



PNGC Power's Comments on certain BP-18 Rate Case Workshop Topics
August 17, 2016

PNGC submits these comments on Franklin's proposal and the GRSP and Rate Schedule language. We will be submitting comments on the remaining issues on August 24, 2016.

Franklin PUD's Short Distance Discount (SDD) Proposal

Franklin PUD proposed two items to address an issue it has with loss of the short distance discount when redirecting its PTP transmission.

The first proposal is to keep the SDD even when the SDD-eligible TSR is rolled up into a new aggregate TSR. This proposal would require BPA to make a great deal of software changes to accommodate the request. Franklin can retain its SDD by simply not aggregating its SDD-eligible TSRs. Although this solution requires Franklin to submit three TSRs instead of one, it does accomplish retention of the SDD without imposing costs on other BPA customers.

The second proposal calls for BPA to pro-rate the SDD based on megawatt hours of redirects to a non-SDD path. Again, Franklin PUD can retain its SDD by not redirecting, or by making a business decision about the amount of redirect that is prudent given that the loss of the SDD. Retooling of BPA's billing system to accommodate a pro-rate of SDD-eligible TSRs is likely to cost ratepayers more than the value of the SDD.

PNGC does not support Franklin's proposals. The proposals incur potentially significant system and software update costs for very little benefit, and a benefit that can be preserved in other ways. BPA should consider implementation costs that are spread to all customers when considering whether or not to undertake the changes necessary to accommodate Franklin's requests.

GRSP and Rate Schedule Provisions Language Clean up

We have no objections to BPA's proposed clean-up of the GRSP language. We ask BPA to consider using the term aMW when dealing in average MW, not MW/h. Use of aMW is consistent with the power sales contract terminology.

