re: Preliminary Comments of Tacoma Power on BPA's Pro Forma Gap Analysis

Tacoma Power appreciates BPA's efforts over the last several months to engage the region in addressing issues identified in its Pro Forma Gap Analysis. Tacoma looks forward to additional details on proposals especially related to the Section 9 OATT revision, elimination of the Hourly Firm product, and refinement of Conditional Firm service.

First, with regard to the proposed revision to Section 9 of BPA's OATT that was discussed at the July 26th BPA workshop, Tacoma Power is concerned with the lack of FERC oversight in what BPA has proposed. We support the August 8th comments filed by Avista, Portland General and PSE on this issue, and urge you to adopt their proposed revisions to Section 9 instead of BPA's revisions, if and to the extent BPA decides to revise Section 9 of its OATT.¹

Second, with regard to the elimination of the Hourly Firm product, we are extraordinarily concerned about the potential implications for Tacoma Power of this action, and with the development of any replacement product, to allow Tacoma to market excess energy using its long-term firm PTP rights. We fully support the October 4th comments on this issue filed by Avangrid, Avista, PacifiCorp, Portland General Electric, and Puget Sound Energy, and look forward to receiving BPA's written response to those comments prior to any final decision being made to eliminate the Hourly Firm product.²

Finally, a refined Conditional Firm product that meets the needs of BPA's transmission service customers will become essential if BPA pursues its stated desire of eliminating the Hourly Firm product and managing congestion with means other than expanding system capabilities. At present, Tacoma Power is unable to obtain Conditional Firm service given BPA's current restrictions applicable to Sources and Sinks located in other balancing authorities. Tacoma Power requests that BPA further reform its Conditional Firm product so that Tacoma Power may successfully request and use the service. To this

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<https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/Avista-PGE-Puge%20-Tariff-Engagement.pdf>

2

<https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/avangrid-avista-pacificorp-pge-puget-bpa-hourly%20firm-100417.pdf>

end, Tacoma Power shares the same concerns of Puget Sound Energy as articulated in the company's August 8th comments.³

These are Tacoma Power's preliminary comments. We plan to submit more comprehensive comments after completion of the workshop process.

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<https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/Puget-CF-Queue-Management-SOA-Alternatives.pdf>