



Transmission Services

Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS) and Variable Energy Resource Balancing Service (VERBS) Version 3

Response to Customer Comments

This document contains the Transmission Customer comments and Transmission Services' response to those comments for Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS) and Variable Energy Resource Balancing Service (VERBS) Business Practice Version 3. This Business Practice was posted for review from May 27th, 2015 through June 4th, 2015.

Thank you for your comments.

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Clatskanie PUD

I have not followed this issue closely. I just reviewed Version 3 of the proposed policy and found it a little confusing. I reorganized Section D to what I think the policy will require. Please let me know if I have a correct understanding of BPA's proposed requirements.

D. Submitting a Balancing Service Election

1. DER Customers:
 - a. A DER Customer must submit Balancing Service Elections for each Generating Facility for which the Customer desires service via e-mail to their Transmission Account Executive. The following information must be included in the communication:
 - i. Name of the Generating Facility.
 - ii. Nameplate Generating Facility Capacity of installed generation.
 - iii. Election of one of the following options for Balancing Service:
 1. BPA provided DERBS
 2. Self-Supply of Balancing Service
 - a. For a new dispatchable resource electing to Self-Supply, state the expected effective date Self-Supply will begin.
 - b. Existing DERs must elect to Self-Supply balancing reserves by the deadline in section A.1., above.
 3. Move existing DER out of the BPA Balancing Authority Area
 - a. Provide the expected effective date of the move.
 - iv. For a new dispatchable resource not currently interconnected to BPA's Transmission system, provide the Generator Interconnection Request Queue Number of the Generating Facility and the expected date of commercial operation.

Transmission Service's Response

Your understanding appears to be correct.

Portland General Electric

Portland General Electric Company (PGE) appreciates the opportunity to comment on Bonneville Power Administration's (BPA) changes to the Balancing Service Election for Dispatchable Energy Resource Balancing Service (DERBS) and Variable Energy Resource Balancing Service (VERBS) Version 3 business practice. As a VER owner and VERBS customer, PGE has considerable interest in this business practice. With this document, PGE hereby provides recommendations for consideration and comment on BPA's proposed revisions to the business practice.

Section A, Election Date

- 1) Based on discussion during the May 22nd customer conference call, PGE suggests that BPA incorporate language in this Section that indicates BPA will send a notice to customers reminding them of the upcoming election deadline.
- 2) PGE suggests that BPA expand the language in Part 5 to include the option for customers to revise their election if the rate schedules included in a rate case Record of Decision have rates that differ from BPA's proposed rate schedules under which customers based their service election. PGE is open to discussing a threshold level of change that could be used as a trigger regarding whether or not customers should be able to revise their election.

Section D, Submitting a Balancing Service Election

- 1) PGE requests that the business practice be modified to use one method for submitting balancing service elections. The proposed edits to the business practice incorporate a link to a Service Election form, but the business practice references this form only for mid-rate period elections (see Section E) and states that the form should be submitted to techforum@bpa.gov. Section D indicates that balancing service elections should be submitted via email to a customer's Transmission Account Executive and the email should contain the information listed in the business practice. PGE finds that using different methods for submitting elections is cumbersome and may cause confusion. PGE suggests that all balancing services elections should use the Service Election form and be submitted to techforum@bpa.gov.
- 2) PGE requests clarification regarding the binding nature of a balancing services election and the ability to change an election prior to the April deadline. During the May 22nd customer conference call, representatives from BPA stated that balancing service elections are not final until the April deadline and may be changed up to that deadline, regardless of whether the election is for a mid-rate-period or beginning of the next rate period. If this is the case, PGE requests that BPA add language to Section D similar to the language contained in Section E, Part 5 regarding a customer's ability to change its election prior to the April deadline.

PGE appreciates the work that BPA puts into creating high quality business practices and the willingness to allow customers to participate in that process. PGE requests a review of the comments provided above and looks forward to BPA's clarifying remarks.

Transmission Service's Response

Section A:

1. The ultimate responsibility to comply with the election timing identified in the Balancing Service Election for Dispatchable Energy Resources (DERBS) and Variable Energy Resources Balancing Service (VERBS) business practice lies with the individual DER and VER customers. Historically, it has been BPA's practice to attempt to provide reminders to customers about upcoming election periods; however, BPA does not feel it appropriate to make that a condition of the business practice.
2. BPA needs parties balancing service elections to inform BPA's forecast of balancing reserve capacity requirements to price reserves, and to make a final rate decision for the rate period. Allowing parties to revise their balancing service elections after BPA has released the Record of Decision may undermine the effectiveness of the rate process to recover BPA's costs.

Section D

1. BPA agrees that using different methods for submitting elections may cause confusion. To correct it, BPA will incorporate language so that all balancing services elections should use the Service Election form and be submitted to techforum@bpa.gov
2. As noted, balancing service elections are not final until the applicable deadline and may be changed up to that deadline. To help clarify this, BPA will add language to Section D similar to the language contained in Section E, Part 5 regarding a customer's ability to change its election prior to the April deadline.

Tilghman Associates

On behalf of Tilghman Associates, I offer the following comments on the proposed Balancing Services Election Business Practice.

Tilghman Associates represents generator owners and generation developers with existing and potential generation projects within BPA's Balancing Area.

My primary concern with the business practice is that it is confusing for individuals who are not intimately familiar with BPA and its rate making schedule. Many of my clients have staff responsible for making the proposed elections who live and primarily work outside of the NW.

I offer the following suggestions to improve the clarity of the proposed business practice:

1. Add a background section which sets forth the underlying (but unstated) drivers of the timelines described in the business practice, including:
 - Rate cases every two years
 - Timeline of rate cases
 - Timing of Initial Proposal
 - Timing of Draft ROD
 - Other rate case timing issues implicit in the draft business practice
2. Specify whether the elections are expected to occur in odd or even years.
3. BPA should undertake responsibility for issuing a notice to customers of the need to make elections - with a reasonable time for response (30 days).

Thank you for the opportunity to submit these comments. I believe any or all of these changes would help individuals less familiar with BPA and its rate making practices to understand the proposed business practice and to provide BPA with the timely information it needs.

Transmission Service's Response

1. It is BPA's policy to provide a brief statement at the beginning of a business practice to provide some context. The requested information is information that is generally available to BPA customers that follow BPA's policies. BPA established Account Executive positions to help customers interact with BPA. We believe contacting an Account Executive to answer these basic questions is a better approach than expanding the introduction to business practices.
2. In order to provide clarity, BPA will specify in the business practice that Balancing Service elections currently occur in odd years, and Mid-rate period elections, if allowed, occur in even years.
3. As noted above, the ultimate responsibility to comply with the election timing identified in the Balancing Service Election for Dispatchable Energy Resources (DERBS) and Variable Energy Resources Balancing Service (VERBS) business practice lies with the individual DER and VER customers. Historically, it has been BPA's practice to attempt to provide reminders to customers about upcoming election periods; however, BPA does not feel it appropriate to make that a condition of the business practice.