



NT Conditional Firm

1. What is the *pro forma*?

- BPA's currently offers Network Integration Service (NT) on a Conditional Firm (CF) basis. This practice is not *pro forma* nor industry standard.
- FERC noted it was not necessary for transmission providers to offer CF service to NT customers because these flexibilities were inherent in NT service.
- Network (NT) Conditional Firm is not in the *pro forma* tariff.

What's in BPA's Tariff

The sections below have direct or indirect reference to NT CF in BPA's current Tariff and are under review:

- 1.46 – System Condition (definition)
- 28.3 – Network Integration Transmission Service
- 28.7 – Transmission Provider Obligation to Provide Network Integration Transmission Service that Requires Conditional Curtailment
- 32.3 – System Impact Study Procedures
- 33.4 – Curtailments of Scheduled Deliveries

What is the Scope of the Analysis?

Determine if BPA should retain NT CF language in new Tariff.

- Perform preliminary industry scan/tariff scan.
- Determine *pro forma* language in new tariff.
- Define *pro forma* NT service for customers.

2. What did we hear?

- Articulation and definition of what *pro forma* NT service would look like. (May 30, 2018)
- Lack of support for any option that does not provide firm service to Network Customers' current and forecast loads. (September 15, 2017)
- Instead of allowing more customers to access limited existing capacity, BPA should create incremental capacity on its system as required by sections 13.5, 15.4, and 28.2 of the *Pro-Forma* OATT. (September 15, 2017)
- Detailed plan to serve all forecast network load on firm transmission. (August 11, 2017)

Industry Scan

After performing an industry scan BPA was able to identify one other transmission provider that offers NT CF to its customers.

What are the Alternatives?

Alternative 1: Status Quo

- BPA retains Conditional Firm NT Service language in the new tariff.

Alternative 2: Propose *pro forma* language in new tariff

- This alternative will not retain NT CF language
 - BPA will continue to define *pro forma* NT Service and develop a comprehensive implementation plan for doing so.
 - This may require a phased in approach as BPA defines, develops and implements service attributes.
 - Moves BPA closer to implementation of the *pro forma* tariff for NT Service (e.g. Modeling NT forecasts/DNRs in the ATC base case, Planning Redispatch, etc.).

Pro Forma Attributes of NT Service

- Planning Horizon
 - Include NT load and resource forecasts in the ATC base case study through the Transmission Integrated Planning Process (Commercial Assessment)
 - Planning Redispatch (once BPA refines its study process)
 - Participation in System Impact and Facilities Studies (TSEP)
- Firm transmission reservations within the NERC horizon
- Redispatch
 - Federal
 - Non-Federal
- Secondary NT Service
- Network Operating Agreement

Next Steps

BPA will continue with its analysis with the intent of providing a proposal on tariff language to customers at the August customer workshop.

NT Workshop Timeline

APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER
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Develop industry analysis

Identify alternatives



June 26th
Customer Workshop

Discuss alternatives



Aug 14th

Post proposed tariff language

Customers review alternatives and provide feedback

Customers review proposed tariff language and provide feedback

NT Conditional Firm Tariff Proposal Summary

<p>1. What is the <i>pro forma</i>?</p>	<ul style="list-style-type: none"> • Network (NT) Conditional Firm is not in the <i>pro forma</i> tariff. • FERC did not feel it was necessary for transmission providers to offer CF service to NT customers because they felt these flexibilities were inherent in NT service.
<p>2. What did we hear?</p>	<p>Bonneville has received a variety comments from a broad range of customers in various contexts. Bonneville is in the process of reviewing all customer comments.</p>
<p>3. What are we proposing?</p>	<ul style="list-style-type: none"> • BPA's tariff includes Network Integration Service (NT) on a Conditional Firm (CF) basis. This language is not <i>pro forma</i> or industry standard. • FERC did not feel it was necessary for transmission providers to offer CF service to NT customers because they felt these flexibilities were inherent in NT service. • BPA needs to make the decision of whether or not to retain the NT CF language in light of the directive to adopt <i>pro forma</i> language. • BPA intends to engage customers in subsequent workshops to discuss alternatives which will include a <i>pro forma</i> alternative. • Customers will have the opportunity to provide comments on alternatives at subsequent workshops.
<p>4. If not proposing <i>pro forma</i>, then which TC-20 tariff principles apply?</p>	<p><i>Pro forma</i> (if removed) Or 1. BPA's statutory and legal obligations, authorities, or responsibilities. 3. Preventing significant harm or providing significant benefit to BPA's mission or the region.</p>
<p>5. Why are we proposing this position?</p>	<p>TBD</p>
<p>6. What are the change impacts?</p>	<p>TBD</p>
<p>7. Is there a rate case impact?</p>	<p>If an alternative is chosen that results in a change to our terms and conditions, the pricing of those new terms and conditions will be addressed in the rate case.</p>