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Shell Energy North America (US), L.P.
4445 Eastgate Mall Suite 100
San Diego, CA 92121
+1.858.526.2109
www.shell.com/us/energy

Shell Energy North America (US), L.P. ("Shell Energy") appreciates the opportunity to submit comments to the *Techforum* regarding BPA's concurrent loss return workshops held in early 2022.

Shell Energy agrees with the principles of keeping the loss return process as simple as possible to minimize administrative burdens for both BPA as well as customers. In the settlement agreement reached in BP-22, BPA and customers agreed to develop a concurrent return option without a capacity charge. This concurrent loss return process is complicated by the need for "kW remainders" carried forward to be considered (both for under-delivery and "crediting" for over-delivery of losses).

We propose the concurrent loss returns process continue so as to be implemented in advance of BP-24 while taking up the issue of kW remainders during BP-24, with no capacity charge in the interim. This is reasonable as the amount of these small imbalances (when netted under and over-deliveries of kW remainders) is de minimus in our estimation. In the meantime, more data on the impact and volume of kW remainders should be gathered and presented to customers. This approach keeps the spirit of the BP-22 settlement agreement intact.

Increasing timing challenges will be experienced for customers, principally caused by BPA's entry into EIM (and associated tagging deadline changes) as well with the advent of a novel loss return process. For customers scheduling VERs over the FCRTS in realtime, BPA's entry into EIM while adding a realtime loss return will decrease already tight scheduling windows. Consider the fact any loss return calculations will require time for BPA to calculate, publish and communicate customer loss return obligations, during which final VER forecasts are published. Meanwhile, the E-tagging deadline (without being subject to imbalance) is T-57. This leaves little time for accurate scheduling and accurate loss returns. Shell Energy requests a minimum of 15 minutes for transmission scheduling in order to accurately schedule both VERs and loss returns ahead of the EIM tagging deadline of T-57.

Consistent with past comments, we suggest schedules should incur a financial capacity obligation only if the transmission customer elects the financial loss return service. Transmission customers should have the option to either: 1) dynamically return losses inside the hour, or 2) return the losses promptly after-the-fact (e.g., 1 hour, or the first 15-minute increment after losses are incurred) to account for the realized final volume of dynamic and normal transaction types without a capacity charge. In addition, should BPA move forward with any form of a financial capacity surcharge related to losses (for normal or dynamic scheduling), capacity credits in the same amount of the capacity surcharge must be credited to customers for any loss "over-delivery" if it occurs. This is quite reasonable and follows BPA's stated logic that the FCRPS provides FCRTS customers capacity services for losses and requires compensation. In the discrete instances when FCRTS customer schedules are providing benefits by decreasing requirements of the FCRPS, these instances should be credited accordingly. This approach balances the interests of both TBL and PBL customers.

Finally, Shell Energy suggests any BAA, Market Operator or TSP induced tag curtailments which reduce the flow volume of energy schedules utilizing the FCRTS be credited for the volume reduction of real power losses incurred. Shell Energy encourages BPA and customers to work together to establish a framework for these instances.

Respectfully submitted,

Ian D White
General Manager, Regulatory Affairs
Shell Energy North America (US), L.P.
ian.d.white@shell.com | +1.360.520.3013