



Your Northwest renewables utility

August 16, 2013

Via e-mail: techforum@bpa.gov

U.S. Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Attn: Ms. Kim Leathley, Acting Vice President Transmission and Market Sales

Subject: Transmission Commercial Project Discussion Comments and Proposed Timeline

Dear Ms. Leathley,

The Public Utility District #1 of Snohomish County (Snohomish) wishes to provide comments on the Transmission Commercial Projects dialogue. Snohomish is pleased with the impact analysis provided and the attempt to balance and schedule the rollout of these initiatives. However, Snohomish would like to see further revision of the Short Term Competition schedule, allowing for more time between activation of Monthly, Weekly and Daily competitions.

Short Term Competition and Preemption Activation Schedule

Under the timeline proposed on July 24, 2013 Monthly Short Term Competition would be activated on or around September 1, with Weekly and Daily competition coming online in October and November, respectively. Snohomish feels this timeline is too aggressive and does not allow enough time between product activations to properly assess their impact. We recommend that BPA enact Monthly competition in September, Weekly competition in November and Daily competition in January.

Establishing a reasonable timeline for activation of the Monthly, Weekly and Daily competition processes is especially important as the information gathered from the previous component will inform and potentially enhance subsequent components. For this reason, BPA and customers should carefully examine the impacts of each component as it is being activated. To ensure useful information is gathered, adequate time must be given to each component.

Because of the time frame in which Monthly competition operates, it is not feasible to activate Weekly competition only one month after activating Monthly. At least two months are required to see the effect Monthly competition will have on the market and to analyze any impacts. Under the current proposal, Weekly competition would begin at the same time as the analysis of the impacts Monthly competition; essentially, Weekly competition would not benefit from the information gathered during the operational period of Monthly competition and any problems that may arise would not have had a chance to be examined and corrected. Accordingly, Snohomish recommends that Weekly competition begin in November rather than October.

Similarly, Daily competition should benefit from the operation of the Monthly and Weekly processes. Again, waiting only one month between activation of Weekly and Daily competition leaves very little time to analyze the impacts of Weekly competition. Additionally, impacts may be disguised or altered due to the holiday season during that period of the year. For these reasons, Snohomish suggests Daily competition be implemented in early January.

Transmission Commercial Projects Dialogue

Snohomish would like to thank BPA for listening to the requests of its customers and opening this initiative. The ability to bring together subject matter experts from across each of BPA's major transmission projects to the same forum provides valuable insight into how these processes interact. Snohomish believes coordinating the work being done in the region is a high priority topic and well deserving of the time BPA is devoting to this initiative. Snohomish looks forward to continuing this dialogue and helping BPA to plan for the future.

Sincerely,



Linda Finley
Senior Regional Transmission Engineer