

# Conditional Firm Service (CFS)

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## BPA Transmission Business Practice

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## Version ~~27~~28

This business practice describes the eligibility requirements for Conditional Firm Service (CFS), clarifies the different types of CFS offers, provides e-Tag and Curtailment information, and describes the operational attributes of CFS.

### BPA Policy References

- [Open Access Transmission Tariff \(OATT\)](#): Sections 1.89; 13.2; 13.6; 14.7; 15.4; 19.3; 20.1; 20.2; 20.3
- [Transmission Rate Schedules/Provisions](#): PTP Rate Schedule

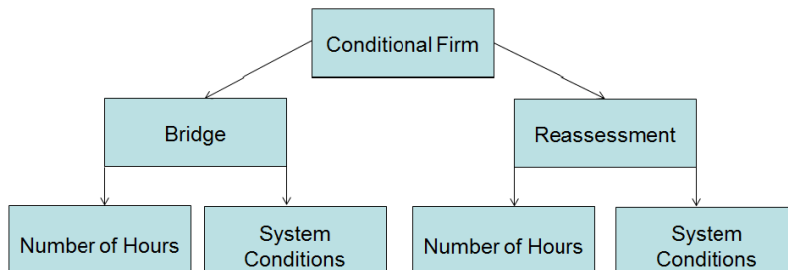
For more information, visit the [BPA Transmission Business Practices webpage](#) or submit questions to [techforum@bpa.gov](mailto:techforum@bpa.gov).

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## A. Overview

1. CFS is a form of Long-Term Firm (LTF) Point-To-Point (PTP) Transmission Service that allows the Transmission Provider to curtail the reservation at the Curtailment Priority Code 6.
2. CFS is delineated by two categories:
  - a. Bridge CFS – for Customers that support transmission system expansion; or
  - b. Reassessment CFS – for Customers that are not supporting transmission system expansion.
3. Both Bridge CFS and Reassessment CFS are subject to one of two types of Conditional Curtailment options:
  - a. Number of Hours per year during which Conditional Curtailment may occur; or
  - b. System Condition(s) (e.g., System Operating Limit impacting certain path(s) under which Conditional Curtailment may occur).



4. BPA posts a list of Transmission Service Request (TSR) Source/POR reservation points that are ineligible for CFS on the [Transmission Availability webpage](#).
5. The Federal Energy Regulatory Commission (FERC) adopted a requirement for Transmission Service Providers to offer CFS in Order 890 (para 962 – 1094). Subsequent determinations pertaining to CFS are available in Order 890-A (para. 545-594, and Order 890-B (para. 116 -176).
6. The North American Energy Standards Board (NAESB) adopted standards under FERC Order 676-E. The NAESB standards refer to CFS as the Conditional Curtailment Option (CCO). BPA utilizes the Open Access Technology International, Inc. (OATI) webTrans CCO Module to manage CFS per the Wholesale Electronic Quadrant (WEQ) Version 0003.2 standards or subsequent versions incorporated by FERC regulations.

## B. Requesting Conditional Firm Service Study

1. CFS cannot be requested on OASIS. Customer must submit a LTF PTP TSR on OASIS and request that BPA study the TSR for CFS in an Individual System Impact Study Agreement or Cluster Study Agreement consistent with the TSR Study and Expansion Process Business Practice.

2. The Customer may request that the TSR be studied for either one or both Conditional Curtailment options (i.e., the Number of Hours or System Conditions).
3. BPA will only offer to conduct a study of a LTF PTP TSR for CFS if it has determined that it cannot grant LTF PTP Transmission Service utilizing existing transmission system capability.
4. The Customer is responsible for the costs associated with a CFS study.
  - a. Upon completion of the CFS study, BPA will provide the results and determination of whether a CFS offer can be made consistently with the Customer's request (i.e., Number of Hours or System Conditions).
  - b. If BPA determines that it cannot offer CFS consistent with the Customer's request without adversely impacting transmission system reliability then CFS will not be offered.

## C. Conditional Firm Service Eligibility

1. General CFS eligibility:
  - a. The Customer must submit a LTF PTP TSR on OASIS and have made the necessary election(s) in an Individual System Impact Study Agreement or Cluster Study Agreement consistent with the [TSR Study and Expansion Process Business Practice](#).
  - b. Eligibility for a CFS offer is determined through participation in either an Individual System Impact Study or a Cluster Study.
  - c. CFS eligibility is dependent upon BPA's ability to provide CFS reliably.
  - d. Eligible TSRs will have CFS conditions associated with all paths and/or subgrid constraints for which LTF capacity is unavailable as determined by the associated Individual Impact Study or Cluster study.
2. Bridge CFS eligibility:
  - a. The Customer must commit to participate in the necessary system upgrade(s) identified in an Individual System Impact Study or Cluster Study that will enable LTF Transmission Service for the TSR under consideration for CFS. This commitment may take the form of executing and funding a Preliminary Engineering Agreement, Environmental Study Agreement and/or signing and providing financial security (see Transmission Study and Expansion Business Practice.) for an offer of LTF service prior to or during construction supporting the plan(s) of service. BPA's required actions may also involve the Customer taking steps with third-party Transmission Providers to address impacts to third-party Transmission Provider systems.
3. Reassessment CFS eligibility:
  - a. The Customer must decline to commit to participate in the necessary system upgrade(s) identified in the Individual System Impact Study or Cluster Study that will enable LTF Transmission Service for the TSR under consideration for CFS.

## D. Attributes of Conditional Firm Service

1. General attributes of CFS:
  - a. BPA evaluates TSRs in queue order to reliably offer CFS.
  - b. CFS reservations have priority rights to Short-Term Firm (STF) ATC before it is released to the market for sale. STF ATC is only provided to CFS reservations if there is sufficient quantity to firm up all similarly situated CFS reservations.
  - c. The Customer is billed for CFS at the rate for LTF PTP Transmission Service as defined in BPA's Transmission, Ancillary, and Control Area Service Rate Schedules and General Rate Schedule Provisions regardless of any Conditional Curtailments.
  - d. CFS reservations have the same rights as LTF Transmission Service. These rights are defined in the Deferral of Transmission Service (Extension for Commencement of Service), Renewal of Transmission Service (Reservation Priority), Resale of Transmission Service (reference General Criteria, Section A for exceptions), Transfer of Transmission Service, and Redirect of Transmission Service Business Practices.
    - i. CFS reservations cannot be aggregated with other reservations.
    - ii. If CFS is resold, it will maintain System Conditions or Number of Hours specified in the CFS Exhibit Table.
    - iii. The Conditional Curtailment options are retained in Redirect TSRs unless analysis determines that the condition(s) is not applicable.
2. Specific attributes of Bridge CFS:
  - a. A Customer that accepts an offer of Bridge CFS will maintain its position in BPA's LTF pending queue for the TSR associated with the offer, but a Customer is not required to accept an offer of CFS for the associated TSR to retain its queued position for LTF PTP Transmission Service.
  - b. A Bridge CFS reservation is eligible for STF ATC that alleviates the Number of Hours or System Conditions associated with the reservation.
  - c. A Bridge CFS reservation will retain the Number of Hours or System Conditions established under the original Bridge CFS Exhibit Table and parent CFS reservation.
  - d. A Bridge CFS reservation will be converted to LTF Transmission Service in queue order if:
    - i. The system upgrade(s) specified in the Bridge CFS Exhibit Table are completed; or
    - ii. Capacity becomes available to alleviate the Number of Hours or System Conditions specified in the Bridge CFS Exhibit Table.
  - e. If BPA decides the system upgrade(s) specified in the Bridge CFS Exhibit Table will not be completed or if the Customer does not satisfy the requirements as set forth in the BPA OATT or any agreements related to a study or completion of the system upgrades specified in the Bridge CFS Exhibit Table:

- i. BPA will provide written notice to the Customer of the termination of the Bridge CFS effective on the first day of the month at least 90 Calendar Days from the date of the written notification; and
  - ii. The Customer may elect to have BPA evaluate Reassessment CFS by providing written notice to BPA at least 30 Calendar Days prior to the effective date of the termination of Bridge CFS. If the Customer provides such notice, Bridge CFS will remain in effect while BPA performs an evaluation to determine if it can offer Reassessment CFS and BPA and the Customer complete the actions necessary to accomplish any conversion to Reassessment CFS.
    - 1. If Reassessment CFS is offered, BPA will convert the Bridge CFS to Reassessment CFS. The Reassessment CFS Exhibit Table will reflect any modifications to the conditions.
- 3. Specific attributes of Reassessment CFS:
  - a. BPA may reassess the Number of Hours or System Conditions specified in the Reassessment CFS Exhibit Table on a biennial basis. BPA will perform the initial reassessment no earlier than two (2) years from the Service Commencement Date through the Termination Date of the CFS Exhibit Table.
  - b. Reassessment may include an evaluation of all Constraints and conditions associated with all paths impacted by the CFS TSR.
  - c. When CFS reassessments are due within a six (6) month timeframe, BPA will evaluate the Reassessment CFS Exhibit Tables that have the same Constraints or general system limitation in a consistent manner.
- 4. Conversion from Reassessment CFS to Bridge CFS:
  - a. To transition from Reassessment CFS to Bridge CFS, the Reassessment CFS Customer must submit a new LTF PTP TSR on OASIS.
    - i. The new TSR may be submitted at any time.
    - ii. The queue time of the new TSR is when the Customer submits the TSR.
    - iii. The Deal Ref of the new TSR must reference the Reassessment CFS reservation.
    - iv. The Customer must enter the comment, "Bridge Conversion TSR for (Reassessment CFS TSR AREF number)" into the Customer Comment field of the new TSR.
  - b. The Source/POR and Sink/POD of the new TSR must be identical to the POR and POD of the Reassessment CFS reservation.
  - c. The Source and Sink of the new TSR must be identical to the Source and Sink of the Reassessment CFS reservation.
  - d. The term of the new TSR must be identical to the term of the Reassessment CFS reservation.
  - e. The capacity of the new TSR must be equal to the capacity of the Reassessment CFS. If additional capacity is needed, it must be requested separately.

- f. BPA will revise the CFS Exhibit Table related to the existing Reassessment CFS reservation and its associated rollover rights, if any, and offer Bridge CFS if the Customer:
  - i. Participates in a subsequent Individual System Impact Study or Cluster Study;
  - ii. The plan of service that will enable BPA to provide LTF Service proceeds; and
  - iii. The Customer meets the requirements of the plan of service.

## **E. Source/POR & Sink/POD Conformance**

1. BPA may determine that the Source/POR or Sink/POD of a TSR is ineligible or at an insufficient level of detail to evaluate the PTDF impacts to support CFS (e.g., Newpoint, lack of CFS capability on a path, subgrid Constraints, etc.). In these circumstances, BPA will notify the Customer.
  - a. BPA will work with the Customer to develop a mutually agreeable Source/POR or Sink/POD for a CFS offer.
    - i. If the Customer wants to receive an offer of CFS, the Customer must submit a Pre-Confirmed Conformance TSR using the mutually agreeable Source/POR or Sink/POD.
    - ii. The TSR must specify the AREF number of the original TSR in the Deal Ref field on OASIS. Refer to the Requesting Transmission Service Business Practice for more information about submitting a Conformance TSR.
    - iii. If BPA and the Customer are unable to reach agreement on a new Source/POR or Sink/POD or if the Customer fails to submit a Pre-Confirmed Conformance TSR within 5 Business Days of written notice, BPA will deem the TSR ineligible for CFS and the TSR will receive no further consideration for CFS.

## **F. Conditional Firm Service Offer**

1. General attributes of a CFS offer:
  - a. When BPA offers CFS, it will only be offered in the following combinations:
    - i. Bridge CFS & Number of Hours, or;
    - ii. Bridge CFS & System Conditions, or;
    - iii. Reassessment CFS & Number of Hours, or;
    - iv. Reassessment CFS & System Conditions.
  - b. If the Customer requested to be studied for both the System Conditions option and the Number of Hours option for one TSR, the Customer may only accept one type of CFS.
  - c. BPA will offer CFS consistent with the Requesting Transmission Service Business Practice.

~~i. If the Customer fails to sign and return the CFS offer within 15 Calendar Days from the date of tender, the TSR will receive no further consideration for CFS unless the Customer requests reconsideration.~~

~~ii.~~ BPA will use studies to determine the eligibility of a TSR for a CFS offer.

d. If all issues preventing CFS eligibility are resolved, the TSR will be reevaluated to determine whether CFS can be offered.

2. Specific attributes of a Bridge CFS offer:

a. When a Bridge CFS offer is accepted, BPA will create a Transmission Service Number (TSN) in the Long-Term Queue that retains the queue time of the TSR taking Bridge CFS. The TSN will:

i. Specify the AREF number of the TSR taking Bridge CFS;

ii. Have a Bridge Reservation Marker "BRM" prefix; and

iii. Not be visible on OASIS but BPA will post the TSN in the Long-Term Pending Queue available on the [Transmission Availability webpage](#).

3. For existing Reassessment CFS:

a. Reassessment CFS results will be provided to the Customer at least 90 Calendar Days prior to the date on which the new Number of Hours or System Conditions CFS would go into effect.

b. If the Number of Hours necessary to continue the CFS has increased or there is an addition to the System Conditions, the Customer has the following options:

i. Terminate the Reassessment CFS and withdraw e-Tags associated with the terminated Reassessment CFS Exhibit Table. If Customer decides to terminate Reassessment CFS, it must provide BPA written notice at least 30 Calendar Days prior to the effective date of the new Number of Hours or System Conditions.

ii. Execute a new Reassessment CFS Exhibit Table with the increased number of CFS hours or changed System Conditions.

c. Customer may only terminate Reassessment CFS if there is an increase to the Number of Hours or an addition to the System Conditions.

d. BPA may terminate Reassessment CFS if it determines it can no longer provide the service without adversely impacting transmission system reliability or LTF transmission rights holders. If BPA decides to terminate Reassessment CFS, it will provide the Customer written notice at least 90 Calendar Days prior to the effective date of the termination.

## G.E-Tagging Requirements for Conditional Firm Service

1. When e-tagging a CFS reservation (either Number of Hours or System Conditions), the e-Tag must contain:

a. The AREF number (Blanket contract reference not allowed); and

b. A Curtailment Priority Code of 7-F.



2. Manual MW adjustments to an e-Tag must be made in the BPAT section of the CFS reservation. Zero must be entered in the left BPAT column (7-F) and the adjusted MW value must be entered in the right BPAT column (6-CF).

a. Hover over the BPAT reservation number column headers to display the values (7-F and 6-CF).

## H. Conditional Firm Service Curtailment

### 1. General attributes of CFS Curtailment:

- a. BPA uses OATI's Module (CCO Module) to manage CFS reservations.
- b. Conditional Curtailment may occur any time the Number of Hours or System Conditions specified in the CFS Exhibit Table is occurring or is anticipated to occur.
- c. The CFS reservation (i.e., e-Tag) will only be conditionally curtailed for the Number of Hours or System Conditions specified in the Exhibit Table associated with the CFS reservation.
  - i. If STF ATC is available to alleviate the Constraint associated with all of the CFS reservations on a particular path, then the OATI CCO Module will allocate firm capacity to CFS reservations to alleviate the Constraint. If STF capacity alleviates the Constraint, then the reservation will be subject to Curtailment at the Curtailment Priority Code for firm transmission service (i.e., 7-F).
  - ii. When STF ATC is not available to alleviate the Number of Hours or System Conditions associated with the CFS reservation, the CFS reservations will be subject to Conditional Curtailment at the curtailment priority equal to the Curtailment Priority Code of Secondary Network Transmission Service (i.e., 6-NN).
- d. When Conditional Curtailment occurs, OASIS will automatically change the Curtailment Priority Code of the CFS reservation from 7-F to 6-CF.
- e. When Conditional Curtailment occurs, the Customer must reduce the generator or the load associated with the CFS reservation by the amount and duration of the Curtailment. The Customer is responsible for having arrangements in place to accomplish the reduction of the output of the generator(s) or the load associated with the CFS reservation in accordance with BPA's e-Tag Conditional Curtailment order.
  - i. If the Source of the CFS TSR is in another Balancing Authority Area (BAA) and that BAA only has one point of interconnection with BPA's BAA, unless otherwise provided on the e-Tag, then any generator can be reduced in that BAA since they all have the same Power Distribution Transfer Factor (PTDF) impact.
  - ii. The CFS reservation will be subject to a Failure to Comply Penalty Charge in accordance with the [Failure to Comply Penalty Charge Business Practice](#).
- f. Upon written request from BPA, Customer must provide the following information within five (5) Business Days:

- i. Generator output readings for the duration beginning at least five (5) minutes before the start of the Conditional Curtailment, and through the end of the last hour of the Conditional Curtailment; and
    - ii. Output readings, in kW or MW, in time increments not greater than one (1) minute.
  2. Specific attributes of Number of Hours CFS Curtailment:
    - a. Curtailment of a CFS reservation at Curtailment Priority Code 7-F does not count toward the Number of Hours specified in the CFS Exhibit Table associated with the CFS reservation.
    - b. BPA will track CFS hours curtailed under each CFS reservation. The Number of Hours for Conditional Curtailment is tracked yearly starting with the Service Commencement Date. This information is available to the Customer on OASIS.
      - i. If Conditional Curtailment of a CFS reservation reaches the maximum Number of Hours specified in the CFS Exhibit Table then, the CFS reservation will only be curtailed at Curtailment Priority Code 7-F for the remainder of the reservation year.
    - c. The Number of Hours will not be pro-rated for a CFS reservation with a mid-year Service Commencement Date.
    - d. All Conditional Curtailments within an individual hour will be counted as one (1) hour for a specific CFS reservation.
    - e. Curtailments associated with Operational Controls for Balancing Reserves (OCBR) events do not count toward the Number of Hours specified in the CFS Exhibit Table associated with the CFS reservation.
  3. Specific attributes of System Conditions CFS Curtailment:
    - a. If the System Conditions occur, the CFS reservation may only be curtailed at the curtailment priority equal to the Curtailment Priority Code of Secondary Network Transmission Service (i.e., 6-NN). There is no annual limit to the number of System Conditions Curtailment occurrences.
    - b. Curtailments of the e-Tag not related to the System Conditions will be subject to Curtailment at the Curtailment Priority Code for firm transmission service (i.e., 7-F).