

Joint Option F

1. Nature of Service – “base” service and “full service”
 - a. Those purchasing “full” service would have “firm” schedules
 - i. Firm is what it takes to be no more likely to be curtailed than any other firm energy schedule that is not on schedule - work back from there to determine level of reserves that are needed
 - ii. Customers taking firm service must commit to scheduling paradigm (persistence or forecast)
 1. Those who commit to intra-hour scheduling paradigm will not be subject to persistent deviation charge
 2. Those who commit to hourly scheduling paradigm will not be subject to persistence deviation charge unless it is found to undermine FCRPS capability
 - iii. BPA will confirm at various points the ability to schedule firm. If, for some reason, BPA cannot confirm that schedules can be firm (for example, acquisitions were required but are not available), those schedules would not be tagged firm, so there would not be a curtailment issue
 - b. Curtailment mechanism would not be DSO 216 – if, for some reason a tail event cannot be covered, all generators within BPA’s BA would be subject to cuts in schedule back to actual before declaring an EEA
 - c. Those purchasing “base” service might have some “firm” schedules, but the majority of schedules would be “other than firm” *[more discussion on 9.7]*
 - i. Planning standard is 99.5% for upcoming rate period
 1. BPA will do recon re lowering the planning standard for future rate periods
 2. Would wind parties be interested in negotiating lower planning standard for base service for upcoming rate period?
 - ii. Curtailment mechanism would be modified DSO 216, to be applied only after BPA has attempted to purchase needed capacity in regional market subject to price and quantity caps or after customer has been given opportunity to provide needed capacity
 - d. Self supply option will be available for both “base” and “full” service with provisions for visibility of resources and confirmation of sufficiency
2. Third party acquisitions
 - a. Base service – only when it firms up the schedule on a planned basis or, operationally, if it protects the schedules from invocation of DSO 216
 - b. Full service - yes
 - c. BPA to determine acquisition strategy, but could consist of both planned and shorter-term acquisition as appropriate

- i. For shorter-term, if there is forecasted volatility, BPA would determine (and communicate), based upon the BA need, whether volatility warranted an acquisition (and identify needed amount)
 - 1. BPA would acquire from FCRPS if it had capacity available
 - d. Cost recovery/allocation to be determined in rate case, but general principle is those who need the acquisitions should pay for them
3. Tagging (recognize that there are discussions in other forums that will impact tagging options, but need to determine from BPA system perspective and then, possibly, go out and advocate?)
- a. Two different classes of tags
 - b. Tag validation protocol, so up front decision on whether schedules go or not
4. Scheduling Performance
- a. If BPA determined that having an ability to modify the schedules of poor performers would minimize the number of modified DSO 216 curtailment and that the potential benefits exceeded the level of implementation effort (especially in light of the other matters that need to be worked through), BPA would have the ability to modify the schedules of poor performers