



Transmission Services

Generation Imbalance, V6

Response to Customer Comments

Posted: October 18, 2011

This document contains the Transmission Customer comments and Transmission Services' response to those comments for the Generation Imbalance, V6, Business Practice posted for review from August 26, 2011 through September 23, 2011.

Thank you for your comments.

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1. Puget Sound Energy, Inc.

- A. By this letter, Puget Sound Energy, Inc. (“PSE”) comments on the draft Version 6 of the Generator Imbalance Service Business Practice, posted by Bonneville Power Administration (“BPA”) for comment (the “Draft Business Practice”). As an initial matter, PSE notes that BPA has requested comments on ten business practices, including the Draft Business Practice, within a very tight timeframe. PSE understands the desire to have the business practices in place prior to the October 1, 2011, start of the fiscal year, but the timeframes allowed by BPA do not allow sufficient time to analyze, discuss, or comment on the proposed business practices. Therefore, if BPA proceeds to implement any of these business practices, BPA should commit to reopen each of these business practices—after a few months of experience—and take comments and revise them as appropriate. PSE appreciates BPA’s efforts in drafting the Draft Business Practice and thanks BPA for the opportunity to comment and work cooperatively with BPA on these matters.

Transmission Service’s Response

BPA acknowledges that the volume of business practices out for current comment is unusually large at this time. BPA makes every effort to manage the volume of business practices to a reasonable number with appropriate timeliness. BPA has had to make changes to an unusually large number of business practices as well as create new business practices by October 1, 2011 to reflect agreements and commitments reached in our recent rate case filing and regional wind forums. BPA, as always, is willing to continue to take comments and questions on these and other business practices to consider revisions as appropriate.

BPA expects to provide updates on implementation of these business practices at upcoming Customer Forums and may schedule additional customer calls to discuss implementation and answer remaining questions.

- B. **Generation Imbalance Service**
1. Generator Imbalance Service.

The first sentence of Section A.3.b. of version 5 of the Generator Imbalance Service Business Practice reads as follows:

“Generation Imbalance Service is not taken (applied) for a Scheduling Hour during which the generator has a declared contingency occur and Operating Reserve Services (Spinning and Supplemental) are being supplied. The first sentence of Section A.3.b of the Draft Business Practice proposes deleting this sentence and replacing it with the following: “For any hour in which a contingency is declared and Operating Reserves are delivered, the Generation Imbalance Service does not apply.” (Draft Business Practice at 2.)

The revision seems unnecessary because it does appear to alter the meaning of the first sentence in version 5 of the Generator Imbalance Service. Indeed, the existing first sentence of Section A.3.b. of version 5 of the Generator Imbalance Service Business Practice is preferable because the phrase “the Generation Imbalance Service does not apply” is unclear in the Draft Business Practice, whereas the first sentence of Section A.3.b. of version 5 of the Generator Imbalance Service Business Practice states that Generator Imbalance Service is not taken.

Transmission Service's Response

BPA will update the business practice to read, "For any hour in which a contingency is declared, the Generation Imbalance service is not taken and therefore the rate is not applied."

2. Generator Imbalance Accounting. The Draft Business Practice proposes the following Section A.5.a.:

The Generation Imbalance amount is the difference between the scheduled generation energy (Generation Estimate) and the actual generation energy in each scheduling period. If all schedules for a generator are hourly, the imbalance accounting will be on an hourly basis. If there is an intra-hour schedule for the generator, imbalance accounting will be on the same time period as the intra-hour schedule period. An hourly schedule will be treated as two equal 30-minute schedules for intra-hour imbalance accounting. Dynamic Schedules will be integrated hourly and will be treated as two equal 30-minute schedules for intra-hour imbalance accounting.

Draft Business Practice at 2. Although the second and third sentences in Section A.5.a. above address the periods for which Generator Imbalance accounting will occur, the variations in wording may cause confusion. Additionally, the last sentence of Section A.5.a. suggests that Generator Imbalance accounting will apply to Dynamic Schedules, which contradicts the last sentence of Section A.3.a. ("Generation Imbalance service is not applied to generators that are dynamically transferred out of the BPAT Control Area"). Therefore, PSE offers the following proposed revision to make the second and third sentences parallel and to delete the last sentence:

~~The Generation Imbalance amount is the difference between the scheduled generation energy (Generation Estimate) and the actual generation energy in each scheduling period. If all there is an hourly schedules for the generator ~~are hourly~~, the imbalance accounting will be on ~~an~~ the same time period as the hourly basis schedule period. If there is an intra-hour schedule for the generator, imbalance accounting will be on the same time period as the intra-hour schedule period. An hourly schedule will be treated as two equal 30-minute schedules for intra-hour imbalance accounting. ~~Dynamic Schedules will be integrated hourly and will be treated as two equal 30 minute schedules for intra hour imbalance accounting.~~~~

By making the two sentences parallel, the potential for confusion will be reduced. Furthermore, deletion of the last sentence will remove any inference that Generator Imbalance service is applied to Dynamic Schedules.

Transmission Service's Response

Generation Imbalance is handled differently when all schedules are hourly or when some schedules are intra-hourly. Therefore, the suggestion to make the two sentences parallel will not be adopted. "All" is appropriate because all schedules from a specific generator have to be on an hourly basis for settlement to be on an hourly basis for hourly GI settlement. If any schedule from a specific generator is submitted on an intra-hour basis then the schedules will be settled on an Intra-hour basis. The sentence will be updated to read, "If all schedules for a generator are hourly, the imbalance accounting will be the same time period as the hourly schedule period."

The last sentence in section A.5.a that Generation Imbalance accounting will apply to Dynamic Schedules is correct. The sentence will be clarified to explain this applies to dynamic schedules from generators in the BPA Balancing Authority Area. An example of where this would apply is to generators using dynamic schedules to participate in the Customer Supplied Wind Balancing Service Pilot. This would not apply to generators that have been dynamically transferred out of the BPA BAA.

3. Generator Estimate. The Draft Business Practice proposes the following Section A.5.c.:

The Generation Estimate is the generator's sum of transmission schedules plus Payback Schedules. See six below for Payback Schedule use. The Generation Estimate must be separately identified and entered into BPAT's Customer Data Entry (CDE) or successor in accordance with BPAT's Business Practice on Scheduling Transmission Service. Customers will continue to submit hourly Generation Estimates and BPA systems will convert these to an intra-hour period when the customer submits an intra-hour transmission schedule. When the Generation Estimate is not equal to the sum of the transmission schedules plus Payback Schedules a mismatch occurs. If not corrected by the Customer, an adjustment to make the Generation Estimate equal to the sum of the transmission schedules plus Payback Schedules will be made when the sum of transmission schedules plus Payback Schedules is not equal to the Generation Estimate.

Draft Business Practice at 2-3. The reference to "six" in the second sentence in the above paragraph is confusing because it is unclear to which "six" it refers - is it intended to be section A.6.? BPA should also clarify the last sentence in the above paragraph because it is confusing and difficult to follow.

Transmission Service's Response

BPA will update "six" to be "Section A.6 of this business practice".

BPA will update the last sentence to read, "When the sum of transmission schedules plus Payback Schedules does not equal the Generation Estimate, and the deviation is not corrected by the Customer, an adjustment will be made to the generation estimate so that it equals the sum of transmission schedules plus the Payback Schedules."

4. Generation Imbalance Deviation Account Balances During Spill Conditions. The last sentence of Section A.6.a.i. of the Draft Business Practice states that "Customers will not receive credit for Payback Schedules during a Spill Condition." Draft Business Practice at 3. Similarly, BPA should modify Section A.6.a.i. of the Draft Business Practice to provide that a Customer's Generator Imbalance account will not increase during a Spill Condition. Such a revision is symmetrical and equitable and reflects an intent that Generator Imbalance accounts should not change during Spill Conditions.

Transmission Service's Response

The general treatment of imbalances during spill conditions is specified in the rate schedule ACS-12 Section II D.2.b. No matter what the system conditions are BPA encourages accurate scheduling therefore the rate schedule was not designed to be symmetrical. Payback Schedules taking energy from BPA on an unscheduled basis will be treated normally.

C. Persistent Deviation Applicable to Separate Phases of a Generation Facility

Section C.2. of the Draft Business Practice provides as follows:

Under the ACS Rate Schedule, new generation resources undergoing testing before commercial operation are exempt from the Persistent Deviation Penalty for up to 90 days. For the purpose of this exemption, the 90-day period will begin on the day the generator first produces power as determined by meters at the interconnection point on the grid. *Resources that are developed in phases but scheduled as a single resource will receive an exemption only for the first phase.* Resources that are combined into a virtual resource will not receive an exemption.

Draft Business Practice at 7. BPA should revise Section C.2. to allow resources developed in phases that are separated by an extended period to qualify for the 90-day exemption. For example, a developer may construct a 300 MW generator in two 150 MW phases, and the second phase may commence operations several years after the first phase. In many respects the two phases could be viewed as two separate projects but for the fact that they may later be scheduled as a single resource, and there is no justifiable reason to allow only the first phase to qualify for the exemption.

Transmission Service's Response

When resources are scheduled together, even if developed in phases, BPA is unable to tell which phase of resources is causing the persistent deviation. Therefore, BPA has elected to apply the exemption can to the first phase, which it can identify.

2. Southern California Edison

- A. Of note, we request the work "penalty" be changed to "charge", in part because of the regulatory treatment of "penalties". This should be changed in both the Generation Imbalance and Energy Imbalance documents.

Transmission Services' Response

BPA's rate schedules use the phrase "penalty charge" in the context of Persistent Deviation. To maintain consistency between the rate schedule and the BP we will continue to use penalty.

- B. 3. Generation Imbalance
- a. Generation Imbalance is a Control Area Service taken by generation in the BPAT Control Area when there is a difference between the energy scheduled and the actual energy delivered from that generation during a scheduling period. The treatment of deviations between scheduled and actual generation depends upon which deviation band is applicable, and whether the deviation qualifies as a Persistent Deviation as defined in the ACS Rate Schedule. Generation Imbalance service is not applied to generators that are dynamically transferred out of the BPAT Control Area. **The BPA/CAISO Intra-hour Pilot schedules are not considered as dynamic transfers.**

Transmission Services' Response

Please see the CA ISO Pilot Business Practice Section C.3 After the Hour Accounting. It reads as follows:

3. Generation Imbalance accounting for generators participating in the Pilot is calculated in accord with the Ancillary and Control Area Services rate schedule.
 - a. For the first half of each hour, the integrated MWh value will be used for the schedule component of the Generation Imbalance calculation.
 - b. For the second half of each hour, the first half hour integrated MWh value will be subtracted from the hourly e-Tag MWh value to determine the schedule component of the Generation Imbalance calculation.

C. 5. Generation Imbalance Deviation Accounting

- a. The Generation Imbalance amount is the difference between the scheduled generation energy (Generation Estimate) and the actual generation energy in each scheduling period. If all schedules for a generator are hourly, the imbalance accounting will be on an hourly basis. If there is an intrahour schedule for the generator **or an intra-hour change in schedule for the BPA/CAISO Intra-hour Pilot**, imbalance accounting will be on the same time period as the intra-hour schedule period. An hourly schedule will be treated as two equal 30-minute schedules for intra-hour imbalance accounting. Dynamic Schedules, **exclusive of the BPA/CAISO Intra-Hour Pilot**, will be integrated hourly and will be treated as two equal 30-minute schedules for intra-hour imbalance accounting.

Transmission Services' Response

Please see the CA ISO Pilot Section C.3 After the Hour Accounting. Please see above.

- b. Actual generation energy means kilowatt-hours of metered energy. The measurement interval is a clock hour for all hourly schedules and the scheduling period when an intrahour schedule is used. For example, the 60-minute period **starting at HH:00:01** ending at HH:00:00 or 30-minute periods **starting at HH:30:01 or HH:00:01** and ending at HH:00:00 or HH:30:00.

Transmission Services' Response

BPA appreciates the suggestion, but we believe it is clearer to specify the ending time. The additional level of detail may cause confusion for other Customers.

- D. [Please clarify that a) a 30-minute schedule within the relevant deviation band "resets" the PD counter for that deviation band, and b) in a 4 hour PD framework, for instance, a PD event will be counted at the 4 hour mark for hourly schedules and an even number of intra-hour schedules, and at the 4.5 hour mark for hourly schedules and an odd number of intra-hour schedules.]

Transmission Services' Response

Your understanding is correct. During a PD event, any hourly schedule or an intra-hour schedule during the 4 hour period which falls within the allowable limits will reset the PD counting.