



September 13, 2012

VIA EMAIL

TO: Tech Forum ([techforum@bpa.gov](mailto:techforum@bpa.gov))

RE: Comments on the Integrated Network Segmentation Analysis  
Presentation by Snohomish PUD

---

Renewable Northwest Project (RNP) offers the following comments in response to Snohomish PUD's Integrated Network Segmentation Analysis presented at the August 22, 2012 BP-14 Transmission Pre-Rate Case Workshop.

RNP is a non-profit regional advocacy group composed of renewable energy businesses and environmental, academic and consumer groups working together to facilitate responsibly developed renewable energy resources in the region. The common goal of RNP's members is to promote the development of a cost-effective, reliable, and clean energy system for the betterment of the Northwest economy and environment. Although the issues discussed at the August 22, 2012 workshop are not unique to RNP, several of RNP's renewable energy generator members are Point-to-Point (PTP) transmission customers.

RNP has not yet had the opportunity to thoroughly analyze all of the legal, economic and policy issues raised by Snohomish's presentation. Nonetheless, based on the information we have to date, we believe that Snohomish has raised important issues that call into question how BPA has allocated costs to its Integrated Network Segment and whether such cost allocation squares with cost causation and related ratemaking principles.

The cost allocation questions raised by Snohomish's presentation have significant implications not only for the provision of PTP service but also for BPA's Variable Energy Resource Balancing Service (VERBS). In particular, RNP is concerned as to whether cost causation principles are being applied in a fair and consistent manner. At the same time, RNP understands that extensive, immediate rate changes based on the results of the segmentation analysis could lead to significant upward rate pressure for certain Network customers. Sudden and drastic rate changes are problematic in this context just as they would be if made to the VERBS rate.

More information is needed before RNP can support a particular path forward. However, to aid BPA in its decision-making on this and other issues, RNP stresses the importance of adherence to all of BPA's statutory requirements and the consistent application of cost causation principles.

Thank you for the opportunity to comment.

/s/ Cameron Yourkowski  
Senior Policy Manager

/s/ Dina Dubson  
Staff Counsel

- 3Degrees
- American Wind Energy Assoc.
- Blattner Energy
- Bonneville Environmental Foundation
- BP Wind Energy
- Calpine
- Center for Energy Efficiency & Renewable Technologies
- CH2M Hill
- Christenson Electric
- Citizens' Utility Board
- Climate Solutions
- Clipper Windpower
- Columbia Gorge Community College
- Community Renewable Energy Association
- E.ON Climate & Renewables
- EDF Renewable Energy
- EDP Renewables
- Element Power
- Environment Oregon
- Environment Washington
- Eurus Energy America
- EverPower
- FirstWind
- Gaelectric
- Gamesa Energy USA
- GE Energy
- Geothermal Resources Council
- GL Garrad Hassan
- Green Mountain Energy
- Iberdrola Renewables
- Jones Stevedoring
- Kapla Law PLLC
- Lane Powell PC
- MAP
- Montana Environmental Information Center
- MontPIRG
- Natural Capital Partners
- Natural Resources Defense Council
- NaturEner
- NextEra Energy Resources
- Northwest Environmental Business Council
- NW Energy Coalition
- Oregon Tech
- Oregon Solar Energy Industries Association
- OSPIRG
- Port of Vancouver, USA
- Portland Energy Conservation, Inc.
- REC Silicon
- REpower USA
- RES America Developments
- Ridgeline Energy
- Solar Oregon
- SolarCity
- Stoel Rives, LLP
- SunPower Corporation
- SWCA Environmental Consultants
- Tonkon Torp LLP
- Vestas Americas
- Warm Springs Power & Water Enterprises
- Washington Environmental Council
- WashPIRG
- Western Resource Advocates