

Response to Customer Comments – NETWORK OPERATING AGREEMENT

NETWORK INTEGRATION TRANSMISSION SERVICE

Version 2

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This document contains customer comments and Bonneville Power Administration Transmission Services’ response to the **Network Operating Agreement Template, Version 2** shared for comment prior to the **October 21, 2019 Network Operating Committee meeting**.

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A. Overview and Background

The TC-20 Settlement Agreement (Settlement) led to the adoption of Bonneville Power Administration's (BPA) current Open Access Transmission Tariff (Tariff or OATT), effective October 1, 2019. This included revision of Attachment G to remove the previous Network Operating Agreement (NOA) and replace it with a list of topics to be included in NOAs. The Settlement required that BPA "*develop a template Network Operating Agreement in collaboration with customers, and bilaterally negotiate individual agreements.*"¹

BPA has been utilizing the Network Operating Committee (NOC) to collaborate with Network Integration Transmission Service (NT) customers and to propose draft templates and solicit feedback.

The version of the NOA that was shared prior to the October 21, 2019 NOC is referred to as version 2 and is the baseline from which these comments are addressed.

The revised template shared with these responses is labeled as version 3, dated January 17, 2020.

BPA appreciates the willingness of NT customers to comment on the NOA template and recognizes that the ongoing communication has led to, and will continue to lead to, improvements for all NT customers and the operation of the network.

Consistent with the last review of the NOA document, customer comments and BPA responses have been consolidated in this document. Version 3 of the NOA template is being published as both redline and clean documents.

Where possible, similar customer comments have been grouped to provide a single response. The organization of responses follows the sections in the NOA. More general comments or those spanning multiple topics are addressed at the end.

Quotations of customer comments are shown in *italics*. Summarized comments are shown in the standard font.

There have been some formatting changes and corrections in this version of the NOA template. These non-textual changes have not been identified in the redline document.

¹ TC-20 Settlement Agreement, Attachment 1, Section 6.b, [https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/TC-20%20Settlement/Final_TC-20%20Settlement%20Agreement%20\(11-13-08\).pdf](https://www.bpa.gov/Finance/RateCases/BP-20/Meetings/TC-20%20Settlement/Final_TC-20%20Settlement%20Agreement%20(11-13-08).pdf)

B. General Changes

These changes are not related to any specific customer comment, but are part of an overall consistency and simplification effort.

<no customer comment>

BPA Response

Minor formatting changes and updates have been applied to this version. Changes are excluded from the redline version for readability.

As in the prior version, the MS Word version has a functional navigation pane to quickly jump to any section.

The term “Control Area” has been updated to “Balancing Area Authority” to reflect the NERC term.

The identification and referencing of standards, guidelines, policies, procedures, and business practices has been further refined from the previous version. BPA has concerns with linking or attaching current documents that are subject to change in the future. Doing so would require amending customer NOAs every time a standard or technical requirement is updated. The Recitals now contain a definition of “Standards” with identification of key documents as they are currently defined. A definition of “Practices” has also been provided. The remainder of the NOA refers to the “Transmission Provider’s Standards and Practices” or “Transmission Provider’s Standards.”

In accordance with Tariff Attachment G, §13 has been added to describe the Network Operating Committee.

Explanations of the purpose of each exhibit have been added to the exhibits.

C. Recitals

Ancillary Services

WPAG proposed the following changes to the Recitals ¶4:

The provision of Ancillary Services will be addressed in the ~~Transmission Customer’s Service Agreement.~~

BPA Response

BPA appreciates this contribution and has implemented it in the current NOA.

Power Delivered Through Other Systems

WPAG proposed the following changes to the Recitals ¶7:

*Part of the power and energy being delivered under these Provisions **this Agreement and the Network Customer's Service Agreement** may flow through such other systems rather than through the Transmission Provider's ~~facilities.~~thefacilities. The provision of Ancillary Services will be addressed in the Transmission Customer's Service Agreement.*

PNGC commented on this section as follows:

BPA Please confirm that the "methods" and "appropriate actions" are specified in NERC standards, i.e., GO/GOP; see also, reference to Good Utility Practice which is defined in the tariff, and applicable reliability criteria; and Section 6., Resource and Interconnection Principles and Requirements.

BPA Response

BPA appreciates WPAG's contribution and has implemented it in the current NOA as follows:

Part of the power and energy being delivered under this Agreement and the Service Agreement may flow through such other systems rather than through the Transmission Provider's facilities.

As described in the body of the draft NOA template, NERC, WECC, NWPP and the Transmission Provider's Standards set forth the requirements for planning, construction, operation, and maintenance of facilities. BPA welcomes further discussion on this section and PNGC's comment.

D. Section 1 Term of Agreement

PNGC asked the following regarding §1 Term of Agreement:

What is the term of the Service Agreement, as that determines the term of this agreement?

BPA Response

The Service Agreement is defined in the Recitals with the effective date noted. The term of the Service Agreement will vary by Network Customer.

E. Section 3 Obligations of the Parties

Multiple comments were received regarding specific definitions or the usage of definitions in general. These comments have resulted in many changes intended to avoid redefining NERC or Tariff-defined terms.

PNGC offered the following comment regarding the footnote in §3(b) regarding transferring data between control centers:

BPA should not require non-reliability-related information, such as heat rates, fuel costs, etc. that could be deemed commercially sensitive information.

BPA Response

BPA understands customer sensitivity related to data sharing requirements and anticipates further discussion on this topic in the NOC and subsequent bilateral NOA meetings with customers. Further response to this and related comments can be found in section H of this document, on the topic of Customer Information Requirement.

F. Section 5 Interconnected Facility Requirements

Multiple comments were received and are summarized in the following sections.

Ownership

PNGC noted the following comments in regards to §5(a)(2):

If parties prepare an itemized list, is the intent to house it in exhibit B to the NOA?

And

If an itemized list exists, does that waive the requirement for equipment in field to be labeled?

BPA Response

If an itemized list is needed to document what equipment a party has in the other party's facility, it could be part of an Access and Ownership (A&O) agreement, a Maintenance Obligation and Ownership (MO&O) agreement, or an Ownership and Operations agreement (O&O) that would be referenced in Exhibit A. If there isn't a need for an A&O, MO&O, or an O&O agreement, this list could be part of Exhibit B.

An itemized list does not replace the requirement for labeling equipment.

Safety

PNGC noted the following in regards to §5(b):

The referenced materials, i.e., the Transmission Provider’s Accident Prevention Manual, and the Network Customer’s safety manual, should be referenced with a link to the documents or hyperlinked in the text.

1. *Should these be included as exhibits?*
2. *Do we prefer to have external docs with “regulatory continuing” risk?*

PNGC also noted:

Safety design – regarding facilities to be designed and constructed: Preference to refer to a design standard (NESC, IEEE, BPA, RUS, or another). Note that the standards are different between BPA and RUS borrowers. Suggest that facilities shall be designed and constructed to the standards followed by the owner of the facilities, and if a joint facility, the design should at a minimum be coordinated with station owner(s). At a minimum, there should be a national standard driving work.

Operating Procedures - we have encountered this dilemma in the field and it usually occurs on the day of the operation and results in one party leaving the property and an unintended delay in completing the work. There is some language in there which sounds like the Network Customer can provide something, but it should be mutual and coordinated. If any procedures are needed they are needed in advance of the event and could we burden both to have on file both entities procedures and updated timely?

BPA Response

In following up with the BPA Safety Office, it was determined that the reference to BPA’s Accident Prevention Manual (APM) was incorrect. While BPA has an APM, it is for internal use only. Operating procedures must comply with OSHA Standard 29 CFR 1910.269(m) and the ANSI/IEEE National Electric Safety Code. The section has been revised to reflect these standards and to better reference BPA’s Standards.

The Transmission Provider’s Technical Requirements for Interconnection Standard, as identified in the Transmission Provider’s Standards, is consistent with other industry standards. This excerpt from the Technical Requirements for Interconnection Standard’s Intent section states:

“Technical requirements stated herein are consistent with BPA’s current internal practices for system additions and modifications. These requirements are generally consistent with principles and practices of the North American Electric Reliability Corporation (NERC), Western Electric Coordinating Council (WECC), Northwest Power Pool (NWPP), Institute of Electrical and Electronics Engineers (IEEE) and American National Standards Institute (ANSI). Standards of the above listed organizations are also subject to change. The most

recent version of such standards shall apply to each interconnection request.”

Similarly, BPA’s Switching and Clearance Procedures (the relevant component to PNGC’s comment and associated with the APM) complies with the OSHA Standard 29 CFR 1910.269(m) and also the ANSI/IEEE National Electric Safety Code.

The ‘operating procedures’ stated in this section are to address safety actions that need to be followed for the protection of both parties. It appears that this comment is more in reference with coordination of project actions from the implementation teams. To that effect, BPA is always open to suggestions for improvements if adjustments are needed for better communication of project actions. Note also the response in the following section of this document.

Access

PNGC submitted the following question in regards to §5(c):

Site access is addressed here, but BPA indicated that it would be further described in Exhibit A? Where are site requirements specified? Need clarification, as to what goes where.

PNGC also stated this in regards to §5(c)(2):

Has no provision for emergency access for repairs, etc. The statement there should be for planned access. Unplanned/emergency access should at least be mentioned. Customers would not make BPA wait until Monday business hours if there was an emergency on the weekend.

WPAG proposed the following edit:

~~Either Party seeking u~~Unescorted access and/or emergency access during non-business hours shall be facilitated through separate agreement.

WPAG also stated:

Some customers may want the access agreement to be an Exhibit to this Agreement.

BPA Response

Currently, Exhibit A is intended to reference any existing agreements, which for some customers includes access agreements. Over time, the intent may be to eliminate the stand-alone agreements and consolidate access requirements and other operational provisions in the NOA. BPA recognizes that this approach will require time and effort to implement, which may vary by customer, but considers it a practical way to balance the existing contracts with the ultimate implementation goal of consolidation in the NOA.

Coordination of access to BPA’s facilities is currently done as follows: Sub Ops (TOZ)

develops BPA's Rules of Conduct Handbook and gives it to the Customer Service Reliability Program (CSRP) to modify for Other Utility Worker (OUW) purposes, and calls it the X-ROCH Rules of Conduct Handbook for Other Utility Workers. The external site for this is <https://www.bpa.gov/transmission/OperationsReliability/ReliabilityProgramandNERCStandards/projects/Pages/Other-Utility-Worker.aspx>.

An OUW agreement gives access to specific utility customer personnel to enter specific substations.

An Access and Ownership (A&O) agreement lists the BPA substations where the utility customer has their equipment installed, and lists their specific equipment that they will need to access.

If there is an emergency and a utility needs to access their equipment within a BPA facility, the specific utility personnel that will be accessing the site will need to have an OUW in place and follow the site requirements. If the employee doesn't have an OUW in place, they will need to contact BPA dispatch to explain the situation so BPA can send someone out to escort.

G. Section 6 Resource and Interconnection Principles and Requirements

Multiple comments were received and are summarized in the following sections.

Plan, Construct, Operate and Maintain Facilities

WPAG proposed the following edit to §6(a):

The Network Customer shall plan, construct, operate and maintain its facilities and system that interconnect with the Transmission Provider's Transmission System in accordance with Good Utility Practice, including, but not limited to, all applicable requirements of (1) NERC, WECC, NWPP, and any other applicable reliability authority; and (2) the Transmission Provider's guidelines, business practices, and standards.

BPA Response

BPA appreciates this contribution and has implemented it in the current NOA. It has been modified to reflect the change to identification of the Transmission Provider's Standards and Practices.

Remedial Action Schemes

WPAG noted the following in regards to §6(b):

There are likely differences of opinion as to whether the Tariff would require NT customers to agree to some or all of the RAS principles struck below. Rather than spinning our wheels trying to come up with mutually agreeable principles that work for everyone, suggest we allow the Tariff to speak for itself as to what a NT customer's obligation is and recognize that how each individual utility will meet that obligation will be addressed in the unique Exhibit C that they develop with BPA.

WPAG then proposed replacing the entire section with the following paragraph:

The Parties acknowledge their mutual obligations under Section 33 of the Tariff to establish Load Shedding and Curtailment procedures in this Agreement for purposes of responding to contingencies on the Transmission Provider's Transmission System and on systems directly and indirectly interconnected with the Transmission Provider's Transmission System. The Parties intend to meet this obligation by implementing the RAS and other relay schemes identified in the attached hereto Exhibit C. Exhibit C may be updated or revised from time to time by mutual consent of the Parties, which consent shall not be unreasonably conditioned or withheld so long as the proposed change is in accordance with the terms and conditions of the Tariff and Good Utility Practice.

NRU stated the following:

We also agree with BPA's proposal to remove the majority of the Remedial Action Scheme ("RAS") provisions that are included in the current NOA. RAS is a topic that is best addressed outside of the contractual framework of the NOA.

We are concerned about the removal of the following language:

"The Transmission Customer's contribution to the total operational responsibility for the RAS shall be the ratio of the Transmission Customer's usage of the Transmission Provider's share of the transmission path, to the total rating of the Transmission Provider's share of the transmission path."

No one customer should be burdened with a RAS obligation simply because they were the last to integrate load growth on a congested transmission path, and BPA should treat customers equally when RAS is deployed. This provision is more of an agency policy in nature and may not fit within the NOA. Thus, in order for NRU to agree to the new NOA, we need a commitment from BPA to include this provision either in its OATT or a business practice where it applies equally to both NT and Point to Point customers.

PNGC commented:

Agree with WPAG that we should handle these on a case-by-case basis.

When RAS is needed, is it local or global? What criteria are used to determine cost responsibility?

WPAG also noted:

We have had a chance to review the comments of both PNGC and NRU and are looking forward to BPA's responses to the issues they raise. We are particularly interested in BPA's answers to PNGC's and NRU's questions regarding how responsibility for RAS related costs will be determined. For instance, We are interested to learn if PTP customers have a similar RAS obligation, and, if so, (i) how and where BPA and PTP customers document their respective RAS obligations, and (ii) how such PTP customer RAS related costs are allocated. If PTP customers do not have a similar obligation to provide RAS, we would like to understand if they nonetheless benefit from the RAS to be provided by NT customers under the NOA. For example, do they receive a reliability benefit from the RAS provided by NT customers under the NOA? If so, then maybe this is an issue to be raised in the BP-22 pre-rate case workshops.

PNGC asked:

In section 6(3), Can BPA clarify why the TP's RAS standards are different than NERC and WECC?

In regards to Exhibit C, PNGC asked:

BPA seemed to suggest at the 10/21/19 meeting that some RAS-related costs will be absorbed by BPA, other will be directly assigned. I suggest, given the expense involved, it is important to clarify under what circumstances BPA absorbs the cost or assigns the cost.

BPA Response

Historically, RAS implementations are usually initiated by a Generation Interconnection request, a Load/Line Interconnection request, an NT forecast, or the submission of a TSR that cannot be met with ATC. Following a study, BPA Planning would create an infrastructure build or a non-wires options, which could include RAS. The RAS options are generally a small percentage of the cost of a build option. RAS is almost always implemented on a case-by-case basis.

Cost responsibility is determined by applying BPA's Facility Ownership and Cost Assignment Guidelines. The link for this document is located on BPA's external website under the Interconnection page:

<https://www.bpa.gov/transmission/Doing%20Business/Interconnection/Pages/default.aspx>.

This document has been added to the identified documents in the definition for Transmission Provider's Standards.

RAS can be either local or global depending on whether it is to protect the local system or added to RAS for the main grid. RAS can also be added to meet reliability for normal planning over the 10 year planning horizon. For Interconnections, Customer Service Engineering (TPC) is responsible for assigning cost responsibility. If RAS is added to meet reliability for normal planning over the planning horizon, those costs are rolled in just like any other transmission project to meet reliability.

Typically, an MO&O agreement would capture maintenance responsibilities if equipment is maintained by another party.

BPA's Standards for RAS do exceed the current NERC standards. BPA RAS test standards have been in place since the early 1970s. Mandatory NERC standards were put in place after the 2003 blackout on the East Coast. BPA's Standards have always exceeded mandatory and voluntary standards. BPA has more experience than most other utilities in RAS. Our test program is required based upon current and historic findings. In 2021 NERC standards are changing and will become closer to BPA's RAS testing standards.

BPA is sensitive about identifying sensitive RAS information in the NOA. In reviewing the comments, BPA has proposed the following changes to §6 and Exhibit C:

BPA has retitled the section and has modified the proposal from WPAG to replace the previous paragraphs in this section with a single paragraph as follows:

(b) System Protection

The Parties acknowledge their obligations to respond to contingencies on the Transmission Provider's Transmission System and on systems directly and indirectly interconnected with the Transmission Provider's Transmission System, in accordance with the Transmission Provider's Tariff, Practices, and Standards. The Parties intend to meet this obligation by implementing RAS or other relay schemes which may be identified in the attached Exhibit C. Exhibit C may be revised by agreement of the Parties, which agreement shall not be unreasonably conditioned or withheld so long as the proposed change is in accordance with the terms and conditions of the Tariff and Good Utility Practice.

By referencing the Transmission Provider's Practices and Standards, the need to repeat requirements in the NOA is eliminated. This also ensures that the same requirements apply to Point-to-Point and NT customers as set forth in the Tariff, Practices, and Standards.

The proposed Exhibit C may include tables that identify customer-specific RAS or Relay Schemes in existence.

H. Section 7 Customer Information Requirement

Multiple comments were received and are summarized in the following section.

NRU submitted the following comment:

As mentioned in prior comments, we still have concerns about the one-sidedness of the customer information requirements in section 7. The draft NOA establishes very specific obligations to which customers must adhere but provides no requirement for BPA to provide information. The NOA should, at a minimum, include language that describes the framework for NT customers to submit data requests and the requirements to which BPA must adhere in responding.

PNGC asked the following in relation to §7(a)(2):

What “standards” are being referenced? It seems that applicable reliability standards, Tariff obligations and business practices cover all requirements?

PNGC further asked in regards to §7(b):

I would like more specifics about what BPA intends in Section (b). As written, seems open-ended and potential for abuse.

PNGC noted on §7(b)(1)(B):

Need greater understanding about the technical requirements for providing Steady-State, Dynamics, Geomagnetic Induced Current and Short Circuit data, given that some Network Customers (e.g., UEC) have equipment that is higher voltage than 200-kV.

WPAG noted on this same section:

Some customers may want to negotiate specific terms on data requirements bilaterally with BPA depending on their individual circumstances.

BPA Response

As noted in the response to NOA v1 comments, BPA appreciates the concerns that are expressed regarding potential hardship on a customer to meet data requests. Data requests support planning functions as required by Good Utility Practice and NERC, WECC, and regional planning needs.

To the extent BPA asks for specific types of data, they are not “nice to haves” but rather are

necessary for complete modeling of the system and compliance with relevant NERC standards. BPA understands the concern that some customers have with technical data coordination when they may not be a NERC registered entity. BPA reserves the right to request data from entities in BPA's Planning Coordinator (PC) footprint, regardless of registration status, but believes it is unlikely Geomagnetic Induced Current (GIC) data (TPL-007-3) will be required to be submitted by unregistered customers (generally speaking, GIC data is only needed for equipment 200kV and above). To the extent BPA requests modeling data (MOD-032, FAC-008) from unregistered customers, BPA will work with the customer to resolve technical concerns with obtaining the data and will remain flexible on the timing of submissions.

In regards to reciprocal technical data requests, prior to signing bilateral NOAs with customers, BPA will work with customers to address any reporting requirements that are applicable to the Network Customer's facilities. While it is possible to identify BPA's generally applicable requirements in the NOA template, attempting to address customer requirements in the template is less practical due to the range of customer facilities and needs.

As the PC for our NT customers, BPA is the responsible data maintainer for our PC footprint. BPA's requests are necessary to meet its modeling compliance requirements, and BPA must ensure an accurate "as built" representation of its PC footprint for use in the WECC Base Cases. The WECC Base Cases are used by entities across the region to plan and operate the grid, and accurate data is key to reliable planning and operations, as well as compliance with applicable NERC reliability standards.

If an NT customer needs BPA's modeling data to meet their modeling compliance obligation, all of BPA's modeling data can be found in the WECC base cases. If an NT customer has a reasonable reliability related need for data from BPA that is not contained within the WECC base cases, BPA will work with the NT customer to meet that data need. Customer specific data requirements that cannot be met with the WECC base cases can be captured in Exhibit B, Other Operational or Technical Interconnection Requirements. Using Exhibit B in this manner is preferable to trying to anticipate each customer's needs in the body of the NOA.

The previously mentioned improvement to the definition of the Transmission Provider's Standards and Practices should help address confusion in the prior use of the "standards."

I. Section 8 Power Quality

PNGC asked the following: regarding §8 Power Quality:

Power Quality: Points to "Technical Requirements for Interconnection". Should we also incorporate NERC/BAL standards?

BPA Response

The Transmission Provider's Technical Requirements for Interconnection Standard is consistent with other industry standards. This excerpt from the Technical Requirements for Interconnection Standard's Intent section states:

"Technical requirements stated herein are consistent with BPA's current internal practices for system additions and modifications. These requirements are generally consistent with principles and practices of the North American Electric Reliability Corporation (NERC), Western Electric Coordinating Council (WECC), Northwest Power Pool (NWPP), Institute of Electrical and Electronics Engineers (IEEE) and American National Standards Institute (ANSI). Standards of the above listed organizations are also subject to change. The most recent version of such standards shall apply to each interconnection request."

J. Section 9 Temporary Load Shifts Notification

Multiple comments were received and are summarized in the following section.

PacifiCorp submitted the following:

BPA's changes to Section 9 (now titled, "Temporary Load Shifts Notification," rather than "Service Interruptions") did not address PacifiCorp's core concerns with the section—namely, that BPA would be reserving a contractual right to curtail PacifiCorp's transmission service in a manner that could conflict with BPA's other contractual obligations if unresolved. In PacifiCorp's opinion, removing that Section altogether to avoid such a conflict would be preferable to relying on what restrictions may be inferred from the "Good Utility Practice" standard, the Tariff, and associated regulatory requirements.

PNGC noted:

There is a difference between emergency conditions and maintenance work/inspections, yet they are lumped together in this one paragraph. No notice period for BPA for planned/scheduled work of this type – should there be in this agreement or does that belong somewhere else? Note: Some customers do have a 4-party agreement with BPA with the terms of operating a temporary connection between two stations.

Require BPA-caused interruptions to provide "follow-up" written documentation in addition to advanced verbal or electronically signaled notification.

Would like to see a specific standard that drives the ability to perform scheduled maintenance. I.E., BPA should not have the unilateral ability to shut off a system in the middle of the winter. "Reasonable or appropriate" seems very ambiguous when it comes to using temporary facilities. I'd like to better understand BPA's intent with this section. Perhaps we can limit BPA's discretion to underperformance issues and not simply inopportune planned maintenance.

This section is confusing. What happens if customer does not inform BPA of shift? Do we need this section? If so, why? It seems like BPA would have perfect information here.

WPAG provided a simple edit to identify that Operational Constraints is a defined term in §4.

BPA Response

In version 2 of the NOA template BPA attempted to limit this section to the Outage and Load Shift Report, but it appears this did not resolve the questions and concerns that were raised. To better focus continuing discussion, this section has been retitled back to its former title of “Service Interruptions” and the content has been separated into two sections: (a) “Outage Coordination” and (b) “Outage and Load Shift Notification.” The goal is that this division will allow for a better understanding of the Standards that apply to these two areas.

Many of the comments were focused on outage coordination. BPA has an established Outage Planning and Coordination Policy that may be found at:

<https://www.bpa.gov/transmission/Reports/Pages/Proposed-Outages.aspx>.

This policy seeks to balance the needs of all parties while maintaining system reliability and safety. As stated in the current policy:

"The purpose of the BPA Outage Planning and Coordination Policy document is to:

1. Provide a process for coordination of transmission and generation outages within the BPA TOP and BA area and define equipment under jurisdiction of other TOPs and BAs impacting the reliability of the Bulk Electric System (BES) within the BPA TOP/BA area.
2. Describe the applicable roles and responsibilities.
3. Provide a mechanism to facilitate compliance with NERC Reliability Standards IRO-010-2, TOP-003-3, TOP-001-3, TOP-002-4 and IRO-017-1, or their successors.
4. Minimize outage conditions where schedule curtailments, generation redispatch, and load management actions are likely to occur on the system under BPA jurisdiction and the BES under jurisdiction of other BA/TOPs.
5. Minimize late-term cancellation of scheduled outages.

Proposed transmission and generation outages that may impact the BES must be planned and coordinated among BAs, TOPs, and reported to their RCs. This includes any non- BES equipment that may affect the reliability of interconnected operations for the region.

This document provides technical requirements and criteria for BPA transmission operations, maintenance, engineering, hydro operations, customer and construction staffs related to the submission of transmission and generation outages. This document provides requirements for coordination of outages on equipment outside of BPA’s TOP/BA area"

Addressing outage planning is beyond the scope of the NOA since it involves many stakeholders in addition to Network Customers.

The Temporary Load Shifts Notification section has been retitled to “Outage and Load Shift Notification” to align with BPA’s Standards and website. The need for the Outage & Load Shift Report and the instructions for submitting the report are contained on the Metering Services page at:

<https://www.bpa.gov/Doing%20Business/metering/Pages/default.aspx>,

According to the current Outage & Load Shift Report (updated February 2019), the impact of failing to file a timely report is as follows: "Failure to submit the proper status of a transformer event (energized/de-energized) on this form before the bill is processed for that month can result in extra charges where computed losses are involved with the meter point."

As the Outage & Load Shift Report is only to support billing accuracy, reciprocal notification under this section is unnecessary.

K. Section 10 Emergency Planning and Operation

Multiple comments were received and are summarized in the following section.

PNGC offered the following comments:

Regarding §10(b):

I'd like BPA to expand on its thoughts around the last sentence: If the Transmission Provider identifies reliability objectives beyond the NWPP, WECC, and applicable reliability authority planning objectives, they shall be communicated to the Network Customer. In what instance would BPA identify a reliability standard beyond NERC/WECC/NWPP? Is NT customer required to do anything after this standard has been “communicated”? Can we clarify which standards we are referencing? Can we simply refer to NERC standards?

In regards to §10(b)(2):

Some customers may want to negotiate specific terms bilaterally with BPA.

And in regards to §10(c):

Should we incorporate in its entirety the technical requirements for interconnection? If not, should we strike reference in the NOA? Seems like this is a generator concern and can/should be handled under OATT Attachments L (Large Gen) and N (Small Gen).

BPA Response

When regulatory bodies establish only minimum standards, BPA looks to address reliability issues effectively beyond compliance. In these instances, BPA may establish its own reliability objectives, and the language in this section is intended to ensure that those objectives are communicated to customers. One purpose of the Network Operating Committee is to coordinate operating criteria and other technical considerations, and the Network Operating Committee meetings may be the appropriate venue for any such communications.

In response to prior comments, BPA revised what is now section 10(b)(2) to reflect the option that customers can request installation of load shedding relays on BPA's system to avoid the requirement on the customer's system, consistent with current practices. Prior to signing bilateral NOAs with customers, BPA will work with customers to address any Emergency Planning and Operation requirements that are applicable to the Network Customer's facilities. Customer specific requirements can be captured in Exhibit B, Other Operational or Technical Interconnection Requirements. Using Exhibit B in this manner is preferable to trying to anticipate each customer's needs in the body of the NOA.

BPA has concerns with linking or attaching current documents that are subject to change in the future. Doing so would require amending customer NOA's every time a Standard or technical requirement is updated. The Technical Requirements for Interconnection Standard is located on BPA's external website under the Interconnection page:

<https://www.bpa.gov/transmission/Doing%20Business/Interconnection/Pages/default.aspx>.

This Standard is used for load, generation, and line interconnections. As stated in the Intent section of the Standard:

"The Bonneville Power Administration, Transmission Services (TS) prepared this Technical Requirements For Interconnection To The BPA Transmission Grid document to identify technical requirements for connecting transmission lines, loads and generation resources into the BPA Grid. Also included are the Balancing Authority Area (BAA) requirements for generation connected to a utility system located within BPA's BAA. The purpose of these requirements is to assure the safe operation, integrity and reliability of the BPA Grid."

L. Section 11 Metering Information, Costs, and Requirements

Multiple comments were received and are summarized in the following section.

PNGC submitted the following comments:

This looks good from the standpoint of BPA potentially joining the CAISO EIM as well. BPA could be required to upgrade their metering if they join the EIM.

Need further clarification of determination and resulting cost-allocation associated with “convenience points”, and the cost implication of such. Can we more clearly define what constitutes a “convenience point”?

WPAG proposed the following two minor corrections:

§11(b)(3) *Any meters requested by the Network Customer-; and*

§11(d)(2) *all Automatic Generation Control (AGC) interchange points; and*

BPA Response

On Sept. 26, 2019, BPA signed an implementation agreement with the California Independent System Operator and a record of decision in a move toward joining the Western Energy Imbalance Market in 2022.

For more information on BPA’s involvement in the EIM, please visit:

<https://www.bpa.gov/PROJECTS/Initiatives/EIM/Pages/Energy-Imbalance-Market.aspx>.

As described in the BPA Facility Ownership and Cost Assignment Guidelines, v.1, January 6, 2015, located on the Interconnection page:

<https://www.bpa.gov/transmission/Doing%20Business/Interconnection/Pages/default.aspx>:

“Convenience refers to the construction of facilities beyond what is needed to provide transmission service to the customer over a prudent planning horizon. A facility built by BPA at the request of the customer for the convenience of the customer will be directly assigned. Facilities built for the convenience of BPA will not be directly assigned.”

BPA has implemented the formatting and minor edits proposed by WPAG.

M.Section 12 Communications

One comment was received and is summarized in the following section.

PNGC commented:

Same comment [identified in K. §10(c)] regarding this standard. It seems like an inappropriate reference to a technical standard from Attachments L and N.

BPA Response

BPA has concerns with linking or attaching current documents that are subject to change in the future. Doing so would require amending customer NOAs every time a Standard or technical requirement is updated. The Technical Requirements for Interconnection Standard is located on BPA's external website under the Interconnection page:

<https://www.bpa.gov/transmission/Doing%20Business/Interconnection/Pages/default.aspx>.

This Standard is used for load, generation, and line interconnections. As stated in the Intent section of the Standard:

“The Bonneville Power Administration, Transmission Services (TS) prepared this Technical Requirements For Interconnection To The BPA Transmission Grid document to identify technical requirements for connecting transmission lines, loads and generation resources into the BPA Grid. Also included are the Balancing Authority Area (BAA) requirements for generation connected to a utility system located within BPA's BAA. The purpose of these requirements is to assure the safe operation, integrity and reliability of the BPA Grid.”

N. Section 14 Notices

Administration of the Provisions §13(b)

NRU offered the following comment:

We request that BPA also make reference to the NT Service Agreement and make clear whether the NOA or the NT Service Agreement will govern in the event of a dispute between the two agreements.

WPAG asked:

What if there is a conflict between the Service Agreement and the NOA, which one should have priority?

BPA Response

BPA reviewed multiple NOAs and has modified this section to read as follows:

The Tariff and Service Agreement, as they are amended from time to time, are incorporated herein and made a part hereof, and are to be read together with this Agreement to determine the rights of the parties. In the event of any irreconcilable differences between the Tariff and this Agreement, the language of the Tariff shall govern.

Further discussion may be required to address, or determine whether to address, potential conflicts between customer service agreements and the NOA. The intent is that the contracts be read together in context and that the hierarchy or supremacy clause essentially be a last resort.

Entire Agreement §13(f)

WPAG submitted the following edit:

The Tariff and the Service Agreement as they are amended from time to time are incorporated herein and made part hereof. This Agreement, including any other documents expressly incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

BPA Response

BPA proposes that the changes made to the Administration of Provisions section identified above address this concern and make this proposed edit unnecessary.

Freedom of Information Act §13(g)

PNGC offered the following comments:

What are the “applicable rules and regulations” that pertain to designating proprietary or CEII, and what is the source document(s) for such?

What are the applicable rules and regs associated with protecting info (stamps) one-lines, equipment, firewall stuff, etc.

BPA Response

BPA now has a FOIA exemption for CEII; however, the rules for implementing the exemption (submitting CEII, designating CEII, protecting CEII, etc.) have not been finalized by DOE yet. BPA will have more clarity on the rules and regulations regarding CEII once final rules have been adopted.

O. Additional Comments

Structure of the NOA

PacifiCorp submitted the following (footnote references have not been included for brevity):

PacifiCorp continues to have significant concerns with the draft NOA template, as communicated in the Company's prior comments. PacifiCorp provides these additional comments, and continues to contribute to Network Operating Committee discussions, in the spirit of collaboration with BPA and the other Network Customers. Nonetheless, the Company continues to reserve its right to fully negotiate a more appropriate customer-specific NOA with BPA in the future, consistent with FERC's intent that NOAs be individually negotiated agreements.

As noted previously, PacifiCorp generally believes that the draft NOA template goes beyond the scope of what is necessary for a typical NOA, and that all parties would be better served by starting from a new template agreement of the kinds that BPA considered in its benchmarking process.

BPA Response

BPA's intent at this phase of the process is to structure a baseline NOA template applicable to as many customers as possible. This recognizes that there is a wide range of complexity throughout BPA's NT customers and their own generation and transmission systems. BPA is committed to working individually with customers after this phase, including those such as PacifiCorp, with their own systems and as a neighboring transmission provider.

BPA has continued to review other transmission provider NOAs and has made several significant revisions based on that review and on customer comments. There are many elements of the current draft that reflect this work. There are also elements that reflect that BPA's system and customer mix differ from those of other transmission providers.

At this time BPA is not considering starting afresh with a new template.

Standards of Conduct

PacifiCorp commented as follows:

[T]he Company identified specific problem areas that remain unresolved. For example, although BPA did remove some provisions that had raised troublesome Standards of Conduct issues, other provisions remain, such as certain provisions in Sections 6 and 7 that would obligate a customer, like PacifiCorp's Merchant function, to provide certain generally non-public transmission-related information, the source for which would presumably be the Company's transmission function.

PNGC submitted the following:

PAC raised concerns regarding the need for BPA to separate functions, and BPA said that it will address such at a future NOC meeting. Some concern about BPA-T being a conduit of commercially sensitive information to market competitor (i.e., BPA-P).

BPA Response

BPA recognizes the complexity of this issue, and is committed to addressing it. It is also the case, though, that this is an issue that is not applicable to those network customer entities that do not have an associated merchant function, and that Standards of Conduct concerns may be better addressed in the customer-specific discussions raised in PacifiCorp's comments.

Continuing Discussion

BPA appreciates the involvement, review, and suggestions that have contributed to the development of the draft NOA. BPA wishes to find the right balance between a standard NOA template and the natural customer-specific requirements that are inherent in a NOA and intends to publish a template NOA by the end of March 2020. BPA is committed to additional discussion on these and other topics, either in the forum of the ongoing NOC meetings or in bilateral discussions between BPA and network customers.