



NT Conditional Firm

Pre-Decisional. For Discussion Purposes Only.

What is the *pro forma*?

- Network (NT) Conditional Firm is not in the pro forma tariff.
- FERC noted it was not necessary for transmission providers to offer CF service to NT customers because the flexibilities of PTP CF are inherent in pro forma NT service.

What are the Alternatives?

- Alternative 1: Status Quo
 - BPA retains Conditional Firm NT Service language in the new tariff.
- Alternative 2: Propose Pro Forma language in new tariff.
 - This alternative will not retain NT CF language
 - BPA will continue to define Pro Forma NT Service and develop a comprehensive implementation plan for doing so.
 - This may require a phased in approach as BPA defines, develops and implements service attributes.
 - Moves BPA closer to implementation of the Pro Forma Tariff for NT Service. (e.g. Modeling NT forecasts/DNRs in the ATC base case, Planning Redispatch, etc.)

Feedback from June TC-20 Workshop

- BPA should not retain NT CF.
- Eliminate NT CF service.
- BPA should transition existing NT CF customers to regular NT service, as BPA has stated that it intends to do.
- BPA should avoid undue and unnecessary reliance on conditional firm.
- Supportive of BPA's approach toward conforming the NT Conditional Firm transmission product with the FERC Pro Forma tariff.
- Adopt Alternative 2, under which BPA would not retain NT conditional firm language in the tariff and move closer to implementation of the FERC pro forma tariff for NT service.

Response to Customer Comments

- BPA should transition existing NT CF customers to regular NT service, as BPA has stated that it intends to do.
 - BPA intends to work with customers taking NT CF to transition to regular NT service.

Response to Customer Comments

- BPA appreciates customer support in our efforts to move towards a pro forma tariff.
- BPA is committed to working with customers to define and provide pro forma NT service under the new tariff.

What are we proposing?

- Based on the analysis performed, BPA is proposing Alternative 2: Pro Forma language in the new tariff.
 - We continue to scope out our IT system capability to support the removal of NT CF.

Why are we proposing this position?

- Key Considerations:
 - Aligns with Pro Forma Tariff.
 - Aligns with BPA's Agency Strategic Plan.
 - 4c: Meet current and future needs of Network Integration Transmission Service customers through clear business practices and streamlined processes.
 - 4d: Offer more standardized products and services by better aligning BPA's Open Access Transmission Tariff with pro forma and industry best practices.”
 - One customer is currently taking NT CF service.
 - Continued collaboration with customers on the deployment, evolution, and management of the NT Service.

What are the change impacts?

- For majority of NT customers, except one, there will be no change since they do not take NT CF service.

NT Conditional Firm Tariff Proposal Summary

<p>1. What is the <i>pro forma</i>?</p>	<ul style="list-style-type: none"> • <i>BPA's Open Access Transmission Tariff (OATT) includes Network Integration Service (NT) on a Conditional Firm (CF) basis. This language is not pro forma or industry standard.</i> • <i>FERC noted it was not necessary for transmission providers to offer CF service to NT customers because these flexibilities were inherent in NT service.</i> • <i>Network (NT) Conditional Firm is not in the pro forma tariff.</i>
<p>2. What did we hear?</p>	<ul style="list-style-type: none"> • BPA should eliminate NT Conditional Firm from its product portfolio.
<p>3. What are we proposing?</p>	<ul style="list-style-type: none"> • BPA is proposing Pro Forma tariff language. • There would be no NT CF language in the new tariff.
<p>4. Which TC-20 tariff principles does it align to?</p>	<p>Removing NT CF language is consistent with the <i>pro forma</i> tariff.</p>
<p>5. Why are we proposing this position?</p>	<ul style="list-style-type: none"> • Aligns with pro form tariff. • Aligns with BPA's Agency Strategic Plan. • Supports streamlined processes and clear Business Practices.
<p>6. What are the change impacts?</p>	<ul style="list-style-type: none"> • For majority of NT customers, except one, there will be no change since they do not take NT CF service.
<p>7. Is there a rate case impact?</p>	<p>No rate case impact.</p>