Conditional Firm Transmission Service

BPA Transmission Business Practice

Version 2425
5/1/202011/5/2021
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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

- Transmission Rate Schedules/Provisions: PTP Rate Schedule

For more information, visit the BPA Transmission Business Practices webpage or submit questions to techforum@bpa.gov.

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A. Overview

1. Conditional Firm Transmission Service (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 NERC Curtailment Priority Code 6.

2. CFS is delineated by two categories:
   a. Bridge CFS – for Customers that support transmission system expansion;
   b. Reassessment CFS – for Customers that are not supporting transmission system expansion.

3. 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;
   b. System Condition(s) (e.g. System Operating Limit impacting certain Flowgate path(s)) under which Conditional Curtailment may occur.

4. BPA posts Conditional Firm (CF) Inventory for each Network Flowgate path and a list of Transmission Service Request (TSR) Source/POR reservation points that are ineligible for CFS on the Transmission Availability webpage.


BPA Open Access Transmission Tariff (OATT) Policy References

7. The CFS Exhibit (Conditional Firm Service Agreement) is available on the Transmission Business Practice Forms webpage.
B. Requesting Conditional Firm Service

1. General Rules for Requesting CFS:
   a. CFS cannot be requested on OASIS. Customers must request CFS by electing that a TSR be evaluated for CFS in an Individual System Impact Study or Cluster Study consistent with the TSR Study and Expansion Process Business Practice.
   b. BPA Transmission Services will only study a LTF PTP TSR for CFS if it cannot grant LTF PTP Transmission Service.
   c. The Customer is responsible for the costs associated with CFS studies.
      i. Upon completion of the CFS study, BPA will provide the results and determination of whether a CFS offer can be made consistent with the Customer’s request (i.e., Number of Hours or System Conditions).
      ii. 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. Customer must have an executed CFS Exhibit and execute a CFS Exhibit Table.
   b. Customer has requested LTF PTP Transmission Service by submitting a TSR on OASIS and BPA has determined that the request cannot be satisfied from LTF ATC.
   c. Customer has not refused a previous offer of Reassessment CFS and/or Bridge CFS for the TSR under consideration for CFS.

2. Bridge CFS Eligibility:
   a. Customer must 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.

3. Reassessment CFS Eligibility:
   a. Customer must decline 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 Transmission Services evaluates TSR(s) for CFS in queue order.
   b. CFS reservations have priority rights to Short-Term Firm (STF) ATC before it is released to the market for sale.
   c. Customer is billed for CFS at the rate for LTF PTP Transmission Service as defined in the BPA’s Transmission, Ancillary, and Control Area Service Rate

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Schedules and General Rate Schedule Provisions regardless of any Conditional Curtailments.

d. Customer is not required to accept an offer of CFS for the associated TSR to remain in the queue for LTF PTP Transmission Service.

e. CFS reservations have the same rights as LTF Transmission Service. These rights are defined in the Deferral of Transmission Service, Renewal of Transmission Service (Reservation Priority), Resale of Transmission Service (reference General Criteria, Section A.61.e.i, and A.61.e.ii for exceptions), OASIS Transfer of Transmission Service, and Redirects of Transmission Service (reference 1.e.iii for exception) Business Practices.

- CFS reservations cannot be aggregated with other reservations.
- If CSF is resold, it will maintain System Conditions or Number of Hours specified in the CFS Exhibit Table.
- BPA will apply the System Conditions or Number of Hours specified in the CFS Exhibit Table to Long-Term and Short-Term Redirects.

2. Specific Attributes of Bridge CFS:

- Bridge CFS maintains its position in BPA’s LTF Pending Queue.
- Bridge CFS is eligible for LTF and STF ATC that alleviates the Number of Hours or System Conditions associated with the reservation.
- Bridge CFS will maintain the Number of Hours or System Conditions established under the original Bridge CFS Exhibit Table.
- Bridge CFS will be converted to LTF Transmission Service if:
  - The system upgrade(s) specified in the Bridge CFS Exhibit Table are completed; or;
  - LTF ATC becomes available to alleviate the Number of Hours or System Conditions specified in the Bridge CFS Exhibit Table.
- Conversion of Bridge CFS to LTF Transmission Service does not change the Service Termination Date of the Exhibit Table.
- If the system upgrade(s) specified in the Bridge CFS Exhibit Table will not be completed:
  - BPA will terminate the Bridge CFS; and
  - BPA will perform an evaluation to determine if it can offer Reassessment CFS to a Customer whose Bridge CFS is terminated, but if it is determined that providing such service would adversely impact transmission system reliability or long-term transmission rights holders.
- 1. If Reassessment CFS is offered, BPA will convert the Bridge CFS to Reassessment CFS utilizing the same AREF-Ref number. The CFS Exhibit Table will be updated to reflect this change and 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 no earlier than two (2) years (bi-annually) after the Service Commencement Date of the agreement.

b. If BPA chooses not to reassess the Number of Hours or System Conditions by the two (2) year anniversary of the last Reassessment, BPA Transmission Services maintains an ongoing right to perform a Reassessment.

c. Reassessment may include an evaluation of all Constraints and conditions associated with all Flowgates, Interties, and External Interconnections paths impacted by the CFS TSR.

d. 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 to Bridge CFS from Reassessment CFS, the Reassessment CFS Customer must submit a new request.
   i. The new request may be submitted at any time.
   ii. The queue time of the new request is when the Customer submits it.
   iii. The Deal Ref of the new request must reference the Reassessment CFS TSR.
   iv. The Customer must enter the comment, “CFI TSR for TSR (Reassessment CFS TSR AREF-ref number)” into the Customer Comment field of the new request.

b. The POR and POD of the new request must be identical to the POR and POD of the Reassessment CFS reservation.

c. The Source and Sink of the new request must be identical to the Source and Sink of the Reassessment CFS reservation.

d. The term of the new request must be identical to the term of the Reassessment CFS reservation.

e. The capacity of the new request must be equal to the capacity of the Reassessment CFS. If additional capacity is needed, it must be requested separately, this would be done as a separate request and not be part of this CF conversion.

f. If BPA is able to offer Long Term Firm Service on any or all of the new request, the corresponding Reassessment CFS TSR will be recalled down for the demand and time period of an executed offer.

g. If the Customer participates in a subsequent Individual System Impact Study or Cluster Study and a build goes forward that will enable BPAT to provide Long Term Firm LTF Service at embedded rates, BPA will update revise the contract agreement related to the existing Reassessment CFS reservation and its associated rollover rights, if any, to reflect Bridge CFS service. If no changes are needed to the existing CF reservation, no OASIS actions are required.
E. POR & POD Conformance

1. BPA may determine that the POR or POD of a TSR is at an insufficient level of detail to evaluate the PTDF impacts to support CFS (e.g. Newpoint, lack of CFS capability on a Flowgate path, subgrid constraints, etc.) In these circumstances, BPA will notify the Customer.

   a. BPA Transmission Services will work with the Customer to develop a mutually agreeable POR or 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 POR or 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 Transmission Services and the Customer are unable to reach agreement on a new POR or POD or if the Customer fails to submit a Pre-Confirmed Conformance TSR within 30 Calendar Days of written notice, BPA Transmission Services 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 requests 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 Transmission Services will offer CFS consistent with the Requesting Transmission Service LTF Queue: Evaluation of TSRs and Offer of Service Business Practice.
      
      i. If the Customer fails to sign and return the CFS offer by the deadline specified in the CFS offer cover letter, the TSR will receive no further consideration for CFS.
      
      ii. BPA Transmission Services will use its existing LTF ATC or CF Inventory to make a CFS offer.

   d. For each accepted CFS offer, BPA Transmission Services will decrement LTF ATC and CF Inventory needed in the following manner:
i. For all Flowgates paths for which LTF ATC is available, LTF ATC will be decremented.

ii. For all Flowgates paths for which LTF ATC is not available, CFS Inventory will be decremented.

e. When a subgrid issue excludes the TSR from receiving CFS, CFS Inventory will not be encumbered for that TSR.

i. If the subgrid issue(s) is resolved, the TSR will be reevaluated to determine whether CFS can be offered.

2. Specific Attributes of a Bridge CFS Offer:

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

i. TSN will specify the AREF number of the TSR taking Bridge CFS.

ii. TSN will have a Bridge Reservation Marker “BRM” prefix.

iii. TSN will 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 a change in 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, to avoid incurring an Unauthorized Increase Charge., or;

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

iii. The Customer must withdraw e-Tags associated with the terminated Reassessment CFS Exhibit Table so that it does not incur an Unauthorized Increase Charge.

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

G. E-Tagging Requirements for Conditional Firm Service

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

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

b. A NERC Curtailment Priority Code of 7-F.
H. Conditional Firm Service Curtailment

1. General Attributes of CFS Curtailment:
   a. BPA Transmission Services uses OATI’s *webTrans Conditional Curtailment Option (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 Conditional Curtailment option(s) associated with the CFS reservation, then the OATI *webTrans 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 NERC 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 NERC Curtailment priority equal to the NERC Curtailment Priority Code of Secondary Network Transmission Service (i.e., 6-NN).
   
   d. When Conditional Curtailment occurs, BPA will automatically change the NERC 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 CFS reservation by the amount and duration of the 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 Bonneville’s BAA, unless otherwise provided on the e-Tag, then any generator can be reduced in that BAA since they all have the same 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*.

2. Specific Attributes of Number of Hours CFS Curtailment:
   a. Curtailment of a CFS reservation at NERC 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 from OASIS.
      
      i. If Conditional Curtailment of a CFS reservation reaches is conditionally curtailed for the maximum Number of Hours specified in the CFS Exhibit Table.
Table then, the CFS reservation will only be curtailed at NERC 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 Curtailment orders 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 occurs, the CFS reservation may only be Conditionally Curtailed at the NERC curtailment priority equal to the NERC Curtailment Priority Code of Secondary Network Transmission Service (i.e., 6-NN). There is no annual limit to the number of System Conditions occurrences.

b. Curtailments not related to the System Conditions will be subject to Curtailment at the NERC Curtailment Priority Code for firm transmission service (i.e., 7-F).