

# **TSR Study and Expansion Process**

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## **BPA Transmission Business Practice**

Version **67**

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# TSR Study and Expansion Process

## Version 67

This ~~B~~business ~~P~~practice describes the ~~Bonneville Power Administration (BPA)~~ Transmission Service Request (TSR) Study and Expansion Process (TSEP) and provides information regarding requirements for ~~C~~customer requests for individual study of TSRs.

### BPA Policy Reference

- [Open Access Transmission Tariff \(OATT\)](#): Sections 16; 17.2; 17.5; 17.6.1; 17.6.2; 19; 21; 27; 29.3; 32

For more information, visit the [BPA Transmission Business Practices webpage](#) or submit questions to [techforum@bpa.gov](mailto:techforum@bpa.gov).

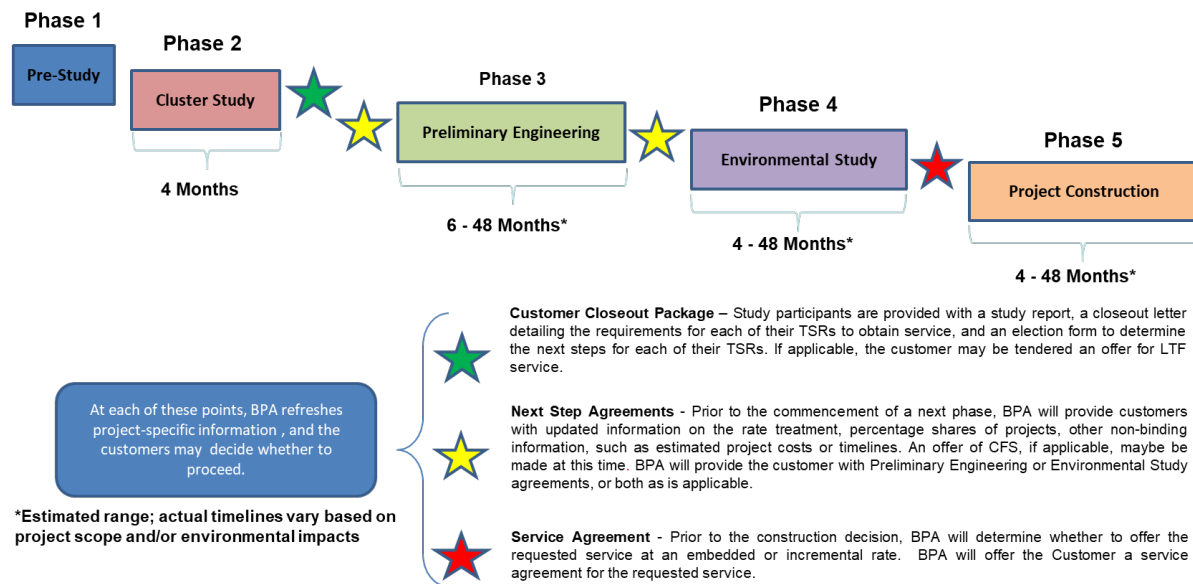
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## A. Overview

TSEP is a recurring process under which BPA responds to eligible requests for transmission service on the BPA Network. BPA conducts TSEP on a regular basis to help ensure consistent processing of eligible TSRs. TSRs are processed and studied collectively unless a Customer requests an Individual Study for a specific TSR. TSEP consists of five phases: Pre-Study, the Cluster Study, Preliminary Engineering, Environmental Review, and Project Construction.

## Diagram – Overview of TSEP Phases



1. The Pre-Study phase includes the identification of eligible TSRs, the offer and return of signed Cluster Study Agreements, and the submission, review and validation of data exhibits. In the Cluster Study BPA aggregates TSRs to assess the collective system impacts and to identify the Plan(s) of Service<sup>1</sup> to meet the demand. Studying the TSRs collectively allows Customers to share the study costs.
2. Following the completion of the Cluster Study, the Customer may decide - to proceed with further evaluation of the identified Plan(s) of Service for the Customer’s TSR(s). Based on the Customer’s decision, BPA may perform Preliminary Engineering and Environmental Review, as necessary.
3. After completion of preliminary engineering activities and any required Environmental Review and engineering design, BPA will determine whether to proceed with the Plan(s) of Service to provide the requested transmission service.
4. [Information for a non-study participant to obtain a copy of the annual Cluster Study Report can be found in the Transmission Service Request Studies section here.](#)

## B. Pre-Study and Cluster Study Procedures

1. Notice of a Cluster Study
  - a. BPA will provide advance notification of a Cluster Study and will post [a](#) notice of the study on the Open Access Same-Time Information System (OASIS).
  - b. The OASIS notice will describe:

<sup>1</sup> “Plan of Service” as used in this business practice means any transmission facilities or other measure (e.g., transmission network upgrade or non-wire alternative) identified in a study as required to provide the requested transmission service.

- i. The eligibility of TSRs for the Cluster Study;
- ii. The timing and process for conducting the Cluster Study;
- iii. The reasons for the Cluster Study;
- iv. The deadline for submittal of TSRs eligible for the Cluster Study;
- v. The deadline for Customers with TSRs eligible for the Cluster Study to submit a Long-Term Firm Point-to-Point (PTP) or Network Integration Transmission (NT) Data Exhibit for each TSR; and
- vi. The date upon which BPA intends to commence the Cluster Study.

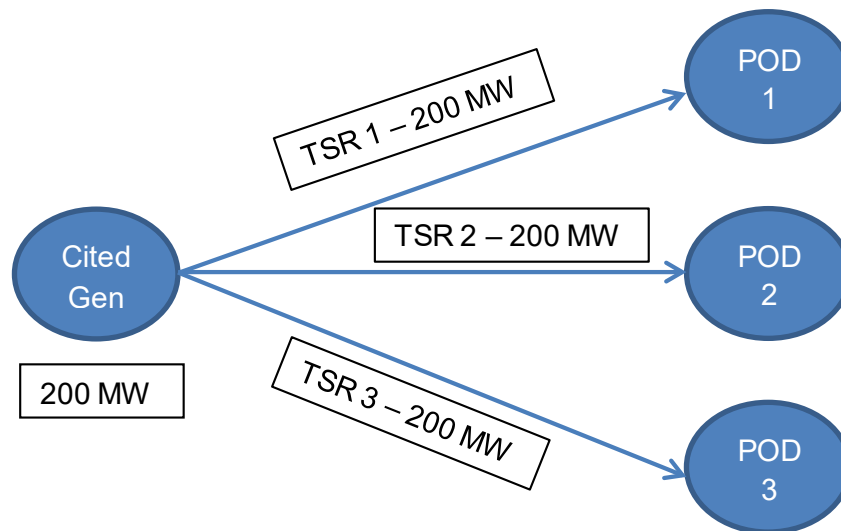
## 2. Data Exhibit Submittal and Validation

- a. A Customer with one or more eligible TSRs must submit a completed PTP Data Exhibit or NT Data Exhibit for each TSR by the deadline in the notice of the Cluster Study posted on OASIS. The links to those documents can be found at the [Forms webpage](#).
- b. All completed data exhibits must be submitted to TXDataExhibits@bpa.gov with a copy to the Customer's Transmission Account Executive.
- c. If BPA has not received a completed data exhibit for a Customer's TSR(s) by the deadline in the notice of the Cluster Study posted on OASIS, the OASIS status of the TSR(s) for which no data exhibit was submitted will be changed to DECLINED, and the TSR(s) will receive no further consideration.
- d. BPA will review the data exhibit received by the deadline for completeness and to validate that the data exhibit contains all the information necessary to evaluate the impact of the TSR in the Cluster Study. BPA will notify the Customer once the information has been reviewed and validated.
- e. If the data exhibit does not provide sufficient information for BPA to evaluate the impact of the TSR in the Cluster Study, BPA will contact the Customer to attempt to resolve any in sufficient information ~~complete data~~. BPA will make best efforts to work with the customer ~~Customer~~ to obtain information to enable the validation of the data exhibit(s).
- f. If the Customer is unable to provide sufficient information for BPA to validate the data exhibit, BPA will notify the Customer and the, the OASIS status of the Customer's TSR(s) will be changed to DECLINED, and the TSR(s) will receive no further consideration.
- g. Failure to provide specific generator information to enable Conditional Firm study evaluation in the data exhibit may render a TSR ineligible for ~~conditional~~ Conditional firm ~~Firm service~~ Service. (~~Reference For more information reference BPA Transmission's Conditional Firm Service (CFS) Business Practice, the CF BP for more information.~~)
- h. If the OASIS status of a Customer's TSR(s) is changed to DECLINED for the reasons stated in this section, the Customer's deposit will be returned within 30 Calendar Days, without interest, or the release of escrow funds will be authorized.

## 3. Data Exhibit Validation for TSRs with Demand Amounts that Exceed Cited Generating Facility Amounts

- a. When BPA receives a TSR and associated data exhibit for which the cumulative amount of service requested by that ~~customer~~ Customer (requests and reservations) at the same POR, exceeds the cited generation capability (see an example below), BPA and the ~~customer~~ Customer must ~~further~~ coordinate as described in ~~Section B.3.b~~ below. This coordination supports BPA’s validation of the data exhibit so that BPA can determine the appropriate assumptions for the ~~cluster~~ Cluster study Study and subsequent processing of the TSR. BPA will contact the Customer in this situation, identify the set of TSRs and data exhibits at issue, and provide information regarding how to proceed.

Example:



Cited Gen – Generation Facility Cited in Data Exhibits  
 POD – Point of Delivery  
 TSR – Transmission Service Request

- b. Once BPA has contacted the Customer and identified the TSRs and data exhibit(s) at issue, the Customer will have three options regarding how to proceed:
- i. Provide written confirmation that the Customer:
    1. ~~1)~~ ~~elects~~ to have BPA study a cumulative amount of requested service equal to the generation facility capability cited in the data exhibit(s) at issue (notwithstanding the cumulative amount of service requested in the TSRs at issue); ~~and~~
    2. ~~and 2)~~ ~~will~~ not continue to seek service (either firm and/or ~~Conditional Firm Service (CFS)~~) for that set of requests in excess of the generation facility capability cited in the data exhibits after completion of the Cluster Study.

- a. Once BPA has completed the Cluster Study and notified the Customer of the results, the TSRs that the Customer does not elect to move to the next step in the process must be WITHDRAWN in OASIS by the Customer within 15 ~~business-Business days-Days~~ of BPA's notification. If the Customer does not withdraw the TSR(s) within 15 ~~business-Business days~~Days of BPA's notification, BPA has the right to change the OASIS status of the TSR(s) to DECLINED and the TSR(s) will receive no further consideration.
      - ii. Submit modified data exhibit(s) for review and validation by BPA that identify additional generation facilities associated with the TSRs such that the cumulative amount of service requested in the TSRs does not exceed the generation capability cited in the data exhibit(s); or
      - iii. Provide other information for BPA to evaluate that would allow BPA to determine alternate planning assumptions for that set of TSRs.
4. Cluster Study Agreement and Procedures
- a. BPA will offer a Cluster Study Agreement for each eligible TSR with a validated data exhibit. The Cluster Study Agreement will describe the scope of the Cluster Study and will include BPA's good faith estimate of the Cluster Study costs.
  - b. The Cluster Study Agreement will require the Customer to provide funds in advance for its share of the estimated study costs on a MW-share basis.
    - i. If the Cluster Study costs exceed the amount of funds collected, BPA may request additional funds as necessary to complete the Cluster Study.
    - ii. The Customer must sign, return and fund the Cluster Study Agreement within 15 Calendar Days of receipt of BPA's offer of the Cluster Study Agreement.
    - iii. If the Customer fails to sign and return the Cluster Study Agreement or fails to remit the advance funding within 15 Calendar Days, BPA will change the OASIS status of the Customer's TSR(s) to DECLINED and the TSR(s) will receive no further consideration.
    - ~~iii. If, within 15 calendar days of customer receipt of BPA's Cluster Study Agreement offer, BPA does not receive both the signed Cluster Study Agreement, and the advance funding, BPA will change the OASIS status of the Customer's TSR(s) to DECLINED, and the TSRs will receive no further consideration.~~
    - ~~iv.~~ 1. The Customer's TSR deposit will be returned, within 30 Calendar Days without interest, or the release of escrow funds will be authorized.
  - c. Prior to completion of the Cluster Study, a Customer that has signed a Cluster Study Agreement may opt out of a Cluster Study by changing the OASIS status of the applicable TSR(s) to WITHDRAWN. The WITHDRAWN TSR(s) will receive no further consideration. A Customer that has WITHDRAWN ~~its~~ TSR(s) on OASIS after signing a Cluster Study Agreement but prior to the completion of the

Cluster Study will remain liable for the Customer's MW-share of the study costs and any costs of a re-study or analysis that result from the Customer opting out.

- d. BPA will use due diligence to complete the Cluster Study within 120 Calendar Days following the commencement of the Cluster Study. If BPA requires additional time to complete the study, BPA will notify the Cluster Study participants and provide an estimated time needed to complete the Cluster Study along with an explanation of the reasons that additional time is required.
- e. The results of the Cluster Study will include the following:
  - i. Any Plan(s) of Service required to provide transmission service to the Customer's TSR(s);
  - ii. A good faith estimate of the Customer's share of the cost of any required Plan(s) of Service (based on participation in the Cluster Study);
  - iii. A good faith estimate of the time required to complete the Plan(s) of Service and initiate the requested service;
  - iv. A good faith estimate of the cost of Direct Assignment Facilities to be charged to the Customer.
  - v. Identification of any potentially impacted Third-Party Transmission Providers; and
  - vi. ~~Conditional Firm Service (CFS)~~ study results consistent with the Customer's CFS elections in the Study Agreement (i.e., number of hours and/or system conditions).
- f. Within ~~in~~ a reasonable time following the completion of the Cluster Study, BPA will make a full accounting of the actual study costs. BPA will either remit any unexpended balance or bill for any costs in excess of the advance funding ~~such~~ that the Customer will have paid for its actual MW-share of Cluster Study costs.

#### 5. Initial Economic Analysis

- a. Within approximately 60 ~~calendar~~ Calendar days ~~Days~~ following the completion of the Cluster Study, BPA will complete an initial economic analysis of any transmission Plan(s) of Service identified by the Cluster Study. The economic analysis is intended to aid in the Customer's decision whether to continue supporting the completion of transmission Plan(s) of Service identified as required to enable the requested transmission service. BPA will share these results, including informational, non-binding guidance on potential rate impacts. Such informational guidance will be based on potential subscription and cost information available at that time.

#### 6. Partial Service and Conditional Firm Transmission Service

- a. BPA will not make offers for Partial Service or CFS for TSR(s) that are studied in the Cluster Study during the time between the Cluster Study TSR submission deadline and the results of the Cluster Study are published.

## C. Individual Study Procedures

### 1. Process for Requesting an Individual Study

- a. BPA encourages Customers to contact their Transmission Account Executive prior to requesting that a TSR be studied individually rather than in a Cluster Study, to discuss the procedures, data exhibit requirements, and potential benefits and/or risks in electing to have its TSR(s) studied through an Individual Study rather than a Cluster Study.
  - b. After BPA notifies the Customer that a System Impact Study (SIS) is needed to evaluate the impact of the TSR and that BPA will perform a Cluster Study, the Customer may request in writing for a TSR to be studied individually pursuant to section 19.1 or 32.6 of the OATT.
  - c. The Customer must request an Individual Study in writing to their Transmission Account Executive prior to the OASIS notice of the Cluster Study in which the Customer's TSR(s) would otherwise be studied, including information required in section C.2 below.
2. Data Exhibit Submittal and Validation
- a. For each TSR that a Customer requests to be studied individually, the Customer must submit a completed PTP Data Exhibit or NT Data Exhibit with the notice to BPA of the request for the TSR to be studied individually. The link to those documents can be found at the [Forms webpage](#). The data exhibit must be received no later than Close of Business (~~COB~~) on the day that the request for the Individual Study is submitted.
  - b. The data exhibit should be submitted to the Customer's Transmission Services Account Executive and TXDataExhibits@bpa.gov.
  - c. Once BPA receives the data exhibit, it will follow the procedures in section B.2 and B.3 to review and validate the data exhibit and to attempt to resolve any deficiency.
  - d. If BPA has not received a completed data exhibit for a Customer's TSR(s) by the deadline, the OASIS status of the TSR(s) for which no data exhibit was submitted will be changed to DECLINED, and the TSR(s) will receive no further consideration.
  - e. BPA will make best efforts to work with the Customer to obtain information to enable validation of the data exhibit(s). If the Customer is unable to provide sufficient information for BPA to validate the data exhibit(s), BPA will notify the Customer, and the OASIS status of the Customer's TSR(s) will be changed to DECLINED, and the TSR(s) will receive no further consideration.
  - f. The Customer's TSR deposit will be returned within 30 ~~calendar~~ Calendar ~~days~~ Days, without interest, or the release of escrow funds authorized.
3. Individual Study Agreements and Procedures
- a. BPA will tender a System Impact Study (SIS) Agreement for each TSR for which a Customer has submitted a written request to be studied individually and has a submitted available data exhibit within the relevant deadlines. BPA ~~T~~ will tender the SIS Agreement within 30 ~~calendar~~ Calendar ~~days~~ Days of receiving the written request to be studied individually. BPA will use due diligence in completing the SIS in accordance with the provisions contained in section 19.3, but the timing of completing the SIS will be dependent upon whether a Cluster Study is already in progress. Sections 19.1-19.3 or 32.1-32.3 of BPA's OATT will govern the tendering ~~-~~ and execution of the SIS Agreement and completion of the study.



- b. Following completion of the SIS and consistent with the study results, BPA will either make an offer of transmission service or tender additional Individual Study agreements as necessary. Sections 19 or 32 of BPA's OATT will govern the tender and execution of these agreements and completion of the studies. Such actions will be treated consistent with BPA's OATT and applicable business practices.

## D. Option to Study a TSR for Conditional Firm Service

CFS is Long-Term Firm PTP Transmission Service that is subject to conditional curtailment, either on a Number of Hours or System Conditions basis. CFS offers are made consistent with the Conditional Firm ~~Transmission~~-Service Business Practice.

1. A PTP Customer may request that BPA study CFS for the TSR(s) that the Customer chooses by making the appropriate elections to include in either an Individual Study or Cluster Study Agreement.
  - a. Customer may elect for BPA to study CFS for either Number of Hours and/or System Conditions during which Conditional Curtailment may occur.
  - b. Upon completion of the study of CFS, BPA will provide the results of that study and a determination of whether CFS can be offered consistent with the Customer's CFS election(s).
    - i. Where a Customer requests that BPA study CFS for the Number of Hours per year during which Conditional Curtailment may occur, the Customer may also identify a maximum number of curtailable hours per year that the Customer is willing to accept (Limit). In such cases, BPA will not make offers for CFS following the completion of the ~~individual~~Individual study or Cluster Study if the identified number of hours per year exceeds the Customer's identified acceptable Limit.
    - ii. If the Customer requests both a Number of Hours and System Conditions study and BPA determines that it can reliably offer both types of CFS, the Customer may accept an offer for either Number of Hours or System Conditions.
  - c. BPA will not offer CFS if the study indicates that it cannot be offered without adversely impacting the reliability of BPA's transmission system.
2. If a customer does not request BPA to study conditional curtailment options in the study agreement, then the TSR(s) will not be eligible for a CFS study at a later time.

## E. Preliminary Engineering

In the Preliminary Engineering phase, BPA refines the Plan(s) of Service identified in a study to provide a more detailed cost estimate and schedule.

1. Preliminary Engineering Agreement and Procedures
  - a. Consistent with the findings of the study, BPA will offer a Preliminary Engineering Agreement to Customers with eligible TSRs following the Cluster Study or Individual Study.

- b. The Preliminary Engineering Agreement will describe the scope of the preliminary engineering work and will include BPA's good faith estimate of the preliminary engineering costs.
  - c. The Customer is required to fund in advance its full MW-share of the estimated preliminary engineering costs on a MW-share basis, by Plan of Service required.
    - i. The Customer must sign, return and fund the Preliminary Engineering Agreement within 15 ~~calendar~~ Calendar days ~~Days~~ of BPA's offer of the Preliminary Engineering Agreement.
    - ii. If the Customer fails to sign and return the Preliminary Engineering Agreement or fails to remit the advance funding within 15 Calendar Days, BPA will change the OASIS status of the Customer's TSR(s) to DECLINED, and the TSR(s) will receive no further consideration.
    - ~~ii. If, within 15 calendar days of customer receipt of BPA's Preliminary Engineering Agreement offer, BPA does not receive both the Customer's signed Preliminary Engineering Agreement and the advance funding, then BPA will change the OASIS status of the Customer's TSR(s) to DECLINED and the TSR(s) will receive no further consideration.~~
  - ~~d. 1.~~ 1. The Customer's TSR deposit, will be returned, without interest, or the release of escrow funds will be authorized.
  - ~~e.d.~~ A Customer that withdraws its TSR(s) on OASIS after signing a Preliminary Engineering Agreement but prior to the completion of the preliminary engineering activities will remain liable for its full MW-share of the preliminary engineering costs. TSRs withdrawn in OASIS will receive no further consideration.
  - ~~f.e.~~ BPA may seek additional funding from Customers as necessary to recover all of the costs to complete the required preliminary engineering work.
  - ~~g.f.~~ Within a reasonable time following completion of the preliminary engineering work, BPA will make a full accounting of the actual cost of the preliminary engineering activities. BPA will either remit any unexpended funds or bill for any costs in excess of the Customer's advance funding such that the Customer will have paid for its actual MW-share of preliminary engineering costs.
2. Preliminary Engineering Results and Updated Economic Analysis
- a. Once BPA has updated its cost estimate for the Plan(s) of Service based on the preliminary engineering and validation work, BPA will provide notification to the Customer and share the preliminary engineering results.
  - b. Within approximately 90 ~~calendar~~ Calendar days ~~Days~~ following the notification of preliminary engineering results, BPA will complete an updated economic analysis for the Plan(s) of Service. The economic analysis is intended to aid in the Customer's decision whether to continue supporting the completion of the transmission Plan(s) of Service identified as required to enable the requested transmission service. BPA will share these results, including informational, non-binding guidance on potential rate impacts. Such informational guidance will be based on updated potential subscription and cost information available at that time.

## F. Environmental Review

As a federal agency, BPA must comply with federal environmental laws, including, but not limited to the National Environmental Policy Act, Endangered Species Act, Clean Water Act and National Historic Preservation Act. As necessary, BPA will conduct environmental review and complete engineering design of a proposed Plan of Service in accordance with these and other statutes.

1. BPA will offer an Environmental Study Agreement to Customers with eligible TSRs following completion of the preliminary engineering work that is required to begin an informed environmental review.
2. The Environmental Study Agreement will describe the scope of the environmental review and required engineering design work as well as BPA's cost estimate.
3. The Customer is required to advance fund its full share of the estimated environmental review and engineering design costs on a MW-share basis, per the Plan of Service.
  - a. The Customer must sign, return and fund the Environmental Study Agreement within 30 ~~e~~Calendar ~~d~~Days of BPA's offer of the Environmental Study Agreement.
  - ~~b. If the Customer fails to sign and return the Environmental Study Agreement or fails to remit the advance funding within 30 Calendar Days, BPA will change the OASIS status of the Customer's TSR(s) to DECLINED, and the TSR(s) will receive no further consideration.~~
  - ~~b. If, within 30 calendar days of customer receipt of BPA's Environmental Study Agreement offer, BPA does not receive both the Customer's signed Environmental Study Agreement and the advanced funding, then BPA will change the OASIS status of the Customer's TSR(s) to DECLINED and the TSR(s) will receive no further consideration.~~
  - ~~4.i.~~ 4.i. The Customer's TSR deposit will be returned within 30 ~~e~~Calendar ~~d~~Days, without interest, or the release of escrow funds will be authorized.
- ~~5.4.~~ 5.4. A Customer that withdraws its TSR(s) on OASIS after signing an Environmental Study Agreement but prior to the completion of the environmental review will remain liable for its full MW-share of the environmental review and engineering design costs. TSRs withdrawn in OASIS will receive no further consideration.
- ~~6.5.~~ 6.5. BPA may seek additional funding as necessary from Customers to complete the required environmental review and engineering design.
- ~~7.6.~~ 7.6. Within a reasonable time following the completion of the environmental review and engineering design, BPA will make a full accounting of the actual costs of the environmental review and engineering design activities. BPA will either remit any unexpended funds or bill for any costs in excess of the Customer's advance funding such that the Customer will have paid for its actual MW-share of the environmental review costs.
- ~~8.7.~~ 8.7. Following completion of the environmental review, BPA will notify Customers holding Environmental Study Agreements of the outcome.

## G. Impacts to Third-Party Transmission Systems

When a study identifies a potential impact or a requirement to upgrade facilities on another Transmission Provider's transmission system (third party), BPA reserves the right, pursuant to section 21 of BPA's OATT, to coordinate the upgrades on its transmission system with those on the impacted third-party Transmission Provider's system. BPA also reserves the right to not provide the requested transmission service (on either a Firm or Conditional Firm basis) unless and until all of the Plans of Service necessary to mitigate the impacts of the TSRs are in place. Further, if the Customer fails to meet the requirement on the Third-Party Transmission Provider's transmission system within specified timelines, BPA will change the OASIS status of Customer's TSR(s) to DECLINED, and the TSR(s) will receive no further consideration.

The procedures below outline how BPA, the impacted third-party Transmission Provider(s), and the Customer requesting transmission service will coordinate on mitigating impacts of the TSRs for service on the BPA transmission network. The purpose of these procedures is to ensure timely progress on addressing the impacts to the third party Transmission Provider's system to enable BPA to coordinate any Plans of Service on its system or to provide the requested service.

1. Applicability
  - a. These guidelines apply when BPA has completed a study of a TSR and determined that the request(s) have or may have impacts on a third-party Transmission Provider's system that require coordination with the third-party Transmission Provider. Examples include, but are not limited to, scheduling requirements or upgrades required on an adjacent Transmission Provider's system.
  - b. Per section 16.2, 21, 29.3 and 30.6 of BPA's OATT, the Customer is responsible for making arrangements to assess and mitigate the impacts of the Customer's TSRs on third-party transmission systems, including arrangements for studies, scheduling or any necessary engineering, permitting or construction of transmission or distribution facilities on third-party systems.
  - c. The Customer is responsible for complying with the third-party Transmission Provider's procedures and requirements for making the necessary arrangements to mitigate the impacts of the Customer's TSR(s) on BPA's transmission system. BPA will make reasonable efforts to assist the Customer in making such arrangements, including by providing any information or data required by the third-party Transmission Provider.
2. Identification and Notification of Upgrades on a Third-Party Transmission System
  - a. For any TSR that BPA determines to have impacts on another Transmission Provider's transmission system, BPA will notify the Customer in writing of the need to coordinate with the third-party Transmission Provider. BPA will provide such notice (Third-Party Notice) as soon as practicable following the conclusion of the study. Nothing in these guidelines will preclude BPA from informing the third-party Transmission Provider about the impacts or providing a copy of the study results.
  - b. The Third-Party Notice to the Customer will:

- i. Inform the Customer of its responsibility to make arrangements to address the impacts on the third-party system, including arrangements for scheduling or for any upgrades that may be required;
    - ii. Inform the Customer that BPA will undertake reasonable efforts to assist the Customer in making such arrangements, and identify the Customer's Transmission Account Executive as the primary point of contact for BPA's participation in the required coordination;
    - iii. If the impact of the request on the third-party transmission system appears to require new infrastructure, identify whether BPA is aware of an upgrade currently in the third-party Transmission Provider's planning process(es) that would address the impact;
    - iv. Require the Customer to provide a designated representative within 15 ~~calendar~~ Calendar days ~~Days~~ who will be responsible for interacting with BPA and the third-party Transmission Provider regarding the potential impacts and necessary arrangements. The contact information should include name, title, telephone number, and email address. If the Customer's designated representative changes, the Customer must provide BPA with updated contact information as soon as possible;
    - v. Identify, as an initial matter, whether the impacts of the TSR on the third-party system are such that the process under section 2.c or 2.d of these guidelines applies.
  - c. If the impact of the request on the third-party system appears to only require the customer to obtain scheduling rights on the third-party system, the Customer must:
    - i. Within 30 ~~calendar~~ Calendar days ~~Days~~ of the Third-Party Notice, demonstrate that it has submitted a request for service or otherwise taken steps to obtain such rights on the third-party transmission system.
      - If, in discussions between the Customer and the third party Transmission Provider, additional information or other requirements are identified, the Customer must comply with the requirements of the third party.
      - If the third party Transmission Provider identifies that an upgrade or other Plan of Service may be necessary to provide the requested service, the provisions outlined in section 2.d of the guidelines apply.
  - d. If BPA or the third party Transmission Provider determines the impact of the TSR may require an upgrade or other arrangements on the third-party transmission system, the Customer must:
    - i. Within 30 ~~calendar~~ Calendar days ~~Days~~ of the Third-Party Notice, schedule a meeting between the Customer, the third-party Transmission Provider, and BPA to discuss the impacts of the request; the potential upgrade, Plan of Service or other arrangements; any study or other requirements; schedules; and coordination between the parties; and,
    - ii. Within 90 ~~calendar~~ Calendar days ~~Days~~ of the date of the Third-Party Notice, provide BPA documentation of a schedule for proceeding forward with required studies or other arrangements on the third-party

Transmission Provider's system. This schedule must have been agreed to by the Customer, the affected third party Transmission Provider and BPA.

3. If (a) the Customer fails to satisfy the requirements in the Third-Party Notice, or (b) BPA determines, at any time, that the Customer is not meeting the requirements for establishing the necessary arrangements, BPA will inform the Customer of the requirements that the Customer is not meeting. The Customer will have a cure period of 15 ~~calendar~~ Calendar days ~~Days~~ to comply with the requirements. During that period, BPA will make best efforts to work with the Customer to ensure full understanding of applicable requirements to provide any further information.
  - a. If the Customer satisfies the requirements within the 15 ~~calendar~~ Calendar day ~~Day~~ cure period, the Customer's request will remain in BPA's transmission queue pending the coordination between the parties to make the necessary arrangements and to resolve the impacts to the third-party transmission system.
  - b. If the Customer needs more time to meet the requirements, it must provide a written request to BPA stating (1) additional time is necessary and (2) the amount of estimated additional time needed to complete the requirements. BPA may consult with the third-party Transmission Provider regarding the request for more time. BPA will grant reasonable requests for additional time assuming progress continues to be demonstrated.
  - c. If BPA determines that the Customer has failed to satisfy the requirements within the cure period or additional time that was agreed to, the Customer will be deemed to have not met the requirements of sections 16, 21, 29.3 and/or 30.6 of the tariff and the status of the TSR(s) on OASIS will be changed to DECLINED. In determining whether requirements have been met, BPA may consult with the third-party Transmission Provider.

## H. Financial Security Related to Plan of Service Construction

1. ~~Prior to the start of project construction BPA will require a Customer that is offered a PTP or NT Contract Exhibit Table A Customer with a TSR associated with the construction of an identified Plan of Service to must provide BPA with financial security in the form of a deposit or an Irrevocable Standby Letter of Credit ("Letter of Credit"), acceptable forms of credit support as listed in BPA's current Basic Credit Standards, equivalent to its pro-rata share of the total costs of the Plan of Service to enable its requested service. The forms of security acceptable to BPA are listed in the BPA OATT Attachment M: Basic Credit Standards posted to BPA's external website.~~
  - a. BPA will hold a deposit provided by a Customer in a non-interest bearing account. The deposit will be released according to Section H.6.
  - b. Letter of Credit
    - i. A Letter of Credit provided by the Customer must be in effect for the service term of the TSRs participating in the Plan of Service. The Customer is responsible for any renewal of the Letter of Credit.
    - ii. The financial institution issuing the Letter of Credit must have a Senior Unsecured Credit Rating from Moody's or Standard & Poor's equivalent to an "A" or better.

~~1.iii.~~ The amount for the Letter of Credit will be reduced according to Section H.6.

2. The amount of the deposit or Letter of Credit provided by the Customer will not exceed the Customer's pro rata share of the total costs of the Plan of Service to enable the Customer's requested service. The Customer's pro rata share ~~of costs of the Plan of Service~~ will be calculated as the ratio of Customer's requested MW out of the total requested MW identified to require the same Plan of Service ~~-, multiplied by the estimated total costs of the Plan of Service.~~
3. BPA will provide at least 30 Calendar Days written notice ~~of the deadline for to~~ the Customer of the deadline for the Customer to provide the deposit or Letter of Credit security. ~~Such deadline shall allow 30 calendar days for the Customer to provide the required Security.~~
4. If the Customer fails to provide the required deposit or Letter of Credit by the deadline specified by BPA ~~executed letter of credit or other form of security within 30 calendar days~~, BPA will change the OASIS status of the TSR(s) to DECLINED and the TSR(s) will receive no further consideration.
- ~~5. The Customer's TSR deposit will be returned within 30 calendar days, without interest, or the release of escrow funds will be authorized.~~
- ~~6.5.~~ BPA reserves the right to require the Customer to increase the amount of the required deposit or Letter of Credit ~~its financial security support during the construction period~~ in the event the project costs increase, or if Customer's share of the costs to complete the Plan of Service increases. BPA may also reduce the Customer's financial security support collateral, in the event Customer's share of the costs to complete the Plan of Service decreases.
- ~~7.6.~~ Following completion and energization of the Plan of Service, BPA will release or reduce Customers' financial security obligation on an annual basis in accordance with the below methodologies.

- a. For Point-to-Point Customers, BPA will reduce the Customer's financial security obligation according to the following calculation:

$$1 / (\text{Total Contract Duration in Years}) \times \text{Total Security Provided} = \text{Annual Security Reduction}$$

- i. This methodology will ensure that Customer's financial security will be reduced over the contract duration period following service commencement, provided the Customer meets its contractual obligations to BPA.
- ii. Notwithstanding the above, the ~~customer~~ Customer may request the return of its financial security at such point that the payments made under its PTP ~~service~~ Service agreement Agreement for the relevant TSR(s) are greater than or equal to the Customer's ~~share~~ share of the cost of the upgrade(s).
- b. For NT Customers, BPA will release or reduce ~~return the~~ financial security according to one of the below calculations, depending on whether BPA decides to recover the project costs through an embedded (rolled-in) rate or an incremental transmission rate.

- i. Under embedded (rolled-in) rate scenarios, BPA will dispose of held security to NT Customers on an annual basis following project energization in accordance with the below calculation:

**$1 / (\text{Security Period of Five Years}) \times \text{Total Security Provided} = \text{Annual Security Reduction}$**

- ii. Where BPA determines it will provide service under an incremental transmission rate, BPA will return financial security to NT Customers according to the following calculation:

**$1 / (\text{Incremental Rate Amortization Period}) * \text{Total Security Provided} = \text{Annual Security Reduction}$**

- iii. The Incremental Rate Amortization Period and service commencement date will be established through engagement between BPA and the NT Customer.

## I. Previously Studied TSRs Approaching the Requested Stop Date

1. The study and expansion/upgrade process can take several years. As a result, it is possible for the Customer's requested termination date to occur prior to energization of the projects required for LTF service.
2. When a pending LTF TSR has a remaining duration of less than 60 days (that is, there are less than 60 days until the requested service termination date), BPA ~~TS~~ will **give change the OASIS status of** the TSR ~~an OASIS status of to~~ REFUSED. The TSR will receive no further consideration. It is the customer's responsibility to identify and manage their TSRs in these situations.
3. To address such situations, BPA allows Customers to enter a follow-on TSR into OASIS to retain an active TSR in the queue. The following paragraphs provide instructions regarding submission of Follow-on TSRs.
4. The initial Original Cluster Study or Individual Study TSR (~~Initial~~ Original TSR) or subsequent follow-on TSRs must meet all of the following requirements to be considered as awaiting the completion of required transmission upgrades:
  - a. The Customer is actively meeting or has met BPA's requirements for supporting the identified transmission expansion project(s) associated with the ~~Initial~~ Original TSR, as those requirements may change; and
  - b. The ~~Initial~~ Original TSR qualifies for Reservation Priority under section 2.2 of BPA's OATT and any applicable Business Practices.
5. The Customer must submit a follow-on ~~Original~~ TSR at least one (1) year prior to the Stop Date of the ~~Initial~~ Original TSR in order to retain the queue time of the ~~Initial~~ Original TSR.
  - a. BPA will permit the submittal of a follow-on ~~Original~~ TSR after the one (1) year deadline if the follow-on ~~Original~~ TSR is submitted within 10 Business Days of the date that the Customer's Original TSR first meets the requirements listed in Section I.4.



- b. If applicable, the Customer must submit a subsequent follow-on ~~Original~~ TSR at least one (1) year prior to the Stop Date of a preceding follow-on TSR in order to retain the queue time of the ~~Initial~~-Original TSR.
    - c. BPA will not accept the submission of follow-on TSRs after these deadlines.
  6. Refer to the [PTP TSR User Guide](#) for follow-on ORIGINAL TSR submittal information.
  7. The initial Redirect Cluster Study or Individual Study TSR (Initial Redirect TSR) or subsequent follow-on TSRs must meet all of the following requirements to be considered as awaiting the completion of required transmission upgrades:
    - a. The Customer is actively meeting or has met BPA's requirements for supporting the identified transmission expansion project(s) associated with the Initial Redirect TSR, as those requirements may change; and
    - b. The Initial Redirect TSR qualifies for Reservation Priority under OATT, Section 2.2 and any applicable Business Practices.
    - c. The Customer must have renewed the Parent Reservation in order to be able to submit a follow-on Redirect TSR.
      - i. The follow-on Redirect TSR must be a redirect of the RENEWAL ~~Parent~~ Reservation.
      - ii. The follow-on Redirect TSR's Service ~~Duration-duration~~ must match that of the RENEWAL ~~Parent~~ reservation.
  8. The Customer must submit a follow-on Redirect TSR at least one (1) year prior to the Stop Date of the ~~Initial-original~~ Redirect TSR in order to retain the queue time of the ~~Initial-original~~ Redirect TSR.
    - a. BPA will permit the submittal of a follow-on Redirect TSR after the one (1) year deadline if the follow-on Redirect TSR is submitted within 10 Business Days of the date that the Customer's Redirect TSR first meets the requirements listed in Section I.7.
    - b. BPA will permit the submittal of a follow-on Redirect TSR after the one (1) year deadline if the follow-on Redirect TSR is submitted the same date that the renewed ~~Parent~~-Reservation per Section I.7.c is CONFIRMED on OASIS.
    - c. If applicable, the Customer must submit a subsequent follow-on Redirect TSR at least one (1) year prior to the Stop Date of a preceding follow-on TSR in order to retain the queue time of the ~~Initial~~-Redirect TSR.
    - d. BPA will not accept the submission of follow-on TSRs after these deadlines.
  9. Refer to the [PTP TSR User Guide](#) for follow-on REDIRECT TSR submittal information.
  10. The Customer will not be charged a TSR Deposit or non-refundable ~~TSR~~ processing fee for ~~Original-or-Redirect~~ follow-on TSR submittals.