Bonneville Power Administration appreciates the opportunity to submit these comments on the CAISO’s proposed Interchange tagging changes related to resource sufficiency evaluation enhancement phase 2 project (PRR 1497). Bonneville seeks clarity and consistency in the BPM regarding when the lower priority exports can be curtailed. Throughout the tariff and the BPM language, the language switches between stating that lower priority exports will be curtailed in different conditions, mainly any EEA and an EEA 3, but other conditions are referenced as well. Section 6.3.2 of the BPM suggests that there are four different conditions under which curtailment could occur. In conversations with CAISO staff, BPA understood the condition to be limited to when CAISO is in or entering an EEA 3, at times when firm energy would be curtailed under today’s tagging rules. While BPA recognizes that operator flexibility is important to reliability, BPA would like CAISO to clarify if the intent would be to curtail lower priority exports at the same time they would have curtailed firm and that curtailing G-FP would be a last course of action before G-F energy is curtailed. If the curtailment conditions are broader that described in the previous sentence, Bonneville would need to determine treatment of reserves for this product, and establish appropriate business practices to support that treatment. At this time, the Bonneville BAA does not have the business practices, policies and rate structures in place to provide reserves or to ensure that entities self-supply reserves for G-FP energy sourced from the CAISO or any neighboring BAA. The Bonneville BAA does not currently allow non-firm energy to sink in the Bonneville BAA. BPA has been a purchaser of lower priority exports and clarity regarding conditions for curtailment is critical to understanding the firmness of these exports going forward to inform BPA’s import decisions.

The following sections include language with differing references to conditions for curtailment, with emphasis added for the differing conditions:

* The final tariff[[1]](#footnote-1) states “**When the CAISO is in an emergency alert level 3 (EEA 3)**, subject to operator judgement and consistent with good utility practice, it will curtail in accordance with the priority specified below to prevent the need to arm Load, or reduce the amount of Load that is armed, and meet its operating reserve obligations.”
* BPM, Section 6.3.2 states “This properly communicates to the sink BA that **if in the event of a contingency to recover contingency reserves** or **in the event the CAISO is reducing these awards in HASP due to scheduling priorities in the CAISO BA**, the E-Tag may be subject to adjustment based on the HASP award, or curtailment **based on need following a contingency** or **resource deficiency in the CAISO when the CAISO is** **operating in an EEA.”**
* Then in the same section: **“In an EEA2 or EEA3 condition**, where armed load is utilized to restore deficient contingency reserves in conjunction with E-Tag curtailments, in order to maintain required contingency reserves.”
* Section 7.1 states “This properly communicates to the sink BA that if in the event of a contingency to recover contingency reserves or in the event the CAISO is reducing these awards in HASP due to scheduling priorities in the CAISO BA, the E-Tag may be subject to adjustment based on the Real Time awards, or curtailment based on need following a contingency or resource deficiency in the CAISO when **the CAISO is operating in an EEA condition**.”
* Section 8.5.3 states “**In an EEA2 or EEA3 condition**, where armed load is utilized to restore deficient contingency reserves, lower priority exports E-Tags curtailments may be used in order to maintain required contingency reserves.”

As noted above, Section 6.3.2 suggests four different conditions under which these exports could be curtailed. BPA requests clarity in the BPM language regarding conditions for curtailment.

The final tariff states that “A Scheduling Coordinator’s failure to comply with the tagging requirements specified in the Business Practice Manual for any export schedule other than an export backed by Generation from non-Resource Adequacy Capacity will result in a default to the priority specified in (a) above (e.g., will be curtailed in the same tranche as the Real-Time economic hourly block export schedules that cleared HASP).”

Bonneville was unable to find similar language in the BPM and recommends that the BPM note this default if the Scheduling Coordinator fails to properly tag the export. Bonneville also requests clarification in the BPM on how CAISO will enforce the tagging requirement and deny tags for lower priority exports that are incorrectly tagged as G-F.

1. <http://www.caiso.com/Documents/Mar31-2023-Tariff-Amendment-ResourceSufficiencyEvaluationEnhancements-ER23-1534.pdf> Section 34.12.4 [↑](#footnote-ref-1)