

July 10th, 2024

BONNEVILLE POWER ADMINISTRATION
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Submitted via email: techforum@bpa.gov

Comments on June 26th BP-26 TC-26 Pre-Proceeding Workshop

Seattle City Light (City Light) appreciates BPA's efforts to actively engage, facilitate Customer-led workshops, and be responsive to customers regarding BP-26 Rate Case and TC-26 Workshop topics. City Light would like to offer the following comments for BPA's consideration.

Non-EIM Balancing

City Light supports the proposed *Option 2: General Language* and agrees that this should include language regarding recovering imbalance costs not assessed through EIM. City Light suggests that the Locational Marginal Prices (LMP) should be used for imbalance cost recovery if available. If an LMP is not available, using the EIM Load Aggregation Point (ELAP) should be used for imbalance cost recovery.

City Light additionally suggests that BPA include an appeal process for Non-EIM Balancing charges like the UIC appeal process.

GI Withdrawal Penalties

General Comments

- The Stage 2, Phase 1 Study should not have a withdrawal penalty. We suggest it is best to incentivize requestors to evaluate results and withdraw at the end of this stage.
- Requesters should know if they move forward after Stage 2, Phase 1 Study, they will face significant escalating withdrawal penalties.
- Requesters should believe that they will not qualify for exceptions from withdrawal penalties under most conditions.

Withdrawal Stages

City Light supports BPA's proposed definition of the 7 withdrawal stages pertaining to GI Withdrawal Penalties.

Penalty Calculation

City Light supports the BPA *Alternative 2* for GI withdrawal penalty calculation with the following suggested changes:

- Any penalty would be the greater of the calculated penalty according to the table or three times a customer’s share of the actual study costs.
- Penalty Calculation as in the below table:

Withdrawal Stage		Alternative 2 suggestion
1	Valid Request	None
2	Phase 1 Study	None
3	Phase 1 Restudy	3 x Study Costs
4	Phase 2 Study	8% of Allocated Costs
5	Phase 2 Restudy	12% of Allocated Costs
6	FAS Executed	15% of Allocated Costs
7	LGIA Executed	20% of Allocated Costs

When should Penalties Apply

City Light suggests that any GI cluster study/restudy agreement, FAS agreement, LGIA’s or study agreement extensions executed after September 30th, 2025, should be subject to GI Withdrawal Penalty provisions.

City Light additionally suggests that BPA should consider limiting the term of FAS and LGIA’s to two years with the provision that they can be extended with an amendment that includes updated requirements at BPA’s discretion.

Exceptions:

City Light suggests that the minimum requirements for receiving an exception from GI Withdrawal Penalties should be high enough for requesting entities to believe it is unlikely that they would qualify for an exception under normal study conditions.

City Light supports the BPA proposal for exceptions with the following suggestions:

- Withdrawal is not a contributing cause of a restudy and does not have a material impact on the cost or timing of any interconnection requests.
- Substantial increase in costs: Network upgrade costs assigned have increased more than **75%** compared to costs from the previous cluster study/restudy.
- Substantial increase in costs: The Facilities Study Report and the network upgrade costs have increased by more than 100% compared to costs from the last cluster study.

WA Cap and Invest Program Charge

City Light supports BPA's proposal to preserve the BP-24 language and principles regarding the WA Cap and Invest Program Charge.

GI Reform Affected Systems Study

City Light requests that BPA commit to holding a customer workshop addressing GI Affected Systems Studies by March 1st, 2026.

City Light thanks BPA for consideration of these comments.

Sincerely,

Michael Watkins
Strategic Advisor
Seattle City Light