



## Point-to-Point Demand Reduction Pilot, Version 1

Effective: 10/01/08

BPA Transmission Services has established a point-to-Point (PTP) Demand Reduction Pilot. The Pilot is designed to allow a reduction in Point-to-Point reserved demand from transmission service from any existing generator or Network Open Season participant if all or a portion of the project is sold as a network resource to a Network Integration Transmission Service (NT) Customer<sup>1</sup>(s).

### A. General Criteria

1. The PTP Demand Reduction Pilot will be in effect from October 1, 2008 through September 30, 2013. BPA Transmission Services may, solely at its discretion, extend this Pilot beyond that date.
2. A request to add a new Network Resource for NT Customers must be completed before BPA Transmission Services will consider a PTP demand reduction.
3. BPA Transmission Services will grant Qualifying Requests for Eligible Service Agreements on a first come, first served basis.
4. The aggregated limit of PTP demand reduction for each FY<sup>2</sup> through September 30, 2011 shall be up to 150 MW per fiscal year.
  - a. BPA Transmission Services may adjust the aggregated limit of PTP demand reduction for FY 2012 and FY 2013, but the maximum annual aggregated limit will not exceed BPA Transmission Services' forecast Network Load Growth<sup>3</sup> for each FY.
  - b. Any unused portion of the annual aggregated limit of PTP demand reduction will expire at the end of each FY and will not roll forward into the next FY.
  - c. When BPA Transmission Services reaches the annual aggregated limit for granting PTP demand reductions, BPA Transmission Services will hold any remaining un-granted Qualifying Requests until the following year and will then grant those requests in the order in which they were received.
5. No application deposit is required .

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<sup>1</sup>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.

<sup>2</sup>Fiscal Year - October - September

<sup>3</sup>Load added to an existing Network Integration (NT) customer's system as a result of increased customer load or transfer of load from another NT customer.

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6. A **NT Customer**<sup>1</sup> must provide the following information to BPA Transmission Services:
  - a. Submit a Transmission Service Request (**TSR**<sup>2</sup>) over the **OASIS**<sup>3</sup> to request the addition of a new Network Resource.
  - b. The NT TSR must meet the requirements of Section 29.2 of the OATT.
  - c. Provide an attestation for the new Network Resource.
7. A PTP Customer must submit a TSR over the OASIS for a PTP Demand Reduction with the following attributes:
  - a. The TSR is Type-Original.
  - b. The Deal Ref field contains the TSR number of **Eligible Service Agreement**<sup>4</sup> for the generating resource that is to be reduced.
  - c. The Customer Code of the TSR identified in the Deal Ref must be equal to the Customer Code entered on the PTP reduction TSR.
  - d. The Service Type of the TSR must be in Yearly Increments.
  - e. The duration must be within the timeframe of the TSR identified in the Deal Ref field and of the NT **Designated Network Resource (DNR)**<sup>5</sup>.
  - f. The **Source**<sup>6</sup>, **Sink**<sup>7</sup>, **POR**<sup>8</sup>, and **Point of Delivery**<sup>9</sup> (**POD**<sup>10</sup>) must be the same as TSR identified in Deal Ref field.
  - g. If the Customer selects other points, the TSR will be deemed INVALID.

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<sup>1</sup>An entity receiving transmission service under Part III of the OATT.

<sup>2</sup>Transmission Service Request

<sup>3</sup>Open Access Same-Time Information System

<sup>4</sup>Long-Term Firm Point to Point (PTP) Transmission Service Agreements with a Service Commencement Date prior to October 1, 2013 and with a Point of Receipt (POR) at a generator are eligible for demand reduction.

<sup>5</sup>A generating resource that is owned, purchased, or leased by an NT Customer to serve Network Load under part III of the OATT.

<sup>6</sup>An OASIS field on a TSR that is the contractual POR.

<sup>7</sup>An OASIS field on a TSR that is the contractual POD.

<sup>8</sup>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.

<sup>9</sup>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.

<sup>10</sup>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.

- h. The Customer may resubmit its TSR and receive a new queue time.
  - i. The MW value must be equal to or less than the PTP TSR being reduced.
  - j. The Profile must be flat.
  - k. The Customer Comment field must:
    - i. Contain a note saying this is part of the PTP Demand Reduction Pilot.
    - ii. Identify the NT Customer and its TSR number that designates the generator as a new Network Resource.
8. A Customer requesting a reduction of a PTP TSR retains rights to its original contract until the demand reduction is CONFIRMED, at which point it relinquishes any right on the Parent TSR for the term and MW amount of the reduced service.
9. A separate TSR must be made for each PTP TSR that is being reduced.
10. A separate TSR must be made for each NT TSR that is affected by a **Qualifying Request**<sup>1</sup>.
11. If BPA Transmission Services determines that a Qualifying Request for demand reduction meets the criteria for an Eligible Service Agreement it will:
  - a. Change the status of the TSR from QUEUED to RECEIVED.
  - b. Send the Customer two unsigned originals of Exhibit A of the contract for reduction to existing transmission service.
12. The Customer must sign and return both originals of Exhibit A to BPA Transmission Services within 15 calendar days of the **Date of Tender**<sup>2</sup> by one of the methods described below:

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US Postal Service to:	Bonneville Power Administration Transmission Marketing and Sales - TSE-TPP-2, P.O. Box 61409, Vancouver, WA 98666-1409
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<sup>1</sup>A qualifying demand reduction request for an Eligible Service Agreement must be equal to or less than the capacity from a POR of a generating resource, including a system resource outside of BPA's Balancing Authority, that a Network Integration (NT) Customer has added to its Service Agreement through a designation of a new Network Resource or that BPA Power Services has added as a new Network Resource to the Network Resources Memorandum of Agreement (MOA).

<sup>2</sup>The day that the Customer receives an offer for transmission service from Transmission Services. If that day is a Saturday, Sunday or Federal Holiday, the Date of Tender is the next Business Day.

Overnight Express to:	Bonneville Power Administration Transmission TSE-TPP-2 7500 NE 41st St, Suite 130 Vancouver, WA 98662-7905 Required phone number: (360) 619-6080
Fax to:	(360) 619-6940
Email to:	<a href="mailto:TxRequests@bpa.gov">TxRequests@bpa.gov</a>

13. If the Customer fails to sign and return the two originals of Exhibit A within the specified timeframe, BPA Transmission Services will change OASIS status of the TSR to DECLINED and the TSR will receive no further consideration.
14. If the Customer returned Exhibit A by fax or email, BPA Transmission Services must receive the original signed hard-copies of the Exhibit within five Business Days after the date of the fax or email.
15. BPA Transmission Services will change the status of the TSR from RECEIVED to ACCEPTED.
16. The Customer must place the TSR in CONFIRMED status within two Business Days of the date BPA Transmission Services' changes the OASIS status of the TSR to ACCEPTED.
17. When the Customer places the TSR in CONFIRMED status, the TSR is binding.
18. If the Customer fails to place the TSR in CONFIRMED status within the specified timeframe, BPA Transmission Services will place the TSR in RETRACTED status and the TSR will receive no further consideration.
19. Once the Customer CONFIRMS the TSR, the demand reduction is for the remaining term of the TSR, and the Customer has no right to recall the demand reduction and has no OATT Section 2.2 Reservation Priority or roll-over rights associated with the released demand.
20. Once the Customer CONFIRMS the TSR, BPA Transmission Services will create a TSR of Type-Recall against the PTP TSR whose demand is being reduced based on the attributes of the reduction request.
21. BPA Transmission Services will sign Exhibit A and send an executed copy to the Customer within five Business Days of the Customer placing the TSR in CONFIRMED status.
22. Once the Customer CONFIRMS the TSR, BPA Transmission Services will create a TSR of Type-Recall against the PTP TSR whose demand is being reduced based on the attributes of the reduction request.
23. If BPA Transmission Services determines that a demand reduction request does not qualify it will change the status of the TSR to DECLINED and the TSR will not receive further consideration under this pilot.
24. A Customer may resubmit a TSR and it will be assigned a new Queue Position.

## B. Additional Information

### Policy Reference

- [OATT](#): Sections 13.4, 30.2

### Related Business Practices

- New Customer Application for Transmission Service

### Version History

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Version 1	October 1, 2008, V1 The intent of this Pilot is to provide Customers holding PTP Transmission Service with a POR at a generator some flexibility when NT Customers want to designate part or all of the generating resource as a new Network Resource. This Business Practice contains the core elements of the PTP Demand Reduction Pilot. Although Transmission Services is still in the process of developing the Pilot, the following core elements will not materially change: 1) The PTP Demand Reduction Pilot will available in the fall of 2008, and will be in effect for 5 years. 2) There is an initial annual limit of 150 MW of aggregated PTP Demand Reduction available for each of Fiscal Years (FY) 2009, 2010, and 2011. The annual limits may be adjusted for FYs 2012 and 2013 but will not exceed BPA's forecast annual Network Load Growth for each those years. 3) Only Long-Term Firm PTP Transmission Service Agreements with a Service Commencement Date that starts on or before the start date for the designation of a Network Resource, but up to September 30, 2013, and that includes a POR at a generator that is designated as a Network Resource are eligible for demand reduction. 4) A Qualifying Request for demand reduction for an Eligible Service Agreement must be for a MW amount equal to or less than the capacity from a generating resource that a NT Customer has added to its Service Agreement through designation of a New Network Resource.
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