October 14, 2020

Via Email (<u>techforum@bpa.gov</u>)

U.S. Department of Energy Bonneville Power Administration Transmission Services

Re: Comments of Avangrid Renewables, LLC on the Powerex Proposal Concerning EIM Charge Code Allocation

Avangrid Renewables, LLC, ("Avangrid") hereby submits comments to the Bonneville Power Administration ("Bonneville") concerning information provided in the TC-22, BP-22, EIM Phase III workshops regarding the allocation of Bonneville's EIM charges ("Charge Code Allocation") including the presentations made by Powerex on September 29, 2020 and June 10, 2020 and the Powerex proposal circulated on September 14, 2020 (collectively the "Powerex Proposal"). Avangrid requests Bonneville take the time to thoroughly vet the Powerex Proposal and allow for robust stakeholder discussion on these important topics.

Powerex has identified what it describes as "key problems" with Bonneville's proposed Charge Code Allocation approach and has identified an alternative approach for congestion charges that is more consistent with OATT principles. Specifically, Powerex suggests that Bonneville reverse congestion charges paid by customers with firm schedules submitted after T-57 and apply congestion charges to customers with non-firm schedules submitted prior to T-57. This addresses situations where customers with non-firm schedules that are submitted before T-57 are not charged congestion whereas those with firm schedules submitted after T-57 would be. Powerex also has a unique solution for these issues on the Southern Intertie.<sup>2</sup>

Avangrid understands that Bonneville's Charge Code Allocation proposal will impose new charges on transmission customers using firm rights after T-57. While this aspect of Bonneville's Charge Code Allocation is not unique to Bonneville's EIM implementation, Avangrid notes that Bonneville is uniquely situated with respect to the type of transmission use on its system. Simply put, other EIM Entities do not have the same volume of wheeling across their systems, or the types of customers, third-party generation, etc. that Bonneville has. Because Bonneville is unique in this regard, it must thoroughly consider cost-causation and equity issues when designing its implementation rather than simply relying on the implementation choices made by other EIM Entities.

Avangrid appreciates that Powerex is working to improve Bonneville's EIM implementation and address OATT priority issues that could erode the value of long term firm

<sup>&</sup>lt;sup>1</sup> See Powerex Proposal for BPA EIM Charge Code Allocation at 3 (Sept. 29, 2020) available at https://www.bpa.gov/Finance/RateCases/BP-22-Rate-Case/Pages/Meetings-and-Workshops.aspx.

<sup>&</sup>lt;sup>2</sup> *Id.* at 13 (arguing that Bonneville should continue to rely on schedule curtailment according to OATT priority).

transmission customers' existing rights. Avangrid shares these concerns. The Powerex Proposal appears to describe relatively minor cost-allocation implementation changes that would better align OATT principles with Bonneville's EIM implementation. Therefore, Avangrid believes these issues warrant full consideration by both Bonneville and stakeholders and recommends that Bonneville fully vet the Powerex Proposal with customers.

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Avangrid appreciates Bonneville's review of these comments and consideration of the recommendations contained herein. Nothing contained in these comments constitutes a waiver or relinquishment of any rights or remedies provided by applicable law or provided under Bonneville's Tariff or otherwise under contract. By return e-mail, please confirm Bonneville's receipt of these comments.