

Slice System Concepts

Tier 1 System Concept Summary

Define the "Tier 1 System" as the set of resources, contract purchases, contract loads and system obligations that comprise the 'system' used for determination of Tier 1 rates. Related terms will be Tier 1 System Resources, Tier 1 System Obligations, RHW M Augmentation and RP Augmentation. This allows references to the Tier 1 System Resources as a set of generating resources; and as the output, firm and secondary, of the Tier 1 System Resources, without including any system obligations. The same reference including obligations is made using the Tier 1 System as in the firm and secondary output of the Tier 1 System, note no augmentation is included. All this leads to the term Tier 1 System Capability which is the firm critical output of the Tier 1 System Resources less Tier 1 System Obligations plus RP Augmentation.

Definitions

RWHM Augmentation

RP Augmentation

Augmentation Limit

Augmentation for Initial CHWM

Augmentation for Additional CHWM

T1SC = FCO of T1SR – T1SO + RP Augmentation

RHWM T1SC = FCO of T1SR - T1SO + RHWM Augmentation

Tier 1 System Firm Critical Output means the Firm Critical Output of the Tier 1 System Resources, less Tier 1 System Obligations.

Tier 1 System Resources means the Federal System Hydro Generation Resources listed in Table 3.1; the Designated Non-Federally Owned Resources listed in Table 3.2; and the Designated BPA Contract Purchases listed in Table 3.3.

Tier 1 System Obligations means those obligations imposed on BPA by statutes, treaties, and contracts that require the generation or delivery of power, or forbearance from generating power, in order to support the operation of the FCRPS, including any Obligations to Balancing Authority and other BPA contractual obligations that generate revenues and will exist during the term of the TRM. Tier 1 System Obligations include, but are not limited to, those Designated BPA System Obligations listed in Table 3.4.

Obligations to Balancing Authority means the obligations, if any, of PS to provide to the Balancing Authority generation inputs that are required by the Balancing Authority to reliably operate the transmission facilities of the FCRPS. These generation inputs may include, but shall not be limited to, the energy and/or capacity utilized or reserved to provide spinning and non-spinning reserves, reactive power and voltage control, regulation and frequency response, remedial action schemes, substation service and energy imbalance.

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Tier 1 System Capability means the Firm Critical Output of the Tier 1 System Resources, less Tier 1 System Obligations, plus RP Augmentation.

RHWM Tier 1 System Capability means the Firm Critical Output of the Tier 1 System, plus RHWM Augmentation.

RHWM Augmentation means the amount of augmentation to the Firm Critical Output of the Tier 1 System Resources BPA calculates in the RHWM Process that is needed to meet the total average megawatt sum of the all RHWMs, subject to applicable limits. This calculation assumes every customer is able to purchase its full RHWM and is determined by adding Augmentation for Initial CHWM and Augmentation for Additional CHWM.

RP Augmentation means the amount of augmentation BPA forecasts in the 7(i) Process to purchase for each Rate Period to meet its forecast Tier 1 Load.

Augmentation for Additional CHWM means augmentation for CHWMs added for DOE-Richland, New Publics formed in whole or in part out of loads previously served by an entity other than an Existing Public, and load growth for New Tribal Utilities calculated in accordance with sections **Error! Reference source not found.** and **Error! Reference source not found.**, which is used in the calculation of augmentation included in Tier 1 System Capability during the RHWM Process.

Augmentation for Initial CHWM means the amount of annual average firm energy BPA forecasts, during the RWHM Process, that will be needed (in addition to the Firm Critical Output of the Tier 1 System) to meet the total Initial CHWMs. The amount of energy is restricted by the Augmentation Limit.

Firm Critical Output means the firm generating output from hydro resources over the Critical Period.