TC-22 PROPOSED TARIFF LANGUAGE FOR EIM

REDLINE AGAINST CURRENT, TC-20 TARIFF for

Part I (Common Service Provisions), Part II (Point-To-Point Transmission Service), Part III (Network Integration Transmission Service), and Schedule 9 (Generator Imbalance Service)

COMMON SERVICE PROVISIONS IN THE BODY OF BPA’s OATT

Redlines reflect changes from Bonneville’s current common service provisions.

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ADDITIONS TO PART I, COMMON SERVICE PROVISIONS

Redlines reflect changes from Bonneville’s current provisions.

1.x Network Resource:

Any designated generating resource owned, purchased or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale of one year or more to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program or output associated with an EIM Dispatch Instruction.

7. Billing and Payment

7.1 Billing Procedure:

Within a reasonable time after the first day of each month service is provided, the Transmission Provider shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during Notwithstanding the preceding month, prior sentence, the Transmission Provider may submit invoices for periods of less than a full month. The invoice shall be paid by the Transmission Customer within twenty (20) days of receipt. All payments

Effective Date: October 1, 2019
shall be made in immediately available funds payable to the Transmission Provider, or by wire transfer to a bank named by the Transmission Provider.

10.2 Indemnification:

(a) The Transmission Customer shall at all times indemnify, defend, and save the Transmission Provider harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Transmission Provider’s performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by the Transmission Provider. Provided, however, that the standard of liability for the actions of the BPA EIM Entity performed consistent with Attachment Q of this Tariff shall be gross negligence or intentional wrongdoing.

(b) If the Transmission Provider and the Transmission Customer are Parties to the Agreement Limiting Liability Among Western Interconnected Systems, such agreement shall continue in full force and effect as between the Parties.

12.4 EIM Disputes

12.4.1 Disputes between the BPA EIM Entity and a Transmission Customer or InterconnectionGI Customer Related to Allocation of Charges or Payments from the MO

To the extent a dispute arises between the BPA EIM Entity and a Transmission Customer or InterconnectionGI Customer regarding the BPA EIM Entity’s implementation of this Tariff’s provisions regarding the manner in which the BPA EIM Entity allocates charges or payments from the MO, the parties shall follow the dispute resolution procedures in Sections 12.1 to 12.3 of this Tariff.

12.4.2 Disputes between the MO and BPA EIM Participating Resource Scheduling Coordinators Related to EIM Charges and Payments Directly From the MO

Disputes involving settlement statements between the MO and BPA EIM Participating Resource Scheduling Coordinators shall be resolved in accordance with the dispute resolution process of the MO Tariff. A Transmission Customer with a BPA EIM Participating Resource shall provide notice to the BPA EIM Entity if it raises a dispute with the MO, and such notice shall be provided in accordance with the process set forth in the BPA EIM BP.
12.4.3 Disputes between the MO and the BPA EIM Entity

The BPA EIM Entity may raise disputes with the MO regarding the settlement statements it receives from the MO in accordance with the process specified in the MO Tariff. If the BPA EIM Entity submits a dispute it shall provide notice to Transmission Customers in accordance with the BPA EIM BP.

12.4.4 Disputes Regarding MO Charges or Payments to the BPA EIM Entity Raised by Transmission Customers or Interconnection GI Customers

To the extent a dispute arises regarding a MO charge or a MO payment to the BPA EIM Entity that is subsequently charged or paid by the BPA EIM Entity to a Transmission Customer or an Interconnection GI Customer, and such Transmission Customer or Interconnection GI Customer wishes to raise a dispute with the MO, the BPA EIM Entity shall file a dispute on behalf of such Transmission Customer or Interconnection GI Customer in accordance with the MO Tariff and work with the Transmission Customer or the Interconnection GI Customer to resolve the dispute pursuant to the process specified in the MO Tariff.
ADDITIONS TO PART II, PTP TRANSMISSION SERVICE

Redlines reflect changes from Bonneville’s current PTP provisions.

13.6 Curtailment of Firm Transmission Service:

In the event that a Curtailment on the Transmission Provider's Transmission System, or a portion thereof, is required to maintain reliable operation of such system and the system directly and indirectly interconnected with Transmission Provider’s Transmission System, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. The Transmission Provider may elect to implement such Curtailments pursuant to the Procedures Addressing Parallel Flows specified in Attachment J. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, the Transmission Provider will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission Service on a basis comparable to the curtailment of service to the Transmission Provider's Native Load Customers. All Curtailments will be made on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. -Long-Term Firm Point-To-Point Service subject to conditions described in Section 15.4 shall be curtailed with secondary service in cases where the conditions apply, but otherwise will be curtailed on a pro rata basis with other Firm Transmission Service. -When the Transmission Provider determines that an electrical emergency exists on its Transmission System and implements emergency procedures to Curtail Firm Transmission Service, the Transmission Customer shall make the required reductions upon request of the Transmission Provider. However, the Transmission Provider reserves the right to Curtail, in whole or in part, any Firm Transmission Service provided under the Tariff when, in the Transmission Provider's sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System. -The Transmission Provider will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments. Transmission Provider shall take necessary measures to ensure reliability in BPA’s BAA in accordance with Section 6 of Attachment Q.

14.7 Curtailment or Interruption of Service:

The Transmission Provider reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System or the systems directly or indirectly interconnected with Transmission Provider's Transmission System. The Transmission Provider may elect to implement such Curtailments pursuant to the Procedures Addressing Parallel Flows specified in Attachment J.

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Transmission Provider reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (1) a request for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, (4) transmission service for Network Customers from non-designated resources, or (5) transmission service for Firm Point-To-Point Transmission Service during conditional curtailment periods as described in Section 15.4. The Transmission Provider also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g., hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. The Transmission Provider will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice. Transmission Provider shall take necessary measures to ensure reliability in BPA’s BAA in accordance with Section 6 of Attachment Q.

15.7 Real Power Losses:

Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service, excluding EIM participation, as calculated by the Transmission Provider under Schedule 11.

16.1 Conditions Required of Transmission Customers:

Point-To-Point Transmission Service shall be provided by the Transmission Provider only if the following conditions are satisfied by the Transmission Customer:

(a) The Transmission Customer has pending a Completed Application for service;
(b) The Transmission Customer meets the creditworthiness criteria set forth on the Transmission Provider’s OASIS;

(c) The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to the Transmission Provider prior to the time service under Part II of the Tariff commences;

(d) The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation;

(e) The Transmission Customer provides the information required by the Transmission Provider’s planning process established in Attachment K; and

(f) The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3; and.

(g) The Transmission Customer must comply with the requirements of Attachment Q regarding the EIM.
ADDITIONS TO PART III, NITS

Redlines reflect changes from Bonneville’s current NT Service provisions.

28.1 Scope of Service:

Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the Transmission Provider's Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 3, and must comply with the requirements of Attachment Q regarding the EIM.

28.5 Real Power Losses:

Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Network Customer is responsible for replacing losses associated with all transmission service, excluding EIM participation, as calculated by the Transmission Provider. The applicable loss factors are listed under Schedule 11.

28.7 Participation in the EIM

Notwithstanding the limitations in Section 28.6, Network Customers may participate in the EIM utilizing a Network Integration Transmission Service Agreement without a requirement to terminate the designation of any Network Resource that is a BPA EIM Participating Resource consistent with Section 30.3 of this Tariff and without a requirement to reserve additional Point-To-Point Transmission Service for such transactions.

29.2 Application Procedures:

(ix) Any additional information required of the Transmission Customer as specified in (1) the Transmission Provider’s planning process established in Attachment K, and (2) Attachment Q.

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30.1 Designation of Network Resources:

Network Resources shall include all generation owned, purchased or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for a sale of one year or more to non-designated third party load or otherwise cannot be called upon to meet the Network Customer’s Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program or participating in the EIM in accordance with Attachment Q. Any owned or purchased resources that were serving the Network Customer’s loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

30.4 Operation of Network Resources:

The Network Customer shall not operate its designated Network Resources located in the Network Customer’s or Transmission Provider’s Control Area such that the output of those facilities exceeds its designated Network Load, plus sales of less than one year delivered pursuant to Part II of the Tariff, plus losses, plus power sales under a reserve sharing program, plus sales that permit curtailment without penalty to serve its designated Network Load. This limitation shall not apply to BPA EIM Participating Resources responding to Dispatch Instructions or to changes in the operation of a Transmission Customer’s Network Resources at the request of the Transmission Provider to respond to an emergency or other unforeseen condition which may impair or degrade the reliability of the Transmission System. For all Network Resources not physically connected with the Transmission Provider’s Transmission System, the Network Customer may not schedule delivery of energy in excess of the Network Resource’s capacity, as specified in the Network Customer’s Application pursuant to Section 29, unless the Network Customer supports such delivery within the Transmission Provider’s Transmission System by either obtaining Point-To-Point Transmission Service or utilizing secondary service pursuant to Section 28.4. The Transmission Provider shall specify the rate treatment and all related terms and conditions applicable in the event that a Network Customer’s schedule at the delivery point for a Network Resource not physically interconnected with the Transmission Provider’s Transmission System exceeds the Network Resource’s designated capacity, excluding energy delivered using secondary service or Point-to-Point Transmission Service.
SCHEDULE 9

Generator Imbalance Service

Section A of this Schedule 9 takes effect on the date the EIM goes live in the BPA BAA. Section B of this Schedule 9 applies unless and until the EIM goes live in the BPA BAA. Once the EIM goes live in the BPA BAA, section B may apply as a temporary schedule in the event the BPA EIM Entity or the Market Operator take corrective actions under Attachment Q, section 10.

A. Generator Imbalance Service is provided when a difference occurs between the output of a generator, that is not a BPA EIM Participating Resource, located in the Transmission Provider’s Control Area and a delivery schedule from a generator located in the Transmission Provider’s Control Area to (1) another Control Area or (2) a load within the Transmission Provider’s Control Area over a scheduling period. Pursuant to Schedule 10, the Transmission Provider must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when transmission service is used to deliver energy from a generator located within its Control Area.

The Transmission Customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. A Transmission Customer shall be charged or paid The charges for Generator Imbalance Service are set forth in the Transmission Provider’s Transmission, Ancillary, and Control Area Service Rate Schedules and General Rate Schedule Provisions, or its successor.

To the extent the Control Area Operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by that Control Area Operator.

For purposes of this Schedule 9, the Transmission Provider may bill a Generator owner or operator directly for this service in lieu of billing the Transmission Customer, pursuant to an interconnection agreement or other arrangement. In that case, the generator owner or operator will be deemed to be a “Transmission Customer” for the purposes of this schedule.

The Transmission Provider may charge the Transmission Customer a penalty for generator imbalances under this Schedule or a penalty for energy
imbalances under Schedule 4 for imbalances occurring during the same scheduling period, but not both unless the imbalances aggravate rather than offset each other.

Applicability to GI Customers:

To the extent the GI Customer is a different entity than the Transmission Customer and controls the output of a generator located in the Transmission Provider’s Control Area, the GI Customer may be subject to charges for Generator Imbalance Service (rather than the Transmission Customer) in accordance with this Schedule 9.

B. Generator Imbalance Service is provided when a difference occurs between the output of a generator located in the Transmission Provider’s Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within the Transmission Provider’s Control Area over a scheduling period.

Pursuant to Schedule 10, the Transmission Provider must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when transmission service is used to deliver energy from a generator located within its Control Area.

The Transmission Customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. The charges for Generator Imbalance Service are set forth in Transmission Provider’s Transmission, Ancillary, and Control Area Service Rate Schedules and General Rate Schedule Provisions, or its successor.

To the extent the Control Area Operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by that Control Area Operator.

For purposes of this Schedule 9, the Transmission Provider may bill a Generator owner or operator directly for this service in lieu of billing the Transmission Customer, pursuant to an interconnection agreement or other arrangement. In that case, the generator owner or operator will be deemed to be a “Transmission Customer” for the purposes of this schedule.

The Transmission Provider may charge the Transmission Customer a penalty for generator imbalances under this Schedule or a penalty for energy imbalances under Schedule 4 for imbalances occurring during the same scheduling period, but not both unless the imbalances aggravate rather than offset each other.