



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

April 26, 2016

**SUBJECT: INDICATIVE TERMS, REQUEST FOR OFFER
INC Capacity, DEC Capacity, and/or Demand Response Capacity**

Interested Parties:

The Bonneville Power Administration (BPA) is interested in acquiring summer peak congestion relief on the South of Allston (SOA) flowgate. This Request for Offer (RFO), and the resulting 5-year pilot program, are intended to help inform BPA on the availability and cost-effectiveness of non-wires congestion management tools.

Instructions for submitting responses to the RFO are included in the attached term sheets. BPA invites indicative offers pursuant to the specific parameters outlined below. BPA is also open to general comments or information outside the intended offer parameters specified, but will not use such feedback for purposes of indicative offer evaluation.

Subject to confidentiality provisions outlined in the attached, BPA will not disclose specific information marked "Proprietary" or "Confidential."

Responses due: May 26, 2016 by 5:00 pm Prevailing Pacific Time.

BPA will notify parties whose indicative offers are considered best qualified within 30 days of closing the RFO. Upon notification, respondents will be required to submit a "best and final" offer no later than 3 business days from the date of notification. BPA expects to execute final agreements by no later than December 31, 2016.

This Request for Offer (RFO) consists of the following Attachments:

1. RFO, INCREMENTAL CAPACITY TO THE BONNEVILLE POWER ADMINISTRATION
2. RFO, DECREMENTAL CAPACITY TO THE BONNEVILLE POWER ADMINISTRATION
3. RFO, DEMAND RESPONSE CAPACITY TO THE BONNEVILLE POWER ADMINISTRATION

If parties are unsure of which term sheet to respond to, a zonal map that illustrates potential Incremental Capacity (INC) and Decremental Capacity (DEC) resources is posted to our external website. For illustrative purposes, five zones have been developed to match to the Long Term Power Transfer Distribution Factors (PTDF) Table. Parties can utilize these tools to help prepare responses.

In addition, the following draft Transmission Business Practices are "Out for Comment" to help parties fully evaluate and respond to this RFO. BPA will provide, through Tech Forum, public notice of a conference call in early May. We are considering sometime between May 2 through May 4. The comment period will close May 17. Business Practices are expected to be final by May 25:

1. Requesting Transmission Service, Version 28
2. Scheduling Transmission Service Version 21
3. Redispatch and Curtailment Procedures, Version 11

Finally, a bidders conference will be held in the BPA Rates Hearing Room on May 9, 2016, from 9am to 11am to address any questions you may have at that time. A public notice will be sent out closer to the date reminding parties of the conference and will provide phone bridge information.

Specific questions about the RFO should be directed to Deb Malin at (503) 230-5701 or emailed to djmalin@bpa.gov.

Sincerely,

Deb Malin
Customer Account Executive
Bulk Marketing
Bonneville Power Administration