



12/4/2014

PPC Comments Regarding Draft Regional White Paper on Southern Intertie Hourly Non-Firm Issues

The Public Power Council (PPC) appreciates this opportunity to comment on the first iteration of the draft white paper “Presentation and Analysis of Southern Intertie Hourly Non-Firm Alternatives” dated November 17, 2015. As we have indicated through evidence in the BP-16 rate proceeding and participation in this process, this is an important issue to BPA and its customers.

On the whole, PPC believes that the draft white paper frames the issues and describes the potential alternative solutions reasonably correctly. This includes the core issue that under current practice, the value of the long-term firm product on the Southern Intertie is devalued due to the fact that “BPA’s hourly non-firm product has the same priority in the CAISO Day Ahead Market as the long-term firm product.”

Describing the background, issues, and potential alternatives correctly is an important first step. We now look forward to working with BPA and other interested parties in a collaborative, productive, and timely manner to evaluate the potential solutions and move towards implementation.

We also note that the draft white paper identified two additional seams issues that will be outside the scope of the current process. These issues regard the limitation of firm reservations during de-rates of the intertie facilities and that other OATT transmission providers do not recognize the curtailment priorities of their neighboring OATT providers. BPA has indicated that these additional issues are important and will be addressed in a separate process. PPC accepts this approach and encourages BPA to develop a formal timeline and work plan for that separate process as soon as possible.

Thank you again for the opportunity to comment. If any need arises for clarification of these comments, please do not hesitate to contact PPC staff.