

HWM Contract Exhibit A Standards for Resource Declarations

(Guidance Document addressing recognized resource situations;
Subject to revision as needed)

Resource Category 1. PNCA and Non-PNCA Hydro Resources

Affected Resources

- PNCA Hydro Resources
 - PNCA hydro resources above the tailwater of Bonneville Dam (above-Bonneville)
 - Other PNCA resources
- Non-PNCA Dispatchable Hydro Resources

Standard: All PNCA resources above the tailwater of Bonneville Dam must use the critical water year designated by PNCA. Customers may select another single (alternate) water year for PNCA resources below the tailwater of Bonneville Dam or in other basins, and for non-PNCA hydro resources.

- Hydro resources must use the monthly generation shape resulting from PNCA or the shape resulting from flow and storage data for the alternate water year.
 - If a PNCA hydro resource below the tailwater of Bonneville Dam or in another basin has upstream storage that allows PNCA Regulations to shape generation among months, then the customer may re-shape the annual generation from an alternate water year into the monthly shape in the customer's Subscription contract.
- The selected alternate water year must apply to all of a customer's hydro resources other than PNCA above-Bonneville resources (no project-specific water year selection).
- The selected alternate water year may be no later than 1998.
- For PNCA resources, initial population of Exhibit A will use the 2009 PNCA Final Regulation.
- Customers may opt to declare resources more heavily into HLH.
- Customers must justify any proposal to declare resources more heavily into LLH.
- This Standard does not apply to small hydro projects – discussed below.

Resource Category 2. Canadian Entitlement Allocation Extension Agreement (CEAEA)

Affected Resources -- CEAEA Obligations of Wells, Rocky Reach, Rock Island, Wanapum and Priest Rapids hydro projects

Standard: Use the CEAEA schedules that are fixed at the time of contract offer. Fill in Exhibit A for the remaining contract years using the monthly amounts for the last 12 months of fixed values. Contracts will contain language describing the updating of CEAEA data as they become known and fixed.

- Use the known schedules to populate Exhibit A tables through FY 2028.

- CEAEA schedules are fixed through March 2012. Thus use the 12 months, April 2011 through March 2012 to populate the corresponding months from April 2012 through September 2028. (Updated CEAEA schedules are in process and may become available for inclusion in contracts.)

Resource Category 3. Dispatchable Thermal Resources

Standard:

- (This Standard requires further consideration and development.)
- Consider: Monthly amounts from Exhibits C of Subscription contract(s), including treatment of HLH/LLH amounts.
- Consider: Modifications to Exhibits C amounts if information provided by customer warrants such modifications (e.g., change in annual maintenance cycle, etc.).

Resource Category 4. Non-Dispatchable Resources: > 1 MW (New Resources) or >3MW (Existing Resources)

Standards:

- For hydro resources: Customers may declare firm amounts, per options below:
 - A customer-selected generation year, October-September. EXCEPTION: If the customer already is selecting a water year for PNCA hydro resources not above-Bonneville, or for other large hydro, customer will use generation for that water year, if available.
 - Acceptable option: Use amounts from most recent Exhibit C of Subscription contract.
 - Default shape: Declaration of flat amounts within the month, with declarations into HLHs and LLHs based on NERC HLH and LLH definitions.
 - No requirement to declare disproportionate amounts into HLHs.
 - Need to justify declaring disproportionate amounts into LLHs.
- For non-hydro resources: Customers must declare amounts consistent with prudent utility practices. BPA will consider information such as past resource declarations and historical resource performance.
 - For uncontrollable loss of fuel source: Allow reasonable ramp down of firm capability over time. (May require customer to request Administrator recognition of loss of resource.)
 - For wind resource (if not contract resource): Per guidelines above for hydro, selection of lowest generation year, October-September, with historical shape for selected year.
 - Default shape: Declaration of flat amounts within the month, with declarations into HLHs and LLHs based on NERC HLH and LLH definitions.
 - No requirement to declare disproportionate amounts into HLHs.
 - Need to justify declaring disproportionate amounts into LLHs. NOTE that the wind generation history (actual historical generation) may justify such a declaration.

Resource Category 5. Other Small, Non-Dispatchable Resources: <= 1.0 MW (new resources); <=3.0 MW (existing resources):

Standards:

- Much the same as for hydro resources in previous section (>3 MW for existing). Specifically: Customers may declare firm amounts, per options below:
 - Lowest historical generation year, October-September. EXCEPTION: If the resource is a hydro resource and customer already is selecting a utility-specific water year for PNCA not above-Bonneville resources or for other large hydro, customer will use generation for that water year, if available.
 - Acceptable option: Use amounts from most recent Exhibit C of Subscription contract if amounts are shown and if they reflect reasonable resource capability.
 - Default shape: Declaration of flat amounts within the month, with declarations into HLHs and LLHs based on NERC HLH and LLH definitions.
 - No requirement to declare disproportionate amounts into HLHs.
 - Need to justify declaring disproportionate amounts into LLHs.

Resource Category 6. Determination of Resource Amounts for Contract Resources

Standards:

- Customer required to provide copies of agreements to BPA.
- For Load Following, use contract amounts in equal hourly amounts for the year.
- For Block or Slice, contract amounts based on historical shape.

Resource Category 7. Determination of Amounts for Unspecified Resources

NOTE: Unspecified Resource Amounts to be entered into Exhibit A later. Not applicable for 2008 (pre-contract execution).

Resource Category 8. Determination of Resource Amounts for Consumer-Owned Resources and Customer Resources Not Dedicated to Total Retail Load

NOTE: Contract requires only nameplate capability and expected generation data in annual aMW. The amounts will not affect the customer's bill or purchase obligation from BPA.