



**Department of Energy
Bonneville Power Administration
Power Services**

CONFIRMATION AGREEMENT

From: Bonneville Power Administration
P O Box 3621
Portland, OR 97208-3621

To: (Supplier)
Email: (email)

BPA Preschedule: 503-230-3813
BPA Real Time: 503-230-3341

BPA Contract: **xxxx**
Trade Date: **xx/xx/2014**

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and (Supplier). Transactions hereunder are in accordance with the current WSPP Agreement (Agreement).

Buyer: BPA
Seller: (Supplier)
BPA Trader: (Trader Name)
Phone: 503-230-(xxxx)
(Supplier) Trader: (Trader Name)
Point of Delivery: (POD)

Broker: None
Holiday: NERC

Product: Imbalance Capacity Service
Product Description: Operational Acquisitions

Start Date/Time: HE (xx) on xx/xx/2014
End Date/Time: HE (xx) on xx/xx/2014

Total Demand Limit: (Σ of MW from Table 1)
Capacity Amount: (Σ of MW from Table 1)
Hours: Flat

Capacity Price \$/kW-day: See Table 1
Energy Price \$/MWh: TBD

Capacity Revenue/Cost: \$xx,xxx.xx
Energy Revenue/Cost: TBD

Operational Acquisition by BPA of Imbalance Capacity Service from (Supplier)

Additional Provisions:

1. **Product:** At BPA's direction, Supplier shall provide Incremental Imbalance Capacity Service to BPA in the amounts referenced above, and in Table 1. All Imbalance Capacity Service deployment requests (Deployed Energy) shall be in 50 MW increments. Supplier shall deploy generation in the full MW amounts specified, within 10 minutes of the request. Unless BPA specifically requests otherwise, Deployed Energy will remain in effect for a minimum of 10 minutes and will ramp out across the top of the hour.
2. **Deployed Energy:** Supplier shall provide BPA, upon request, Firm Energy as defined in the Agreement, in the MW amounts specified above and in Table 1. BPA shall compensate the supplier for energy made available to BPA via deployed energy in an amount equal to the actual MWh deployed, limited to the sum of the 50 MW increments acquired (Total Demand Limit).
3. **Term:** HE (xx) on xx/xx/2014 through HE (xx) on xx/xx/2014
 - a. All hours shown in Pacific Prevailing Time.
4. **Imbalance Capacity Service Request Provisions:** The following limitations apply:
 - a. Imbalance Capacity Service requests shall be in 50 MW increments, as specified in this agreement.
 - b. BPA may make a maximum of one Imbalance Capacity Service deployed energy request, per 50 MW increment, within each hour during the term of this agreement.

- c. Imbalance Capacity Service deployed energy requests will be communicated by adjusting the energy on firm capacity e-tags.
5. **Schedule Tagging Requirements:** BPA Power Services will create a capacity tag for the Imbalance Capacity Service product. BPA Transmission Services will modify the tag to request and deploy the resources as needed.
6. **Credit Terms pertinent to this Transaction:** The Imbalance Capacity Services deliverable by Supplier and the respective payment obligations of the Parties under this Confirmation shall not be in whole or in part the basis for a demand for credit support from one Party to the other under the Agreement.
7. **Dodd-Frank Reporting Requirements:** For purposes of this transaction, unless exempted under the Commodity Futures Trading Commission (CFTC) proposed order in 77 FR 50998, Supplier is hereby designated and agrees to be the "Reporting Party" for all reporting required pursuant to Part 43 (17 CFR Part 43) and Part 45 (17 CFR Part 45) of CFTC regulations.
 - a. Bidder will provide and report to a registered "swap data repository" (as defined in 7 USC Section 1(a)(48) of the Commodities Exchange Act and related CFTC Regulations), all of the information and data required for the transaction under the CFTC Regulations and any material amendment, mutual unwind, or novation (including, without limitation, any "life cycle event," as that term is defined in CFTC Regulation 45.1).
8. **Pricing Structure:** Contract payment shall be in the form of a credit on the supplier's monthly BPA Transmission bill. In the event that a supplier ends the billing month net receivable from BPA, BPA shall process a direct payment to the supplier.
 - a. **Capacity Payment:** BPA shall credit the supplier a Capacity Payment based on the \$/kW-day price times the total amount of Imbalance Capacity acquired, as specified above and in Table 1.
 - b. **Energy Payment:** BPA shall credit the supplier an Energy Payment equal to the summation of all Deployed Energy within each hour, limited to the Total Demand Limit, at a rate equal to the hourly Contract Energy Price as detailed in Table 1.
 - c. **Bid Shape:** Flat. Flat is defined as HE 0100 – HE 2400.
 - d. **Non-Performance Event:** A deployment request that does not fully perform the obligations set forth in this agreement by providing the Imbalance Capacity in full in the BPA timeframe specified shall be considered a "non-performance event," resulting in Supplier's forfeiture of the Capacity Payment portion of the Pricing Structure for the term of this agreement.
 - e. **Uncontrollable Force:** As defined in the WSPP agreement. In the event the service is forced off-line or is expected to remain off-line as a result of an Uncontrollable Force, the supplier shall make best efforts to notify BPA of such an event as soon as is practicable.
 - f. **Pricing Details:** The following Table provides a pricing breakdown for each 50 MW increment of Imbalance Capacity Service acquired from Supplier under the terms of this agreement.
 - i. All Imbalance Capacity Service Request deployments shall be completed pursuant to the order detailed in the "Increment #" portion of Table 1, below. e.g., on a least cost economic basis.

ii. **Table 1:**

Increment #	Amount	Capacity Price (\$/kW-day)	Contract Energy Price as a Percentage of Index*
1	50 MW		
2	50 MW		
3	50 MW		
4	50 MW		
5	50 MW		
6	50 MW		
7	50 MW		
8	50 MW		
9	50 MW		
10	50 MW		

*e.g., a bid of 110 percent would result in the supplier being paid by BPA for deployed energy at the rate of 110 percent times the Powerdex Energy Index for the actual hour(s) energy is deployed.

We are pleased to have this agreed upon transaction. Receipt of this agreement hereby confirms the terms of the transaction as reflected herein. Please retain a copy of this confirmation for your records.

AGREED AND ACCEPTED

Bonneville Power Administration
 (BPA Trader)
 (Title) (Date)

(Supplier)
 (Supplier Trader)
 (Title)