

July 18, 2018

Via Email (techforum@bpa.gov)

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

Re: TC-20—Comments of Avangrid Renewables, LLC, Avista Corporation, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. on the June 26, 2018 TC-20 Tariff Proposals

Avangrid Renewables, LLC, Avista Corporation, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. (“Commenting Parties”) hereby comment in response to the TC-20 Tariff Proceeding Customer Workshop presentation of June 26, 2018¹ at the TC-20 workshop of the same date (“June 26 Workshop”) held by Bonneville Power Administration (“BPA”).

These comments address (1) BPA’s hourly firm alternatives; (2) BPA’s proposal regarding the ancillary service schedules; (3) BPA’s proposal regarding generation interconnection methodology; (4) BPA’s proposal regarding Attachment M; (5) BPA Network Transmission (NT) service on a conditional firm basis and (6) the BPA Sample Study of WECC Real Power Loss Factor Publication (“BPA Loss Publication”). Commenting Parties appreciate the opportunity to submit comments to BPA and look forward to working with BPA on these matters.

I. BPA HOURLY FIRM

A. BPA’s Selected Hourly Firm Alternatives are Too Narrow; BPA Should Offer Hourly Firm Limited to ATC

As part of its tariff review process, BPA is considering hourly firm alternatives. The June 26 Workshop Presentation states that “[f]rom the possible combinations of alternatives, BPA has selected four alternatives to evaluate that include variants for each product attribute.”² Those selected alternatives are the following:

- (i) unlimited hourly firm (status quo)—no preemption or competition

¹ Bonneville Power Admin., *Terms and Conditions TC-20 Tariff Proceeding Customer Workshop* (June 26, 2018), available at <https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/Tariff-Proceeding/June%2026,%202018/TC-20%20Customer%20Workshop%20Presentation%20Final%20for%20June%2026%202018.pdf> (the “June 26 Workshop Presentation”)

² June 26 Workshop Presentation at 67.

- (ii) eliminate hourly firm³
- (iii) eliminate hourly firm & offer shaped daily—no preemption and competition
- (iv) limit hourly firm to Available Transfer Capability (“ATC”)—with preemption and competition.

It is not clear—and BPA should explain—what BPA means by preemption and competition for hourly firm limited to ATC. BPA should explain

- (i) what preemption and competition for the hourly firm product limited to ATC would entail and why;⁴
- (ii) any applicable requirements (such as any applicable North American Energy Standards Board (“NAESB”) standards) that would require BPA to include preemption and competition for the hourly firm product limited to ATC (but not for shaped daily); and
- (iii) whether the volume of hourly firm transactions would render preemption and competition difficult or impractical to administer in practice.

Neither FERC nor NAESB has specified requirements for how an hourly firm product is to be administered by those transmission providers that have elected to offer such service.⁵ BPA’s proposal would not better align with any FERC or NAESB standard by enabling these screens. BPA has not demonstrated that preemption and competition must be enabled for the hourly firm product limited to ATC, and it appears that they would not be required to be enabled.

For the reasons set forth below, BPA should offer hourly firm limited to ATC, and BPA’s alternatives should include hourly firm limited to ATC *without* preemption or competition and hourly firm limited to ATC *with* preemption and competition. At this point, it is not clear that preemption and competition are required for BPA hourly firm limited to ATC, and it appears that their inclusion may make administration of the product more difficult. Answers to the questions above regarding the nature of, and any requirements for, preemption and competition for hourly

³ BPA states that the elimination of the hourly firm product was recommended by the Utilicast assessment. (June 26 Workshop Presentation at 66.) However, BPA has not provided any detail on this recommendation. For example, BPA does not provide the context in which this recommendation was made, and it is unclear what assumptions underpin the Utilicast assessment or how removal of an hourly firm product would benefit transmission customers. Commenting Parties request that BPA provide more data regarding the Utilicast assessment before making any determination not to offer hourly firm limited to ATC.

⁴ In this regard, BPA’s Preemption of Short-Term Requests and Reservations Transmission Business Practice states that “BPA has excluded the preemption of redirects and the hourly markets from this implementation schedule as further policy work is needed before preemption can be applied to those requests and reservations.” Bonneville Power Admin., Preemption of Short-Term Requests and Reservations Transmission Business Practice (Version 2 3/13/2015) at 1, available at <https://www.bpa.gov/transmission/Doing%20Business/bp/tbp/Preemption-Short-Term-Requests-BP-V02.pdf>.

⁵ NAESB WEQ-001-4.13, which provides certain timing requirements, does not include hourly firm.

firm limited to ATC should cast light on whether or not preemption and competition should be included.

B. BPA Hourly Firm Is an Important Product in the Region

BPA notes that the hourly firm product is not included in the Federal Energy Regulatory Commission (“FERC”) *pro forma* Open Access Transmission Tariff (“OATT”).⁶ Although hourly firm is not required by FERC to be offered under the pro forma tariff, FERC has allowed jurisdictional utilities to offer the service, and BPA hourly firm service is an important product in the region.⁷ At the June 26 Workshop BPA estimated that the volume of hourly firm reservations was easily in excess of fifty thousand transactions per month. The BPA hourly firm product plays an important role in the Northwest and is essential, for example, for BPA transmission customers in serving load (e.g., through redirects) and for facilitation of short-term economic transfers. This is particularly true because (i) the Pacific Northwest has a very liquid power market, with hourly variations, and (ii) BPA controls approximately 75% of the high voltage transmission in the region and plays a key role in providing transmission for that market.

Elimination of all BPA hourly firm would de-optimize the system and, in some situations, would force customers to buy more transmission on a daily or longer basis than they need, which would needlessly drive up costs and tend to reduce the amount of BPA transmission available for others. In some cases, it may prompt some transmission customers to reevaluate their reliance on BPA’s transmission system all together and seek out other transmission options. Ultimately, because revenues from hourly firm sales in effect reduce the revenue requirement for BPA’s other transmission products, reduced hourly firm sales may lead to higher rates, undermining BPA’s strategic goal of “meet[ing] transmission customer needs efficiently and responsively.”⁸

A broad representation of BPA customers has expressed concerns about elimination of BPA hourly firm transmission service, for example at the Pro Forma Gap Analysis (“PFGA”) workshop of September 20, 2017. In any event, BPA should recognize that this region and its bilateral market rely on the flexibility of BPA transmission redirects to serve load. Hourly firm redirects (limited to ATC) on BPA’s main grid should be made available.

C. BPA Should Reliably Calculate Hourly ATC and Make Hourly Firm Available⁹

BPA should work to make its hourly firm ATC calculations more reliable, and BPA’s work on this is appreciated. BPA indicated at the ATC workshop of August 29, 2017, that

⁶ June 26 Workshop Presentation at 66.

⁷ The mere fact that there is a deviation from the pro forma is not a sufficient basis for BPA to not provide hourly firm, particularly in light of the fact that BPA’s transmission customers widely rely on BPA hourly firm.

⁸ Bonneville Power Administration, *2018-2023 Strategic Plan* at 45 (2018), available at <https://www.bpa.gov/StrategicPlan/StrategicPlan/2018-Strategic-Plan.pdf>.

⁹ See also Comments of Avangrid Renewables, LLC, Avista Corporation, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. on BPA Hourly Firm (Dec. 8, 2017), available at <https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/120817-Comments-re-BPA-Hourly-Firm.pdf> and Comments of Avangrid Renewables, LLC, Avista Corporation, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. on BPA Hourly Firm (Oct. 4,

(i) BPA’s methodologies for calculation of daily and hourly ATC need improving, (ii) BPA will work first on the daily ATC methodology and then on the hourly ATC methodology, and (iii) BPA will need to calculate hourly ATC regardless of whether it sells hourly firm transmission. As BPA’s calculation of ATC improves, the need for “margin” in those calculations should decrease, which should tend to increase BPA’s ability to sell hourly ATC without increased risk to customers.

BPA should not eliminate the hourly firm product entirely but rather should manage offers of hourly firm transmission on its network flowgates according to calculated firm ATC limits. This approach should minimize situations in which hourly firm transmission is sold when firm ATC is not available for the sale. This will work to prevent curtailments of firm transmission that occur due to hourly firm transmission being sold when there was no ATC to support the sale. To facilitate this approach, BPA should ensure that it has tools in place to more accurately calculate firm ATC on an hourly basis.

D. BPA’s Concerns About Hourly Firm Do Not Justify or Require Elimination of an Hourly Firm Limited to ATC Product

Sales of hourly firm limited to ATC should not provide a disincentive to the purchase of long-term firm on BPA’s main grid. Because of congestion on BPA’s main grid, BPA’s transmission customers cannot rely on purchasing just the hourly firm limited to ATC product as a substitute for long-term firm. Indeed, the congestion on BPA’s main grid is likely to increase as BPA takes steps to increase the utilization of its existing facilities.

BPA’s Hourly Firm Presentation of September 20, 2017, describes the following as concerns raised by BPA providing hourly firm transmission:

Address Hourly Firm Product. It sends the wrong price/congestion signals, requires high customization and undercuts/derails curtailment priorities with all other NT/PTP products.¹⁰

At the September 20 workshop, BPA indicated that these concerns were the basis of BPA’s decision to eliminate hourly firm. However, as discussed below (and as further discussed in detail in the October 4 Hourly Firm Comments), these concerns are misplaced and should not require elimination of the availability of hourly firm transmission that is limited to ATC:

- (i) Concerns regarding hourly firm congestion signals are raised by BPA’s provision of *unlimited* hourly firm transmission. (Sale of unlimited BPA hourly firm permits sales of hourly firm when ATC is not available.) Limiting hourly firm sales within hourly firm ATC sends accurate and appropriate congestion signals, whereas hourly

2017)(“October 4 Hourly Firm Comments”), available at <https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/avangrid-avista-pacificorp-pge-puget-bpa-hourly%20firm-100417.pdf>.

¹⁰ Bonneville Power Admin., *Transmission Business Model Pro Forma/Industry Standard Gap Analysis: Hourly Firm at 1* (Sept. 20, 2017), available at https://www.bpa.gov/transmission/CustomerInvolvement/TransmissionBusinessModel/Documents/09202017_P_FGA_Hourly_Firm_Presentation.pdf

firm sales in excess of hourly firm ATC sends inaccurate and inappropriate congestion signals.

- (ii) At the September 20 workshop, it was suggested that BPA provision of hourly firm transmission could inappropriately hinder access by NT customers to secondary network service and allow hourly firm to “jump ahead” of secondary network service. However, secondary network service, by design, has a lower curtailment priority than firm service of any duration and was never intended to be a firm transmission service. FERC’s secondary network service structure is basically intended for transmission associated with a network customer’s economy purchases (*i.e.*, transmission that is used to substitute one resource for another on an as-available basis).¹¹
- (iii) BPA has indicated a concern that hourly firm “requires high customization,” but this concern should not require the elimination of hourly firm limited to ATC. BPA already offers hourly firm, and it appears that it is necessary to limit sales of BPA hourly firm to ATC. BPA should conduct a stakeholder process to explore the best method to ensure ATC on its system that would otherwise be unused is available for short-term (*e.g.*, hourly) firm transmission. This process should explore the customization needed to provide hourly firm limited to ATC and explore possible variations in the hourly firm product and processes that would facilitate the provision of this product.

II. ANCILLARY SERVICE SCHEDULES

Under the FERC OATT Schedule 9 (Generator Imbalance Service) *pro forma* language, a Transmission Provider must provide balancing reserves for Generator Imbalance Service “to the extent it is physically feasible to do so from its resources or from resources available to it.”¹² However, BPA is neither proposing to conform to the *pro forma* OATT Schedule 9 nor proposing that the quality of service for Generator Imbalance Service be established in BPA’s tariff. Instead BPA is proposing to provide the service to the extent that it has set aside, *based upon a methodology to be established by BPA in a business practice*, an amount of capacity

¹¹ Secondary network service (i) may be available during times when firm service is not available and (ii) has a higher priority than non-firm Point-to-Point Transmission Service. (*See Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order 888, slip opinion at 332 and 342, 61 Fed. Reg. 21,540 (May 10, 1996).) In Order No. 890-B, paragraph 117, FERC noted that NT customers can use secondary network service when firm service is not available. *See Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888-B at ¶ 117, 81 FERC ¶ 61,248 (1997).

¹² *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890-B, Appx. B at Original Sheet No. 144, 123 FERC ¶ 61,299 (2008), available at <https://www.ferc.gov/whats-new/comm-meet/2008/061908/E-1.pdf>.

forecasted to provide the service.¹³ BPA is proposing to adjust the language of Schedule 9 to the following to reflect this limitation:

Consistent with the study methodology contained in the Balancing Reserve business practice, the Transmission Provider will establish a forecast of the quantity of balancing reserve capacity needed to provide this service. The Transmission Provider will offer to provide such service up to the forecast quantity from its resources or resources available to it.¹⁴

The June 26 Workshop Presentation states that “[t]he Draft Business Practice states that ‘BPA will use reasonable efforts to supply sufficient Balancing Reserve capacity to cover a 99.7 percent planning standard of balancing error events.’”¹⁵ In short, BPA proposes that the quality of service (i) would not be defined in the tariff, but (ii) would be defined in a business practice by a planning standard (initially 99.7 percent of balancing error events); these are deviations from the *pro forma* OATT.

BPA’s suggested deviations from the *pro forma* OATT Schedule 9 described above would increase the ambiguity of the terms and conditions for that service. BPA acknowledges that parties generally do not support moving key determinations that could impact rates into a separate business practice.¹⁶ BPA is currently in the process of reviewing customer comments and evaluating this issue and is anticipating providing modified language for Schedule 10 at the July 23 TC-20 Workshop.¹⁷

BPA has indicated it is working to ensure business certainty and stability for its customers by adopting the FERC *pro forma* OATT for BPA’s transmission services to the extent possible. In doing so, BPA has stated that its revised transmission tariff “will only differ from the *pro forma* OATT if the differences are based on the needs of our customers and other stakeholders, the reliable and efficient operation of the FCRTS, or BPA’s statutory obligations.” Subsequently, BPA announced in the February 21, 2018 meeting that it would consider differences from FERC’s *pro forma* tariff if the differences meet at least one of four guiding “Principles.” As pointed out in previous comments, some of those Principles are flawed and should be revised.¹⁸ That being said, BPA has failed to provide a single principle that would serve as a basis for identifying the amount of reserves needed on a planning basis for balancing load and generation in BPA’s Balancing Authority Area in the Balancing Reserve Business

¹³ June 26 Workshop Presentation states at 77.

¹⁴ Bonneville Power Admin., *BPA’s Proposed – 2018 – 212 New Tariff – June 2018* (June 19, 2018), available at <https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/Tariff-Proceeding/June%202018/BPA's%20Proposed%202018%20-%202012%20New%20Tariff%20-%20Revised%2006-19-18.pdf>.

¹⁵ June 26 Workshop Presentation states at 77.

¹⁶ *Id.* at 78.

¹⁷ *Id.* at 81.

¹⁸ See Comments of Avangrid Renewables, LLC, Avista Corporation, Idaho Power Company, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. on Certain of BPA’s Proposed Tariff Changes and Related Matters from April 23, 2018 TC-20 Meeting (May 30, 2018), available at <https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/TC-20%20Comments/Avangrid,%20Avista,%20Idaho%20Power,%20PacifiCorp,%20Portland%20General,%20an%20PSE%20Comments%20on%20BPA%20Proposed%20TC-20%20Tariff%20Changes.pdf>.

Practice. More fundamentally, BPA has not demonstrated that the planning standard (i.e., quality of service) should be defined in a business practice rather than the tariff or BPA rate cases.¹⁹ Definition of the planning standard in a business practice simply does not provide customers with an adequate forum in which to challenge and explore the basis of the proposed planning standard, which essentially determines the quality of service.

The quality of service for Generator Imbalance Service (which under BPA's current approach is planning standard, expressed as a percentage, 99.7%) is a fundamental term and condition of transmission service. Absent this quantifiable level of service, the provision of Generator Imbalance Service under the BPA tariff is empty, as the amount of capacity held, in theory, could be any amount, including no amount at all. The quality of service for Generator Imbalance Service should be established in BPA's tariff and revised pursuant to the procedures established for revising the tariff. A tariff revision proceeding provides a forum in which BPA transmission customers can challenge and explore the basis of a proposed quality of service for Generator Imbalance Service.

The Commenting Parties recognize that it may be appropriate to reassess and adjust the planning standard from time to time, depending on factors such as the mix and cost of resources available to provide balancing capacity to BPA. Any such adjustment should only be effective as of the beginning of a rate period so that BPA's rates can properly reflect the cost of the service to be provided. If the quality of service is not established in the tariff, it should be established in BPA's rate proceeding in which the rate for Generator Imbalance Service is being established. In such case, the Commenting Parties suggest that BPA explore language in the tariff that would provide sufficient detail on the methodology to be used in determining the quality of service to ensure that an appropriate quality of service is adopted, but that the actual assessment and determination of the quality of service (planning standard percentage under BPA's current approach) will be determined as part of the rate making process. This approach should (i) allow BPA to maintain consistent language in the tariff, (ii) avoid frequent tariff revisions, (iii) allow periodic reassessment of the quality of service, and (iv) help ensure that the appropriate quality of service is provided. Determination of the quality of service in BPA rate cases will provide a forum in which BPA transmission customers can challenge and explore the basis of a proposed quality of service.

III. PROPOSED DEVIATIONS TO PRO FORMA GENERATION INTERCONNECTION LANGUAGE

In the June 26 Workshop Presentation, BPA describes in very general, conceptual terms proposed deviations from the standard pro forma language for the generation interconnection procedures of Attachments L and N. BPA is requesting comment on three proposed conceptual changes to the generation interconnection procedures.²⁰ The first is to create a framework for interconnection projects to progress outside of interconnection queue order, allowing for those

¹⁹ See, e.g., Comments of Avangrid Renewables LLC, Idaho Power Company, PacifiCorp, and Puget Sound Energy, Inc. on the BP-20 Balancing Reserve Capacity Planning Standard Proposal (June 28, 2018), available at <https://www.bpa.gov/Finance/RateCases/BP-20/Comments/2018.06.28/Avangrid.%20Idaho%20Power.%20PacifiCorp.%20and%20PSE%20Comments%20re%20ACS%20Practices.pdf>.

²⁰ June 26 Workshop Presentation at 85-90.

projects that are first ready to move forward to move to the build phase first (“First Ready/First Build”).²¹ BPA states that this change would “[e]ncourage[] more rapid development of new generation and greater equity” and would require BPA to develop a “clear methodology and language to allow progress out of queue order with no discriminatory bias.”²² The second proposal builds off of the First Ready/First Build framework, providing for the funding of large capital interconnection facilities and upgrades by allocating such costs pro rata across the parties utilizing the facilities.²³ To ensure that interconnection queued customers do not attempt to avoid being allocated costs by unnecessarily delaying their projects, BPA proposes including a “late-comer” provision, wherein a later project that uses the upgraded facilities will be required to reimburse a pro rata share of the upgrade costs to the parties that were originally allocated the upgrade costs.²⁴

Commenting Parties recognize that certain reforms of BPA interconnection queue processes may be necessary for BPA to better administer its interconnection queue. However, the details of how BPA chooses to implement the proposals are necessary for the Commenting Parties to provide meaningful feedback. As BPA explains, the proposals will require a clear methodology and language to be properly implemented.²⁵ In order to be successful, any proposal must have clear and defined timelines for initial studies and the re-study process. BPA proposes to provide redlines of the tariff language implementing these proposals at the scheduled July 23 TC-20 workshop.²⁶ Commenting Parties look forward to reviewing these edits and to providing more detailed comments in response to the substantive proposals.

BPA’s third proposal for changes to the generation interconnection process is to “strengthen” the language for milestones related to the National Environmental Policy Act (“NEPA”) provisions of BPA’s tariff.²⁷ BPA states that the proposal will “[h]elp manage project progress towards construction preventing requests from ‘sitting’ inactively” and will “[a]ddress[] a procedural loophole created inadvertently by the existing BPA NEPA deviation and pro forma sections elsewhere.”²⁸ BPA should ensure that the NEPA deviations do not impose a greater burden on projects than BPA’s NEPA obligations require. As with the First Ready/First Build and pro rata cost allocation framework, it is difficult to assess BPA’s NEPA proposal without the specific proposed tariff language to review, and Commenting Parties look forward to reviewing the detailed tariff language in the future.

IV. ATTACHMENT M OF THE BPA TARIFF

Discretionary and emergency redispatch from the Federal system is a fundamental term and condition of BPA transmission service and should not be removed from Attachment M of

²¹ June 26 Workshop Presentation at 84.

²² *Id.*

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.* at 90.

²⁷ *Id.* at 88.

²⁸ *Id.*

the BPA tariff. The June 26 Workshop Presentation states as follows with respect to Attachment M of the BPA tariff:

BPA proposes to remove Attachment M from the tariff, but retain the provision of Discretionary and Emergency Redispatch from the federal system through the Redispatch and Curtailment Business Practice.²⁹

Discretionary and emergency redispatch from the Federal system is an element of transmission service provided by BPA. Indeed, costs for this service are included in BPA's transmission rates:

Power Services may respond to requests for redispatch through redispatch of Federal generation, through purchases or sales of energy, or through purchases of transmission. The forecast of costs for Attachment M redispatch is \$225,000 per year. See Fredrickson & Fisher, BP-18-E-BPA-18, Appendix A, Attachment 3, line 8. These costs are included in the segmented revenue requirement for the Network. See Transmission Revenue Requirement Study Documentation, BP-18-FS-BPA-09A, § 2.2.³⁰

In short, discretionary and emergency redispatch from the Federal system is a fundamental term and condition of transmission service. The quality of transmission service, including discretionary and emergency redispatch from the Federal system, should be established in BPA's tariff and revised pursuant to the procedures established for revising the tariff.

V. BPA NETWORK INTEGRATION (NT) SERVICE ON A CONDITIONAL FIRM (CF) BASIS

BPA transmission customers are not broadly expressing support or need for BPA Network Integration (NT) Service on a Conditional Firm (CF) basis, and BPA should not retain it. BPA should transition existing NT CF customers to regular NT service, as BPA has stated that it intends to do. The June 26 Workshop Presentation states that NT CF is not in the *pro forma* tariff and that FERC has noted that NT CF is not needed in light of the flexibilities inherent in NT service:

- BPA's currently offers Network Integration Service (NT) on a Conditional Firm (CF) basis. This practice is not *pro forma* nor industry standard.
- FERC noted it was not necessary for transmission providers to offer CF service to NT customers because these flexibilities were inherent in NT service.

²⁹ June 26 Workshop Presentation at 40.

³⁰ Bonneville Power Admin., *BP-18 Rate Proceeding Final Proposal Transmission Rates Study and Documentation*, BP-18-FS-BPA-08, at 42 (July 2017), available at <https://www.bpa.gov/Finance/RateCases/BP-18/bp18/Final%20Proposal/BP-18-FS-BPA-08%20Transmission%20Rates%20Study%20and%20Documentation.pdf>.

- Network (NT) Conditional Firm is not in the *pro forma* tariff.³¹

The June 26 Workshop Presentation states in the discussion of NT CF that one of the things heard by BPA was the following:

Instead of allowing more customers to access limited existing capacity, BPA should create incremental capacity on its system as required by sections 13.5, 15.4, and 28.2 of the *Pro-Forma* OATT.³²

In other words, BPA should avoid undue and unnecessary reliance on conditional firm. This is particularly true because conditional firm service may not provide the quality of service needed by BPA's customers.

VI. BPA SAMPLE STUDY OF WECC REAL POWER LOSS FACTOR PUBLICATION

On June 29, 2018, BPA posted the BPA Sample Study of WECC Real Power Loss Factor Publication,³³ which consists of a table that purports to identify which of twenty-four transmission providers identify their loss factors in a tariff or business practice. The entries in the table are variously blank, "Tariff" or "BP or Price Index". Thirteen entries in the BPA Loss Table indicate that loss factors are located in the "Tariff." Eleven entries in the BPA Loss Table indicate that loss factors are located in the "BP or Price Index," which fails to indicate whether loss factors are also located in the tariffs of such transmission providers.

Indeed, Commenting Parties have identified at least seven of the eleven transmission providers listed on the BPA Loss Table as "BP or Price Index" that also include loss factors in their respective tariffs. Accordingly, the overwhelming majority of the transmission providers identified in the BPA Loss Table include loss factors in their respective tariffs. In sum, it is apparent that the BPA Loss Table understates the number of transmission providers that include loss factors in their OATTs or tariffs.

BPA real power loss factors should remain in the BPA tariff, for the reasons set forth in the TC-20—Comments of Avangrid Renewables, LLC, Avista Corporation, Idaho Power Company, PacifiCorp, Portland General Electric Company, and Puget Sound Energy, Inc. on the TC-20 Procedural Schedule, Losses, and Long-Term ATC Methodology, dated June 22, 2018.³⁴

³¹ June 26 Workshop Presentation states at 23.

³² *Id.* at 26.

³³ Bonneville Power Admin., *BPA Sample Study of WECC Real Power Loss Factor Publication*, available at <https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/Tariff-Proceeding/June%2026,%202018/Study%20of%20Real%20Power%20Loss%20Return%20Methods%20v4%20-%20Tariff.pdf> (the "BPA Loss Table").

³⁴ Available at <https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/TC-20%20Comments/062218%20Comments/2018.06.22%20Comments%20re%20TC-20%20Schedule%20Losses%20and%20ATC%20Methodology.pdf>.

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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.