



# Ancillary Service (Schedule 9)

# What is the *pro forma*?

- FERC *pro forma* Tariff includes a Schedule 9 “Generator Imbalance Service”
- At the June TC-20 workshop, BPA provided modified draft language for Schedule 9 “Generator Imbalance Service” which deviated from *pro forma*.
  - BPA modified the initial proposed language based on customers comments. BPA added “*Pursuant to Schedule 10, ...*”
  - BPA provided an opportunity for customers to submit comments on the modified language

# What did we hear?

In summary, Customer support was mixed.

- Some customers are still concerned that BPA plans to define the quality of service in a business practice and not in the tariff. They state that this is a deviation from the *pro forma* OATT.
  - Customers state that BPA has failed to provide a single principle that would serve as a basis for identifying the amount of reserves needed on a planning basis for balancing load and generation in BPA's Balancing Authority Area in the Balancing Reserve Business Practice.
- Some customers objects to the “new” language of Schedule 9 arguing that this language creates no obligation for BPA to provide any quantity of balancing reserve capacity.
- Some of the customers supported the new language modifying Schedule 9 to expressly link to Schedule 10 “physical feasibility” and capacity forecasts. These customers also recommend additional language that clearly states that BPA's statutory obligations also limit “physical feasibility” as contemplated in Schedule 9.
- Some customers ask that Schedule 3 be clarified to highlight that customers paying the Regulation and Frequency Response rate are receiving the capacity services necessary for energy imbalance under Schedule 4.

# What are we proposing?

- For Schedule 9 we are not proposing any change to our proposed language provided at the June workshop.
- BPA does not propose to deviate from *pro forma* language in Schedule 3.
- BPA continues to believe that the level of service is an operational determination made to ensure reliability of the transmission system, and should be defined in the business practice.

# Which TC-20 tariff principles does it align to?

BPA's proposed schedule 9 is substantially pro forma. The deviation from *pro forma* in schedule 9 language aligns to Principle 2: Deviation maintains the reliable and efficient operation of the federal system.

## Why are we proposing this position?

1. Maintain the reliable and efficient operation of the federal system,
2. Clearly describes the services BPA provides, and
3. Provides clear guidance on how BPA will implement the physically feasible requirement of schedule 9, with BPA's proposal for Schedule 10 and the underlying draft Balancing Reserve Business Practice.