

DRAFT - Election of Full Service Version 1

Effective: 07/01/13

This Business Practice is out for comment through XXXXXX, 2013. Submit comments to techforum@bpa.gov.

The Election of Full Service Business Practice applies to the Variable resources operating in the BPA Balancing Authority Area. This implements the requirements for Variable Energy Resources to make their elections for receiving Full Services from BPA during specified periods of the FY 2014 - 2015 rate period.

In the FY2014 - FY2015 rate period, BPA will offer customers the option of selecting Full Service. Full Service is not subject to DSO 216 curtailments if BPA is successful in acquiring reserves sufficient to meet the level of service standard. However, Full Service is subject to general transmission backstop curtailments that apply to other types of firm schedules.

Definitions

1. Backstop curtailment: Following a DSO 216 curtailment level 2.1 if BPA has deployed 100% of available reserve, BPA will curtail e-Tags on all non-Federal generation.

A. General Requirements

A VER Customer that elects to participate in Full Service at some time during the FY 2014 - 2015 rate period must meet the following eligibility criteria. A Party Requesting Full Service must:

1. Take and pay for Base Service to be eligible for Full Service, including any costs incurred to supply service 99.5% of hours to meet the Base Service level of service;
2. Elected in accordance to the Election BP and committed scheduling paradigm;
3. Agree that Bonneville has the contractual right to acquire additional balancing reserves on their behalf;
4. Agree to bear the allocated cost of BPA acquiring additional balancing resources identified in the rate schedule to increase the service level from 99.5% (Base Service) to Full Service—namely purchases charge for Full Service. See Transmission, Ancillary and Control Area Service Rate Schedules and General Rate Schedule Provisions Section III E.3
5. Agree to install at its expense any communication or other equipment or systems necessary to effect Full Service;
6. Meet the requirements of all other applicable Bonneville Business Practices.

B. Procedures for Election of Full Service

1. Elections to participate in Full Service beginning October 1, 2013 must meet the general requirements in section A above and elect to participate in Full Service by close of business July 1, 2013.
2. BPA will offer customers quarterly options to either elect to participate in Full Service or terminate current participation in Full Service. Customer elections to participate in or terminate Full Service must be made at least a quarter in advance of the next quarter. For example, a customer must provide notice of its election to participate in or terminate Full Service effective January 1, 2014 on or before close of business October 1, 2013.
3. Quarters must begin on October 1st, January 1st, April 1st or July 1st.
4. With the exception of new facilities, BPA will not offer Full Service for a partial quarter.
5. A notice under Section B(2) above must be submitted in writing and provided to the Party's respective AE.

C. Compliance with Dispatcher Directives

1. Each Customer is subject to Dispatcher directives.
2. A Full Service Customer is not subject to DSO 216 levels 1 or 2 curtailments if BPA is successful in acquiring reserves sufficient to meet level of service standard.
3. In the event BPA is not able to acquire sufficient balancing reserves for the Full Service pool, BPA will notify parties.
4. If BPA is not successful in acquiring reserves sufficient to meet the Full Service standard, parties will be subject to DSO 216 curtailments once any acquired reserves are used.
5. Those purchasing Full Service are subject to Backstop curtailments.

D. Acquisitions

1. BPA's Acquisition Strategy for Full Service will include short-term acquisitions.
2. BPA will implement the Real-Time Reserve Requirements Tool (R3T) to determine at a specific point in time if there is forecasted volatility during the upcoming purchase period. Based on the forecast of volatility, BPA will determine if acquisitions are needed beyond the base amount of reserves held for base service.
3. BPA cannot guarantee our success in procuring near term capacity to meet Full Service performance objectives.

E. Notification and Scheduling

BPA will notify parties who have elected Full Service whether sufficient additional reserves have been acquired no later than 60 minutes prior to the hour of delivery, so parties can understand their curtailment risk.

F. Clarification in the Event VERBS customers are Required to take Full Service

In the event that Variable Energy Resource Balancing Service (VERBS) customers are required to take Full Service because of a legal challenge to DSO 216. Accordingly, Bonneville clarifies:

Under the scenario where Bonneville is unable to obtain a stay of the enforcement of a ruling that materially alters or prohibits the use of DSO 216, Bonneville will

1. Allow VERBS customers to make a Full Service scheduling election during the rate period, to be effective at the time that Full Service is implemented.
2. The Full Service scheduling election will require that the VERBS customer select a committed scheduling option among the available scheduling options, including committed 30/30 or 30/60 and 30/15 or 40/15 when available
3. The Full Service scheduling election will also allow VERBS customers to move to any available superior scheduling option.
4. These Full Service elections are not subject to any nameplate movement caps in the settlement agreement.

G. Additional Information