

Transmission Business Model

Pro Forma/Industry Standard Gap Analysis:

Hourly Firm



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)

Transition Away from Hourly Firm Product

9/20/17

FY 2022

Steps

Customer Outreach

Determine dependencies and develop transition strategy

Change Tariff language and related Business Practices

Incorporate change into the Rate Case

Incorporate change into our scheduling/reservation software

Positive impacts to value of BPA Pro Forma Products

Objective

Preserve Value of Long Term Service

Proper Prioritization for Congestion Management

Implementation Considerations

- Process and system customization
- Impacts to customers
- Market disruption
- Workshops to discuss terms and conditions prior to 212 process

What could BPA do for your business to preserve the value of long term service and prioritize properly for congestion during the transition?

How pressing, from your perspective, is the timeline to achieve these objectives (i.e. yesterday is not soon enough to 2022 is too soon)?

What PFGA Objectives should occur before or in coordination with the transition away from hourly firm to preserve the value of long term firm service and ensure proper prioritization for congestion management?