Unauthorized Increase Charge, Version 1

Effective: 10/01/09

This Business Practice describes how an Unauthorized Increase Charge[1] (UIC) is calculated and billed. Examples are provided below using scenarios that illustrate the application of this Business Practice.

A. Calculation and Billing of the UIC Amount

1. An UIC will be levied on the Transmission bill when a Customer[2] has exceeded its capacity rights.
2. If BPA Customer Billing changes the methodology for billing UIC in the examples below, it will provide a notice of the change to the Customers and will provide a 30-day period for Customer comment on the new methodology. The new methodology will be implemented after BPA Customer Billing has reviewed the comments and incorporated any, as appropriate. Such new methodology will not be retroactive.
3. BPA Transmission Services and BPA Customer Billing verify and document instances where a Customer has exceeded its transmission capacity contractual rights.
4. BPA Customer Billing will examine the transmission use at the Point of Delivery[3] and Point of Receipt[4] as noted in the UIC provisions in the Rate Schedule.
5. An Eligible Customer that uses transmission service it has not reserved and does not have a signed Service Agreement with BPA Transmission Services will be billed for the UIC as if they had the appropriate Service Agreement.

[1]Transmission Customers taking Point-to-Point Transmission Service under the PTP, IS, and IM Rate Schedules shall be assessed the UIC when they exceed their capacity reservations at any Point of Receipt (POR) or Point of Delivery (POD). Transmission Customers taking Network Integration Transmission Service under the NT Rate Schedule shall be assessed the UIC if their Actual Customer-Served Load (CSL) is less than their Declared CSL. BPA-TS will notify a Transmission Customer that is subject to a UIC once BPA-TS has verified the UIC amount.
[2]Any customer taking service under Use of Facilities (UFT), Formula Power Transmission (FPT), Integration of Resources (IR), Part II or Part III of the OATT.
[3]Point of Deliver (POD) is a point on the The Transmission Provider's Transmission System where capacity and energy transmitted by the Provider will be made availabe to the Receiving Part; An OASIS field on a TSR that is the scheduling POD.
[4]Point of Receipt is an interconnection on the Transmission Provider's Transmission System where capacity and energy will be made available by the Delivering Party; An OASIS field on a TSR that is the scheduling POR.

6. If the capacity rights have been exceeded, the Customer will receive a note on its estimated bill that states there is a pending UIC. If the UIC is confirmed, the actual billing of the UIC will be placed on the Customer's final transmission bill.

B. Requesting Waiver or Reduction of the UIC Amount

1. A Customer may request a waiver or reduction of its UIC after the estimated transmission bill has been issued.
2. The Customer must submit a written request for a waiver or reduction of a UIC to its Transmission Account Executive. The request must include all of the information necessary to demonstrate that it satisfies the criteria for a waiver or reduction in Section G.3 of the UIC Rate Schedule. Any written request for a waiver must be received by the Transmission Account Executive no later than 60 days after the Customer's final transmission bill which included the UIC change has been issued.
3. If a waiver or reduction is granted, notice of such action will be posted on BPA Transmission Services' Open-Access Same Time Information System (OASIS[1]).
4. If a waiver or reduction is granted, BPA Customer Billing will issue the Customer an appropriate credit for the amount, if previously billed.

C. Examples

1. A generator in BPA Transmission Services Balancing Authority has a service agreement with a PTP demand of 100 MW. It has scheduled 100 MW on a given hour but actually generates 102 MW. This generator will not have a UIC charge since the schedule did not exceed the transmission demand.
2. A generator in BPA Transmission Services Balancing Authority has a service agreement with a PTP demand of 100 MW. It has scheduled 102 MW on a given hour but actually generates 100 MW. This generator will have a UIC charge based on 2 MW since the schedule is 2 MW higher than the transmission demand.
3. A utility in BPA Transmission Services Balancing Authority has a PTP Service Agreement with multiple PODs, each of which has a specific demand. BPA has a meter at each POD[2]. The sum of the demands at the PODs is 100 MW. The utility has scheduled 100 MW on a given hour. The meters indicate that one of the PODs has a flow 2 MW greater than the demand in the service agreement and the total actual flow for the hour is 102 MW. This utility does not have a UIC for that hour since the schedule is not higher than the sum of the demands at the POD.

[1]Open Access Same-Time Information System
[2]Point of Delivery is a point on the The Transmission Provider's Transmission System where capacity and energy transmitted by the Provider will be made availabe to the Receiving Part; An OASIS field on a TSR that is the scheduling POD.

4. A utility in BPA Transmission Services Balancing Authority has a PTP Service Agreement with multiple PODs, each of which has a specific demand. BPA has a meter at each POD. The sum of the demands at the PODs is 100 MW. The utility has scheduled 102 MW on a given hour. The meters indicate that one of the PODs has a flow 4 MW greater than the demand in the service agreement and the total actual flow for the hour is 100 MW. This utility has a UIC for that hour of 2 MW since the schedule is 2 MW higher than the sum of the demands at the POD.
5. A utility in BPA Transmission Services Balancing Authority has a PTP Service Agreement with multiple PODs, each of which has a specific demand. BPA has a meter at each POD. The sum of the demands at the PODs is 100 MW. The utility has scheduled 100 MW on a given hour from the service agreement and an additional 2 MW as hourly non-firm transmission. The meters indicate that one of the PODs has a flow 4 MW greater than the demand in the Service Agreement and the total actual flow for the hour is 100 MW. This utility does not have a UIC for that hour since the sum of the transmission schedules was not higher than the sum of the demands for that schedule.
6. An NT Customer[1] in BPA Transmission Services Balancing Authority has a Customer Served Load contract amount of 15 MW. On a given hour, that Customer only generated 13 MW. The Customer will have a UIC of 2 MW since they did not cover 2 MW of the Customer Served Load contract amount.

D. Additional Information

Policy References

- OATT: Sections 13.4, 30.4
- Transmission & Ancillary Service Rate Schedules

Related Business Practices

- Requesting Transmission Service
- Scheduling Transmission Service

Version History

Version 1	10/01/09 New business practice.

[1] An entity receiving transmission service under Part III of the OATT.