

Commercially Similar Paths (Motion 47)

NAESB OS Preparatory Workgroup

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Motion 47 – Current Language

Motion 47 has two parts:

- 1. *A potential Defender must provide relief on all of the flowgates where AFC is not available for the Challenger.***
- 2. *The capacity taken away from the Defender shall not be more than 105% (rounded to the nearest MW) of the capacity made available to the Challenger.***
 - The purpose was to guard against a defender having to give up a disproportionate amount of capacity compared to what the Challenger would gain. For instance, a Defender should not have to give up 100 MW of capacity in order to give the Challenger 10 MW.

Motion 47 – Proposal

The current language of Motion 47 effectively eliminates BPA's ability to conduct P&C, and the OS has stated that we have two hours to make a case for modifying Motion 47.

1. Leave Part 1 as is

- a) NAESB OS members are resistant to modification and not enough time to convince them otherwise**
- b) Has a lesser impact than Part 2 of the motion.**

2. Modify Part 2

- a) Has the most impact on BPA's ability to conduct P&C**
- b) Has less resistance from NAESB OS membership**
- c) Has a better chance of passing in the two hours allotted to make the changes**

Motion 47 – Part 2

Motion 47 – Part 2

The capacity taken away from the Defender shall not be more than 105% (rounded to the nearest MW) of the capacity made available to the Challenger.

Concerns:

- The 105% rule, if implemented on BPA's flowgate-based system, effectively eliminates the ability to identify Defenders for the preemption and competition process.
- Does not permit the taking of 5 MWs from a Defender to provide 4 MWs of relief needed by the Challenger.
- Elimination of P&C is not consistent with FERC policy.

Suggested Modification for Part 2

- Retain 105% Rule.
- Permit the TP to develop a MW margin in which if the Defender loss is within that margin, it is deemed a valid Defender.

Rationale:

- Provides TP with ability to structure a Defender qualification based on its system characteristics.
- Permits a TP to decide whether a valid loss of 4 MW to grant 5 MW, or such, is permissible on its system.

Proposed New Motion

- **NEW MOTION** - A potential Defender must provide relief on all of the flowgates where AFC* is not available for the Challenger. The capacity taken away from the Defender shall not be more than 105% (rounded to the nearest MW) and the TP may develop a MW margin in which, if the capacity taken from the Defender is within that margin (rounded to the nearest MW), then that reservation is deemed a valid defender.
- *Same concept applies for ATC*.*