



TransAlta Energy
Marketing (US) Inc.

T (503) 295-8490
www.transalta.com

1155 SW Morrison Street
Suite 200
Portland, Oregon
USA 97205

Steve Lincoln
Commercial Specialist

Direct Line: (503) 295-8490
Email: Steve.Lincoln@TransAlta.com

June 12, 2020

Matt Rios
Transmission Account Executive, Transmission Sales
Bonneville Power Administration
Mail Stop: TSE/TPP-2
7500 NE 41st Street, Suite 130
Vancouver, WA 98662-7905

Subject: TransAlta De Minimis Comments

Matt:

At the May 29, 2020 Short-Term De Minimis Update workshop, BPA requested comment on two options for evaluating de minimis impacts of short-term transmission redirect requests ("redirects"). TransAlta Energy Marketing (U.S.) Inc.'s ("TEMUS") comments follow.

TEMUS appreciates BPA's engagements on the de minimis topic that have occurred so far, but we are frustrated with BPA's current proposal. TEMUS does not support either option. We are discouraged by this outcome on two levels.

First, TEMUS does not consider Option 1, status quo, as an option. If it were, transmission customers would not have raised the issue in 2019, when it was revealed that redirects were *not* being evaluated for de minimis impacts as described in BPA's written documentation. By offering status quo as an option, BPA has failed to grasp or is choosing to ignore how customers and the bilateral Pacific Northwest market rely on redirection and how much of long-term firm's value is attributable to it.

Second and more importantly, Option 2 is a very limited solution compared to capability customers thought they had based on earlier documentation. BPA has offered a limited solution and chosen not to apply Test 2 without a strong analysis showing that system integrity would be jeopardized. For example, TEMUS believes the information presented on May 29 2020 shows a large volume of redirect activity—on which we all agree—and what *might* happen if a redirect were redirected again, again, and again. BPA's analysis fails to show a threat to reliability that justifies Option 2's shortcomings.

TEMUS requests that BPA interrupt the current timeline and decision process that will not address customers' de minimis concerns. TEMUS urges BPA to begin applying Test 2, as-is, to the net

impact of short-term redirects, monitor resulting activity for predetermined risks chosen in collaboration with customers, and then reconvene the customer engagement process with the benefit of actual data.

TRANSALTA ENERGY MARKETING (US) INC.

Steve Lincoln
Commercial Specialist