

# Competition of Short-Term and Hourly Transmission Service Requests

# Drivers for Short-Term and Hourly Competition

- Implementation of short-term and hourly competition, when there isn't sufficient capacity to accommodate all requests, is required by sections 13.2 & 14.2 of the *pro-forma* Open Access Transmission Tariff (OATT)
  - This issue was identified at the February 2011 Customer Forum as item 10 in section B of the BOATT Transmission Issues Chart
    - AKA “Create ST Bumping Market”
    - Requires automation

## Preemption & Competition Defined

- Preemption
  - Results in pending TSRs being SUPERCEDED to satisfy a higher priority request.
  - “Defenders” aren’t extended the Right of First Refusal (ROFR).
- Competition
  - Results in conditionally CONFIRMED TSRs being required to modify the terms of their TSR or risk losing capacity.
  - Defenders are extended ROFR.
- Challengers must be preconfirmed.

# Key Activities

- Define our implementation approach
  - Evaluation of solutions and vendors
  - Develop new & updated business practices
- Implementation & Software Testing
- Begin Customer Testing & Training
- Current estimate is to live by end of FY 2012
  
- Preemption & Competition is a priority issue for NAESB this year.
  - BPA is participating on the subcommittee

# Customer Engagement

- Progress on the development and implementation of Preemption & Competition will begin appearing regularly on future Customer Forum agendas
- Individual meetings/conference calls on this topic may also be scheduled between Customer Forums
  - Look for “Preemption & Competition” in the subject line of Tech Forum e-mails
- Implementation issues may arise for which BPA will need your feedback

# Sample Project Issues

- What are the criteria for a valid defender?
  - A defender is a TSR whose capacity, if released, would enable an improved offer to the challenger.
- How many defenders will be challenged in a single round of competition?
  - The number of defenders whose combined ATC, if released, would enable a full offer to the challenger.
- Can multiple TSRs challenge a single defender simultaneously?
  - No. Order 890 requires simultaneous defenders. Allowing simultaneous challengers would potentially result in awarding capacity out of queue order.

# Sample Project Issues cont.

- What specifically does a defender have to do to defend their TSR?
  - Extend the duration of the existing TSR to match the term of the challenging TSR.
- Would a competition ever be ended early if an obviously longer term challenger came into the queue?
  - No. The competition in progress would be allowed to conclude.
- Would a competition be run to enable a partial offer?
  - Yes.

# Regulatory References

- FERC-approved, NAESB-developed Standards & Communication Protocols (S&CP) for OASIS
  - Table 4-2 provides information on response time limits for processing TSRs
  - Table 4-3 provides details of Preemption

# Questions?