

TSR Study and Expansion Process (TSEP)

BPA Transmission Business Practice

Version **89**

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This business practice describes the BPA Transmission Service Request (TSR) Study and Expansion Process (TSEP) and provides information regarding requirements for 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.

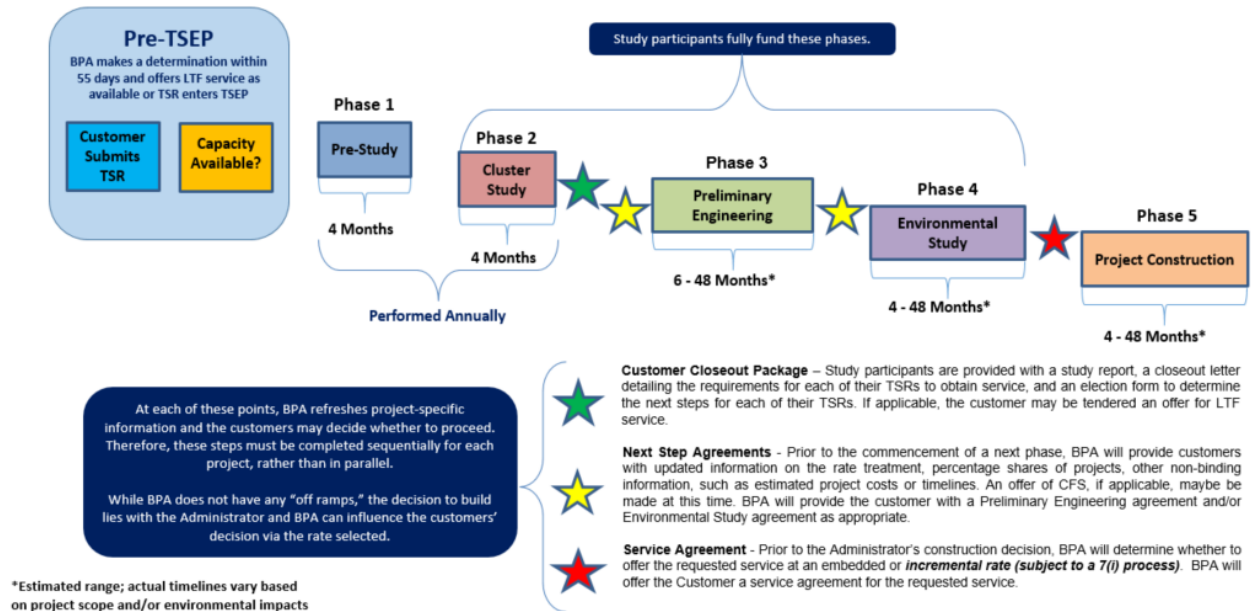
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A. Overview

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 and the offer and return of signed Cluster Study Agreements. In the Cluster Study, BPA aggregates TSRs to assess the collective system impacts and to identify the Plan(s) of Service¹ 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 TSR 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:
 - i. The eligibility of TSRs for the Cluster Study;

¹ "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.

- ii. The timing and process for conducting the Cluster Study;
- iii. The reasons for the Cluster Study;
- iv. The deadline for submittal of valid TSRs eligible for the Cluster Study;
and
- v. The date upon which BPA intends to commence the Cluster Study.

2. Cluster Study Agreement and Procedures

- a. BPA will offer a Cluster Study Agreement for each eligible TSR. 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.
 - 1. The Customer's TSR deposit will be returned within 30 Calendar Days without interest, or the release of escrow funds will be authorized.
 - 2. Advanced funding received late, resulting in DECLINED TSRs, will be returned, within 30 Calendar Days, without interest.
- 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 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 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 that the Customer will have paid for its actual MW-share of Cluster Study costs.
3. Initial Economic Analysis
- a. Within approximately 60 Calendar 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 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 potential subscription and cost information available at that time.
4. Partial Service and Conditional Firm 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 assigned Transmission Account Executive prior to requesting that a TSR be studied individually rather than in a Cluster Study, to discuss the procedures and potential benefits and/or risks in electing to have the Customer's 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.

2. Individual Study Agreements and Procedures

- a. BPA will tender a System Impact Study (SIS) Agreement for each valid TSR for which a Customer has submitted a written request to be studied individually. BPA will tender the SIS Agreement within 30 Calendar 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

Conditional Firm Service (CFS) is a form of Long-Term Firm (LTF) Point-to-Point (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 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 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 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.
 1. The Customer's TSR deposit will be returned, without interest, or the release of escrow funds will be authorized.
 - 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.
 - e. BPA may seek additional funding from Customers as necessary to recover all of the costs to complete the required preliminary engineering work.
 - 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 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 Calendar 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.
 - i. The Customer's TSR deposit will be returned within 30 Calendar Days, without interest, or the release of escrow funds will be authorized.
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.
5. BPA may seek additional funding as necessary from Customers to complete the required environmental review and engineering design.
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.
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 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 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.
 1. 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.
 2. 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 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 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 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 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.TSR Term of Service Extension Option

1. Before BPA offers LTF Transmission Service for one or more TSRs that are contingent on completion of a Plan of Service, BPA may provide the Customer(s) one or more opportunities to extend the term of service for the TSRs. BPA may provide this opportunity if it determines that a longer term of service for the TSRs could be beneficial in the financial analysis for a Plan of Service.
2. BPA's provision of this opportunity does not obligate the Customer to extend its requested term of service.
3. If BPA decides to provide Customer(s) the opportunity to extend the term of service, BPA will notify the Customer(s) with the eligible TSR(s) and provide instructions for making the election.
4. A TSR must be in STUDY status or taking Bridge CFS that is in a CONFIRMED status to be eligible for the Customer to extend the term of service.
5. Any extension of the term of service must be consistent with reservation timelines specified in the Requesting Transmission Service Business Practice.
6. The Customer must add to the total duration of service for the TSR. A Customer cannot use this opportunity to defer the start date of service for a TSR or "shift" the term of service for the TSR.
7. If a Customer chooses to extend the term of service for a TSR:
 - a. The choice is permanent. The Customer cannot subsequently decide to decrease the term of service for the TSR;
 - b. The TSR with the extended term of service will maintain the queue time of the parent TSR;
 - c. The extended term of service will be used for purposes of determining the amount of the Customer's financial security obligation and "originally requested firm service duration" under this business practice; and

d. BPA will consider the extension of the term of service in its financial analysis for the Plan of Service at issue.

8. Customers maintain their place in the queue whether they choose to extend their term of service or not.

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

1. A Customer with a TSR that will be enabled by the construction of an identified Plan of Service must provide BPA with financial security. BPA will inform Customers in advance of such requirement. Financial security will be in the form of a deposit or an Irrevocable Standby Letter of Credit (“Letter of Credit”).
 - a. BPA will hold a deposit provided by a Customer in a non-interest bearing account. After the commencement of LTF transmission service following energization of the Plan of Service, the deposit will be released according to Section H.I.6.
 - b. Letter of Credit
 - i. The Customer is responsible for timely renewal of the Letter of Credit to ensure that the financial security remains in effect throughout the period of time described in Section H.I.4. If the Customer does not timely renew the Letter of Credit, BPA may draw on the Letter of Credit in advance of the expiration.
 - 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.
 - iii. After the commencement of LTF transmission service following energization of the Plan of Service, the amount for the Letter of Credit will be reduced according to Section H.I.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 will be calculated as the ratio of the 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 to the Customer of the deadline for the Customer to provide the initial deposit or Letter of Credit.
 - a. If the Customer fails to provide the required deposit or Letter of Credit by the deadline specified by BPA, BPA will change the OASIS status of the TSR(s) to DECLINED and the TSR(s) will receive no further consideration for LTF Service.
4. The deposit or Letter of Credit must be in place or effect from the date it is provided or issued through any period of construction, any deferral(s) of the commencement of service under Sections 15.5 or 17.7 of the OATT, and the duration of LTF transmission service originally requested by the Customer (“originally requested firm service duration”) after the commencement of LTF transmission service following energization of the Plan of Service.

- a. The “originally requested firm service duration” is the number of months between the Start Date and the Stop Date of the original request for LTF transmission service submitted on OASIS.
 - b. For example, if the Customer submits a TSR with a term of five (5) years, and the Plan of Service requires four (4) years to construct, the deposit or Letter of Credit must be in effect for the four (4) years of construction, any period(s) of the deferral of service, plus five (5) years after the commencement of LTF transmission service following energization of the Plan of Service.
 - c. Any period of time the Customer takes CFS for the relevant TSR(s) will not offset or otherwise count towards the Customer’s originally requested firm service duration for purposes of determining the amount of, providing and maintaining, or releasing or reducing the deposit or Letter of Credit after LTF service commences.
5. BPA reserves the right to require the Customer to increase the amount of the required deposit or Letter of Credit in the event the project costs increase or if the Customer’s share of the costs to complete the Plan of Service increases. BPA may also reduce the required deposit or Letter of Credit if the Customer’s share of the costs to complete the Plan of Service decreases.
 6. After the commencement of LTF transmission service following energization of the Plan of Service, BPA will release or reduce the Customer’s financial security obligation on an annual basis in accordance with this Section ~~H~~.6.
 - a. For a PTP Customer taking LTF transmission service, BPA will release or reduce the Customer’s financial security obligation according to the following calculation:

12 / (Originally Requested Firm Service Duration) x Total Security Provided = Annual Security Reduction

 - i. This methodology will ensure that the Customer’s financial security will be reduced over the originally requested firm service duration following the Service Commencement Date (SCD) for LTF transmission service, provided the Customer takes and pays for LTF transmission service throughout that period.
 - ii. Notwithstanding the above, the Customer may request the return of its financial security at such point that the payments made for LTF transmission service for the relevant TSR(s) are greater than or equal to the Customer’s share of the cost of the Plan of Service.
 - b. For an NT Customer, BPA will release or reduce the Customer’s financial security obligation according to one of the below calculations, depending on whether BPA decides to recover the Plan of Service costs through an embedded (rolled-in) rate or an incremental transmission rate.
 - i. Where BPA provides service under an embedded (rolled-in) transmission rate, BPA will release or reduce the financial security obligation according to the following calculation:

1 / (Security Period of Five Years) x Total Security Provided = Annual Security Reduction

- ii. Where BPA provides service under an incremental transmission rate, BPA will release or reduce the financial security obligation 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 SCD will be established through engagement between BPA and the NT Customer.

I.J. Submission of Follow-On and Conformance TSRs to Align with the Service Commencement Date of a Plan of Service

1. The study and expansion process and construction of Plans of Service can take several years. As a result, it is possible the service Start and Stop Dates in the Customer's original request will not coincide with the commencement of LTF transmission service following energization of the Plan of Service. A conformance or follow-on TSR may be necessary to align the term of the TSR with the commencement of LTF transmission service following the energization of the Plan of Service in this situation.
2. For a pending TSR, if the Stop Date of the TSR occurs before BPA is able to offer service, BPA allows Customers to enter a follow-on TSR into OASIS to retain an active TSR in the queue. The following provides instructions regarding submission of follow-on TSRs.
 - a. The 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:
 - i. The Customer is actively meeting or has met BPA's requirements for supporting the identified transmission expansion project(s) associated with the Original TSR, as those requirements may change; and
 - ii. The Original TSR qualifies for Reservation Priority under section 2.2 of the BPA OATT and any applicable business practices.
 - b. The Customer must submit a follow-on TSR at least one (1) year prior to the Stop Date of the Original TSR in order to retain the queue time of the Original TSR.
 - i. BPA will permit the submittal of a follow-on TSR after the one (1) year deadline if the follow-on TSR is submitted within 10 Business Days of the date that the Customer's Original TSR first meets the requirements listed in Section I.J.4.
 - ii. If applicable, the Customer must submit a subsequent follow-on 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 Original TSR.
 - iii. BPA will not accept the submission of follow-on TSRs after these deadlines.
 - c. Refer to the [PTP TSR User Guide](#) for follow-on ORIGINAL TSR submittal information.

- d. 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:
 - i. 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
 - ii. The Initial Redirect TSR qualifies for Reservation Priority under OATT, Section 2.2 and any applicable business practices.
 - iii. The Customer must have renewed the Parent Reservation in order to be able to submit a follow-on Redirect TSR.
 - 1. The follow-on Redirect TSR must be a redirect of the RENEWAL Reservation.
 - 2. The follow-on Redirect TSR's Service duration must match that of the RENEWAL reservation.
 - e. The Customer must submit a follow-on Redirect TSR at least one (1) year prior to the Stop Date of the original Redirect TSR in order to retain the queue time of the original Redirect TSR.
 - i. 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 [1J.7](#).
 - ii. 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 Reservation per Section [1J.7.c](#) is CONFIRMED on OASIS.
 - iii. 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 Redirect TSR.
 - iv. BPA will not accept the submission of follow-on TSRs after these deadlines.
 - f. Refer to the [PTP TSR User Guide](#) for follow-on REDIRECT TSR submittal information.
 - g. The Customer will not be charged a TSR Deposit or non-refundable processing fee for follow-on TSR submittals.
3. If necessary to be able to provide an offer of LTF service for a pending TSR, BPA will provide the Customer with instructions to conform the Start and Stop Dates in the TSR on OASIS to align with the estimated SCD of the Plan of Service and to maintain the originally requested firm service duration after the estimated SCD.
- a. For example, BPA will provide such instructions in situations including, but not limited to, the following:
 - i. The Stop Date of a TSR occurs BEFORE the SCD of the Plan of Service; or

- ii. The Stop Date of the TSR occurs AFTER the SCD of the Plan of Service but PRIOR TO the customer taking and paying for LTF service for the full length of the originally requested firm Service duration.
 - b. If a Customer fails to follow BPA's instructions, BPA will change the OASIS status of the relevant TSR(s) to DECLINED and the TSR(s) will receive no further consideration for LTF Service.
- 4. A Customer that executes a transmission service agreement for a LTF service TSR enabled by a Plan of Service must take and pay for LTF transmission service for the originally requested firm service duration starting on the commencement of LTF transmission service following energization of the Plan of Service. Service duration taken as CFS does not count towards this requirement.
 - a. If necessary to adjust the term of service to align with the estimated SCD of the Plan of Service and preserve the originally requested firm service duration, BPA will provide instructions for the conformance of the Start and Stop Dates for the Customer's service on OASIS.
 - b. The Customer must take the necessary OASIS actions in accordance with the instructions provided by BPA.
 - c. Failure to conform the Customer's TSR in accordance with BPA's instruction or to otherwise take and pay for LTF transmission service for a period equal to the originally requested firm service duration will be grounds for the forfeiture of any deposit or BPA may draw on the Letter of Credit provided to BPA for the relevant TSR(s).