

NIPPC Comments on BPA Announcement of Updated -- Transmission Service Request Data Exhibit Validation Requirements Enforcement dated July 2, 2024

The Northwest & Intermountain Power Producers Coalition submits the following comments in response to the BPA Tech Forum announcement that it will strictly enforce its Transmission Service Request Data Exhibit Requirements. The Northwest & Intermountain Power Producers Coalition (“NIPPC”) is a membership-based advocacy group representing roughly 30 competitive electricity market participants in the Pacific Northwest and Intermountain region. NIPPC has a diverse membership including independent power producers and developers, electricity service suppliers, transmission companies, marketers, storage providers, and others. Most of NIPPC’s members are transmission customers of BPA and will be impacted by this change in enforcing BPA’s data exhibit requirements.

Prior Comments

In prior comments on this topic, NIPPC noted that BPA staff is not proposing to change any written provision or attachment of BPA’s Open Access Transmission Tariff or modify any of BPA’s existing business practices. NIPPC recognized that BPA staff could have simply moved forward and made this change in enforcement without communicating the change to customers. NIPPC continues to appreciate the transparency with which BPA staff have announced and explained this change.

NIPPC also recognized that BPA must have accurate information from customers regarding the transmission service they are seeking to obtain. Incomplete or inaccurate data exhibits in transmission service requests lead to delays in completing studies and yield study results that inaccurately identify the transmission upgrades that customers are willing to back financially.

While NIPPC supported BPA’s requirement that customers provide complete and accurate data exhibits in support of their transmission service requests, NIPPC also cautioned BPA staff that some level of uncertainty regarding a transmission service request’s point of receipt or point of delivery will always exist. The timeline to study, permit and construct a major new transmission line often takes more than 10 years. NIPPC urged BPA staff to recognize that serious customer interest in commercial support of the development of new transmission lines may not clearly be reflected in documentation that the customer can provide to BPA today. NIPPC’s concerns were largely mitigated through discussions with BPA staff and their assurance that BPA intended to set a very low hurdle for the specificity and certainty that BPA would expect to see in the documentation customers submit.

Comments on Updated Notice

NIPPC appreciates BPA staff’s efforts to incorporate feedback from NIPPC and other customers in the Updated Notice dated July 2, 2024 (the “Notice”). NIPPC understands the

revisions in the Notice are intended to underscore that the examples BPA lists in the Notice are simply examples and that the lists set forth in Sections 2 and 3 of the Notice are not intended to be exclusive. Transmission customers retain the flexibility to provide other similar documentation that the customer seeking transmission service has rights at the Point of Receipt (“POR”) and a “reasonable expectation” – not a firm commitment – that some entity might be willing to take delivery of their energy at the Point of Delivery (“POD”).

NIPPC notes that BPA is not proposing to determine whether a transmission service request is commercially viable; BPA is simply asking the customer to provide documentation that some receiving party may be interested in purchasing energy at that location in the future. As written, the Notice sets a fairly low hurdle for the degree of specificity and certainty that a customer must demonstrate to validate its data exhibits. NIPPC cautions BPA staff that it supports the proposal only so long as the hurdle remains low. If BPA determines in the future that additional reforms are necessary to increase further the level of certainty and specificity that a customer must document to request transmission service, then NIPPC would suggest that BPA conduct a more extensive public process than it has done with this Notice.

NIPPC notes that BPA’s tariff requires customers who seek transmission service to provide a POR and a POD as well as a source and sink for their requested service. The specificity with which customers have had to denote a POR/POD or a source/sink has evolved over time. As BPA’s network became increasingly constrained, BPA required greater specificity of the ultimate source and sink; and BPA made this change in enforcement without needing to revise its tariff.

NIPPC also understands that BPA is intending that the stricter enforcement will apply only to customers who submit data exhibits into the 2025 TSEP Cluster Study. We understand that BPA does not intend to review data exhibits associated with transmission service requests that were submitted for earlier cluster studies.

NIPPC recognizes that some customers in the region would like more time to review and comment on the proposal. Some customers have even suggested that BPA conduct a tariff revision process. NIPPC generally supports that the region take sufficient time to get things right and ensure that there are no unintended consequences that could have been avoided if BPA and its customers had taken additional time. BPA staff, however, has underscored the challenge they face in attempting to study incomplete and inaccurate data exhibits. BPA staff has also hinted that some requests submitted to the queue are speculative.¹ In

¹ For example, Section 3.c. provides that “[i]n the case of a request for point-to-point service for delivery to a network integration customer, documentation that such a customer is interested in serving a portion of its load on point-to-point service.” NIPPC agrees, given the way Network Integration service is priced, that it is highly unlikely that a Network Integration customer would seek to serve any portion of its load with point-to-point service. But if that scenario did arise, all a customer would have to do to defend its data exhibit would be to provide a letter from the Network Integration customer expressing interest in serving a portion of its load with point-to-point service. The fact that BPA provides this example and a solution suggests that some

this case, NIPPC largely shares the concern that BPA staff has articulated; that taking more time to consider these issues will delay BPA's efforts to begin the 2025 TSEP Cluster Study. Delaying that study is not in the interest of rate payers in the region.

NIPPC also appreciates BPA willingness to provide customers with more than one cure period to provide the requested demonstration. This consideration should mitigate concerns that a customer's data exhibits might be rejected while it attempts to obtain the documentation BPA has requested.

Thank you for the opportunity to provide these comments.

customers are, in fact, asking BPA to study point-to-point service requests to deliver energy to BPA's Network Integration customers despite the implications for their cost of transmission service.