

# Transmission Business Model

Pro Forma/Industry Standard Gap Analysis:

*Ancillary Services*



## Hourly Firm

- Address Hourly Firm Product. It sends the wrong price/congestion signals, requires high customization and undercuts/derails curtailment priorities with all other NT/PTP products

## Ancillary Services

- Stale FERC language in the Tariff for Schedule 3
- Tariff Schedule 9 does not include Generator Imbalance
- BPA includes VERBS and DERBS as GI capacity charges in rate schedule

## Losses

- BPA processes more in kind returns than financial
- BPA uses custom IT system and unique processes to accomplish loss returns (payback 168 hours after flow, tracking to kWh level)

# BPA Direction: Ancillary Services

## Regulation and Frequency Response

“Speed and Accuracy”  
terms in Schedule 3

## Generation Imbalance

Bring stability to Terms and Conditions by moving  
from Rate Case Process to Tariff

Move “Real Power  
Loss Calculation”  
language from  
Schedule 9

Add terms and  
conditions for Gen  
Imbalance to new  
Schedule 9

## Generation Imbalance Capacity

Add terms and  
conditions for  
VERBS/DERBS to  
new Schedule 3A/10

### Problems to Solve

- Stale FERC language in the Tariff Schedule 3
- BPA does not have a Tariff Schedule 9 for Generation Imbalance
- BPA does not have a Tariff Schedule 3A/10 for Generation Imbalance capacity (VERBS and DERBS charges in rate schedule)

# New Schedule 3 Language

9/20/17

FY 2022

## Steps

Include “Speed and Accuracy” terms for Schedule 3  
“Regulation and Frequency Response Service”

Review language with customers in regional  
stakeholders process

Revise BPA Tariff

Formal terms  
and  
conditions

## Objective

Match the  
language in our  
tariff with existing  
BPA business  
process

## Implementation Considerations

- Provide transparency that speed and accuracy is considered
- No impact to how BPA determines Balancing Reserves
- No additional burden on customers
- Workshops to discuss terms and conditions prior to 212 process

# Schedule 9 Generation Imbalance

9/20/17

FY 2022

## Steps

Remove Real Power Loss Calculation language from Schedule 9 (Loss Team discussion)

New language for Schedule 9 "Generation Imbalance Service"

Review language with customers in regional stakeholders process

Revise BPA Tariff

Moves from Rates Process to Tariff

## Objective

Transparency,  
Stability and  
Consistency with  
Others

## Implementation Considerations

- Remove uncertainty from rate case to rate case
- No material impact any existing or new generation
- Workshops to discuss terms and conditions prior to 212 process

# Schedule 3A/10 Generation Imbalance Capacity

9/20/17

FY 2022

## Steps

Draft Schedule 3A/10 for Balancing Service for Variable Energy Resources and Dispatchable Energy Resources (VERBS and DERBS)

Review language with customers in regional stakeholders process.

Revise BPA Tariff

Moves from Rates Process to Tariff

## Objective

Transparency, Stability and Consistency with Others

## Implementation Considerations

- Removes uncertainty from rate case to rate case
- Methodology/terms/conditions move to tariff
- No material impact any existing or new generation
- Workshops to discuss terms and conditions prior to 212 process

**How do you believe this change will affect your business?**

**What are your thoughts  
on the proposed  
timeline?**

**What did Bonneville not consider in formulating this change?**