

Indicative Terms
Request for Offers to Decrement Firm Power Generation
The Bonneville Power Administration

Product Types: WSPP, Schedule C.
 DEC Capacity in the form of decreased generation north of the South of Allston cut plane (SOA) from a generator located within the BPA BAA¹ during the summer high load events. See attached [Map](#) for DEC Capacity locations.

BPA will provide replacement energy to ensure schedules associated with DEC Capacity remain whole.

Quantity: BPA will consider offers between 25MW and 250 MW. Please specify **Maximum** MW available by month:

	MW
July	
August	
September	

Depending upon the circumstances, BPA may call on a portion of the Quantity of Seller’s bid accepted.

Term: Summer Months only (July - September);
 Minimum of 1 year (July 1, 2017- September 30, 2017);
 Maximum of 5 years (Summer months, 2017-2021).

Please specify years:

	Term
July 2017- September 30, 2017	
July 2018- September 30, 2018	
July 2019- September 30, 2019	
July 2020- September 30, 2020	
July 2021- September 30, 2021	

Points of Delivery: Please specify details for each DEC generator associated with offer:

Generator	MW*	Point of Interconnection to BPA BAA

¹ BPA will consider offers outside the BPA BAA if BPA and the Seller agree on data requirements necessary to validate reductions in interchange flows.

*Please indicate any restrictions that might prevent partial deployment.

BPA will pair INC and DEC resources to provide effective flow relief. As such, BPA will prioritize offers that provide maximum, least cost counter flow to the SOA north-south flows.

Delivery Period: Daily, Monday-Friday, 1400-2200 hours.

Minimum consecutive hours = (Seller dictates, minimum of 2.)

Maximum consecutive hours = (Seller dictates.)

Maximum deployment of one period/day and 40 hours/year.

Maximum consecutive days = (Seller dictates.)

BPA may make multiple requests DEC Capacity, subject to Seller's limitations provided above. BPA may elect to call on DEC Capacity for only a portion of the Delivery Period.

Operating Obligations: Seller's DEC generator(s) shall reduce generation per instructions provided by BPA in its Deployment Notice.

BPA shall ensure that Seller's schedules associated with reduced generation shall remain whole. As such, neither Party will alter existing tags associated with Seller's DEC generator(s) during the remainder of the daily Delivery Period.

Price/Payment: Seller to provide indicative prices for capacity (\$/kw-mo):

	\$/kw-mo (capacity)
July	
August	
September	

Note:

- 1) If price varies by the amount of decreased generation please specify and include relevant information.*
- 2) BPA will ensure existing schedules associated with DEC'd generation will remain whole (see scheduling below) as such, BPA is not expecting to pay for DEC'd energy.*

Deployment Notice: 90-minute notice.

During deployment, BPA will notify Seller each hour of its need for DEC Capacity on a recorded telephone line or through other mutually acceptable means.

Deployment Notice shall clearly state start and stop times – which shall be in whole hours, and quantity needed each hour, which shall not, in total, exceed the Quantity or Delivery Periods provided by Seller (above).

Ramp Rate: DEC Capacity shall be in hourly blocks consistent with WECC schedules. As such, The DEC will have a 20 minute ramp which starts 10 minutes prior to the first hour of deployment and ends 10 minutes after the last hour in which the generation is deployed.

Scheduling: Seller shall not initiate new/incremental schedules from the Seller's DEC generator(s) for the hours indicated by BPA in its Deployment Notice.

Exceptions for schedule changes made pursuant to Uncontrollable Forces.

Seller shall submit e-tags which reflect the quantity of reduced generation and duration stated in the BPA Deployment Notice pursuant to Section J of [BPA's Business Practice for Scheduling Transmission Service](#) and section B of [BPA's Redispatch and Curtailment Procedures](#). Seller's tags reference AREF ____, originate from the BPA centroid and list the POD as the DEC generator's Point of Interconnection with the BPA system.

Transmission: Seller is responsible for transmission reservations from the BPA congestion centroid (BPAT.RD) pursuant to section 6 of BPA's Business Practice on Requesting Transmission Service ([TSRs for Bilateral Redispatch for Congestion Management](#)). Such transmission reservations shall sink at the DEC generator's Point of Interconnection with the BPA system for the Quantity and duration specified in BPA's Deployment Notice.

BPA shall provide Seller with a billing credit for new (original) transmission reservations from the BPA congestion centroid (BPAT.RD) to the Seller's generator pursuant to section 6 of BPA's Requesting Transmission Service Business Practice ([TSR for Bilateral Redispatch for Congestion Management](#)).

Validation: Seller shall provide BPA with a copy of all schedules associated with DEC Capacity during the period defined in the Deployment Notice. To aid in validation, BPA would like the Seller to list the A-REF(s) associated with the DEC'ed Capacity in the token field of the e-Tags for energy delivered from the congestion centroid to the DEC generator.

If requested by BPA, and at BPA's sole expense, Seller shall grant BPA access to real-time metered data from the DEC generator(s) providing DEC Capacity.

Non-Performance: WSPP damage provisions apply should BPA's actions directly result in damages to Seller. WSPP LD provisions apply to BPA's non-performance only.

The following provisions apply to damages associated with Seller's non-performance:

If a requested deployment does not fully perform to the obligations set forth in the agreement in full and such non-performance is not due to Uncontrollable Force, then the event shall be considered a "non-performance event." BPA reserves the sole right to determine if an event is a non-performance event. The first non-performance event shall result in the Capacity portion of the payment for that month being withheld. In the event there is a second non-performance event, BPA has the unilateral right to terminate without penalty. BPA reserves the right to determine if an event is a non-performance event based upon the requirements set forth without consulting the deploying party.

Seller's alteration of tags associated with DEC Capacity shall be an event of Non-Performance.

Uncontrollable Force: As defined in the WSPP Agreement, in the event the Seller's DEC generator is forced off-line or is expected to remain off-line as a result of an Uncontrollable Force, the Seller shall make best efforts to notify BPA of such an event.

Contract Requirements: Seller or Seller's scheduling agent must have an active Transmission Services Agreement and Power Enabling Agreement. (Limited exceptions to the Enabling Agreement.)

Acceptance: The RFO will close on May 26, 2016.

BPA will notify parties whose indicative offers are considered best qualified within 30 days of closing the RFO after which, selected parties will have 3 business days to provide BPA with their best and final offer. BPA expects to execute final agreements by December 31, 2016.

Selection will be highly correlated with price, adjusted for Point of Delivery, and in consideration with BPA's credit requirements.

Dispute Resolution: Any disputes that arise under this Agreement are subject to binding arbitration if , the parties draft and sign an agreement which meets the requirements of the Administrative Disputes Resolution Act of 1996, 5 U.S.C. §§ 571-584, including the requirements to set forth the precise issue in dispute, the amount in controversy and the maximum monetary award allowed. Such agreement shall take precedence over any conflicting provisions contained in Section 34 of the WSPP Agreement. Under no circumstances shall specific performance be an available remedy against either party in arbitration.

Other Considerations:

- 1) BPA reserves the right to accept multiple offers, or accept no offers. (BPA suspects that it will need to make several awards as INC and DEC deployments must be matched to relieve congestion.)
- 2) BPA expects that DEC Capacity transactions will be executed using Confirmation Agreement(s) (Confirm).
- 3) BPA reserves the right to exclude generators which are part of BPA’s Keeler-Allston Remedial Action Scheme.
- 4) BPA must pair INCs with DEC with the goal of being energy neutral. As such, some offers may be deployed more frequently than others.
- 5) This Term Sheet is for illustrative purposes. Final terms subject to bilateral agreement.

Disclaimer and Confidentiality

BPA intends to summarize information obtained from Respondents to evaluate the effectiveness of non-wires solutions to relieve north to south congestion across the South of Allston cut plane. The information obtained as a result of this Request for Offers may be used to evaluate the effectiveness and cost benefit analyses of related programs. Only non-merchant BPA staff in Transmission and Power will have access to the Offers.

It is not BPA’s intent to publicly disclose individual Respondent proprietary information obtained in response to this RFO. To the full extent that it is protected pursuant to the Freedom of Information Act and other laws and regulations, information identified by a Respondent as “Proprietary” or “Confidential” will be kept confidential. While this RFO is intended to provide information for BPA to select an offer it should NOT to be construed as a commitment by BPA to enter into a contractual agreement, nor will BPA pay for information solicited.

Dodd-Frank Reporting Requirements

Unless exempted under the Commodity Futures Trading Commission’s (CFTC) proposed order in 77 FR 50998, Seller is hereby designated and agrees to be the “Reporting Party” for all reporting required pursuant to Part 43 (17 C.F.R. Part 43) and Part 45 (17 C.F.R. Part 45) of CFTC regulations.