

# Waiving Loss Return Obligations During Oversupply Conditions

February 2, 2018



# Agenda

- What BPA heard at Customer Workshop
- Changes for 2018
- 2018 Process
- Next Steps

# What BPA Heard

- Oversupply is a regional problem, as a key stakeholder in the region BPA needs to take on more risk during oversupply conditions.
- BPA rolled out the new policy too fast.
- The mandatory waiver of loss return energy should occur prior to 5 am of the WECC preschedule trading day.
- The hourly loss obligation should be cleared from the loss module/CDE prior to 5 am of the WECC preschedule trading day so that the amounts show 0 when preschedule trading begins.

# Changes for 2018

- BPA will be moving the decision to waive loss return to the day prior to the WECC preschedule trading day.
- BPA will clear the loss obligation from the loss module/CDE prior to 5 am of the WECC preschedule trading day.
  - There is a risk the automation may not be completed before the start of the Oversupply season.
    - BPA will manually process the loss waivers.
    - Automation will be rolled out as soon as it is completed.
  - If a transmission customer schedules loss returns for a waived hour, then its loss tags will be curtailed for that hour.

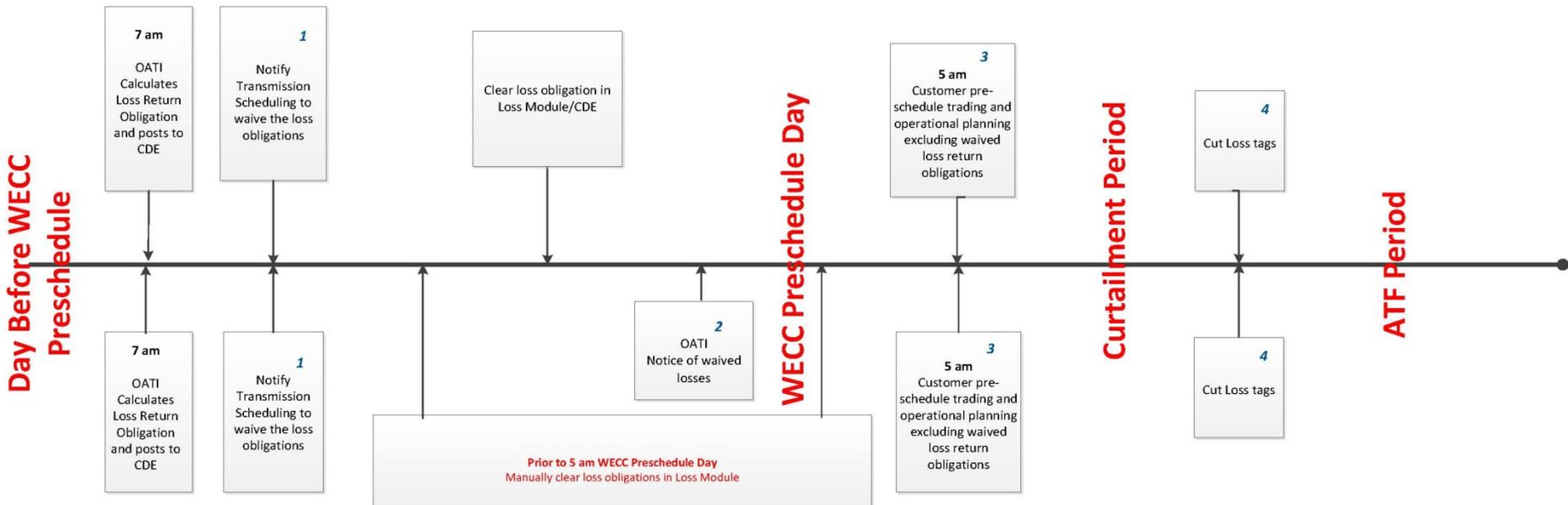
# Changes for 2018 (continued)

- BPA will not issue mandatory loss waivers after 5 am of the WECC preschedule trading day.
  - If operational conditions require further action BPA will move to the Oversupply Management Protocol.
- The ability to ask for volunteers at any time up to the close of the scheduling period will be preserved

# OMP Loss Waiver Process

## Slide 6

Automated



Manual

- 1) Loss obligations are waived for the full amount for one or more hours.
- 2) Notice includes date and hours losses are waived, plus instructions not to schedule losses for these hours. Any scheduled losses will be cut.
- 3) Requests for volunteers can be sent or taken at any time prior to close of scheduling. If accepted:
  - Customer directed to reduce tags reflecting losses volunteered/waived
- 4) Losses scheduled during waived hours are subject to real-time loss waiver via tag cuts.

# Next Steps

- BPA will be posting changes to the Oversupply Management Protocol business practice this afternoon. Comments are due back by close of business February 23, 2018.
- Comments can be sent to [techforum@bpa.gov](mailto:techforum@bpa.gov).
- BP edits for waiving loss return obligations during oversupply conditions will take effect March 5, 2018.