

From: McWilliams, Michael [mailto:Michael.McWilliams@powerex.com]
Sent: Friday, May 10, 2013 9:29 AM
To: Tech Forum
Cc: McDonald, Karen; Mikawoz, Joey
Subject: RE: Business Practice Announcement - Additional Extension of Comment Period - Preemption of ST Requests & Reservations

Powerex has the following concern regarding this business practice.

The automatically generated matching request removes flexibility from the Defender to select how they want to meet or exceed the duration requirements from the competitor. A customer may prefer to modify the start date to begin service earlier, or further extend the stop date to exceed the duration of the competitor. Exceeding duration of a competitor may also be desired to preemptively protect against future competitions. Defenders should have the ability to disable the automatically generated matching request and submit their own matching request that meets or exceeds the duration and capacity requirements.

Powerex urges BPA to develop the capability to allow this alternative option as soon as possible. Please review the sample scenario below that shows an undesirable outcome that could occur with the current BPA automated matching rule which only extends the stop date for competition. For this example, please assume the challenger has submitted their request on March 10th.

	April	May	June	July	Aug
Defender's Reservation		50 MW	50 MW	50 MW	
Remaining ATC after Confirmation	50 MW	0 MW	0 MW	0 MW	100 MW
New Challenger's Request	50 MW	50 MW	50 MW	50 MW	
Automated Match for Defender		50 MW	50 MW	50 MW	50 MW
Current Market Value of the Tx	Medium	High	High	Medium	Low

In this example, the Defender would want to take the April transmission and not the August transmission, but the automated matching request forces them to take the August transmission or lose the May through July transmission.

Thank you for the opportunity to provide comments.