

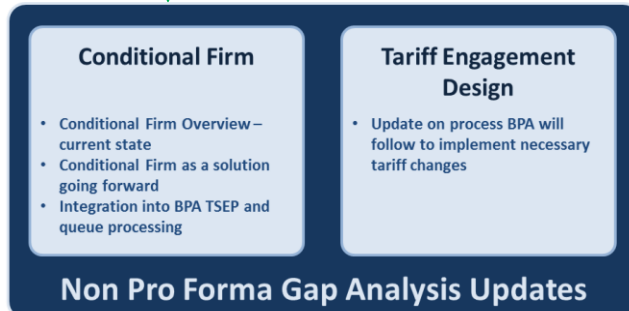
# Transmission Business Model

Pro Forma/Industry Standard Gap Analysis:

*BPA OATT Section 20 Follow up:*

*Alternatives for*

*SOA Service*



# BPA OATT Section 20 Follow up: SOA Interim Service Story



15 Decision

Tariff Obligations

SOA Service Alternatives



June and July Public Meetings

Policy Considerations for Interim CF

Scope of SOA Service Alternatives

Transmission Business Model Considerations

# June and July Public Meetings

7/26/17

## Recap

Given decision on I-5 Project, BPA needs response alternatives for SOA flowgate

Consistent with section 20 - BPA is to outline alternatives for customers

Interim: Conditional Firm service identified to meet SOA impacts, including option to study and pursue other non-wire measures for firm service (referred to as “Alternate Service for SOA”)

Under Alternative Service for SOA, BPA intends to offer CF service to a customer if:

- (1) the customer has a Transmission Service Request that was previously-studied (i.e., TSRs and forecast TSRs that were already included in a BPA system impact, facility, or Cluster Study); or
- (2) the customer has forecasted resource needs in BPA’s NT Dialogue process that have an impact to the SOA flowgate

Today’s engagement is a continuation of these technical discussions regarding CF service over the SOA flowgate

# Policy Considerations for Alternative SOA Service

7/26/17

**Mandatory CF Service:** The customer will be required to accept BPA's offer of CF service over SOA if the customer wants to remain in BPA's long-term transmission queue and pursue a future path to firm service for that TSR

- Acceptance of CF by a PTP customer results in a contractual commitment to take and pay for this service
- Acceptance of CF for an NT customer results in BPA's modeling of that particular resource-load combination
- Rejection of CF by a PTP customer results in the TSR being removed from BPA's transmission queue
- Rejection of CF by an NT customer results in BPA not modeling that particular resource-load combination

This is an interim measure. BPA expects to implement a new process to replace the Alternative Service for SOA as part of the Transmission Business Model.

## Eligibility Considerations:

- Currently, NT forecasts are not eligible for CF (BPA offers CF upon resource designation)
- TSRs with a requested start date beyond 3 years are not eligible
- Mid-C, interchange and Intertie paths, as well as system purchases are currently ineligible

## Inventory Considerations:

- BPA may increase its CF inventory to ensure enough capacity to meet requested demand
- Increasing CF inventory may require an increase in curtailment hours

# Scope of SOA Service Alternatives

7/26/17

**BPA to apply interim SOA CF service for TSRs and forecast TSRs previously included in system impact, facility or Cluster Study (TSRs prior to June 30, 2016)**

**Majority of previously-studied TSRs impact flowgates in addition to SOA**

**BPA is developing letters to all customers with previously-studied TSRs**

- **These letters will outline the complete plan of service necessary to enable service on each TSR**
- **For TSRs with identified SOA impacts, this may include transmission upgrades on non-SOA flowgates, and CF service for the SOA flowgate**

**Requests entering BPA's transmission queue following the close of the last cluster study window (June 30, 2016) will be studied through the next iteration of BPA's transmission study process**

# Transmission Business Model Considerations

7/26/17

## Conditional Firm in the Long-Term

Customer must request to be studied for Conditional Firm as part of System Impact or Cluster Study

BPA will replace Conditional Firm Service for NT customers by incorporating these elements within NT Service

Customers that request to be studied for CF will likely be offered the choice of supporting transmission upgrades to enable firm transmission service with a Bridge CF product, or avoid transmission upgrades and accept Reassessment CF service

More information on how Conditional Firm will be implemented through the Transmission Business Model will be shared at August 29, 2017 workshop on BPA's Study Process and NT Product