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August 21, 2012

Central Lincoln PUD ("Central Lincoln") appreciates the opportunity to comment on BPA's proposed revisions to its Network Integration ("NT") Transmission Service, Version 5, Business Practice ("NT Business Practice"). Central Lincoln is a load following, consumer owned electric utility serving approximately 39,000 customers on the central Oregon coast. As an NT customer, Central Lincoln has traditionally relied on BPA Transmission Services to deliver power from the Federal Columbia River Power System ("FCRPS") to our customers. However, beginning shortly, Central Lincoln will also rely on BPA Transmission Services to deliver non-FCRPS power to serve our Above High Water Mark Load (AHWML). The revisions to the NT Business Practice will allow Central Lincoln to secure NT Transmission for non-FCRPS power in the future.

Before the Regional Dialogue Contracts, these revisions to the NT Business Practices were unneeded. Central Lincoln was a full requirements customer of BPA and BPA Transmission Services correctly assumed that Central Lincoln's load would be fully served by the FCRPS. This assumption is no longer correct under the Regional Dialogue Contracts since BPA is now encouraging customers to serve AHWML with non-BPA power.

Without the revised NT Business Practice, it would be difficult for Central Lincoln to serve its AHWML with a resource other than BPA Tier 2 power. Current NT Business Practices make it much easier to secure transmission for BPA Tier 2 power than any other source. As a Load Following Customer, Central Lincoln's AHWML is difficult to forecast more than one Rate Period into the future. BPA does not finalize our load forecast, and thus our AHWML until the Rate Period before power delivery is to begin. Also, the Tier 1 system fluctuates +/- 200 aMW. It is difficult to secure transmission service with such short notice. However, this would not be an obstacle if Central Lincoln were to simply use BPA Tier 2 to serve its AHWML.

The revisions to the NT Business Practice helps to solve this problem by allowing Central Lincoln and other NT customers to reserve transmission based on a forecasted resource. Thus, we can plan to have a resource to serve our AHWML with transmission ready when we have the amounts finalized.

Central Lincoln strongly supports BPA's proposed revisions to the NT Business Practice and appreciates the work that BPA Transmission Services has performed to develop and revise the NT Business Practice.