BONNEVILLE POWER ADMINISTRATION

Point to Point Transmission Service (PTP)

An Overview

Value Proposition

Point-to-Point (PTP) transmission service is available in Firm and Non-Firm priorities as well as durations from one-hour to multiple years, while maintaining the ability for the Customer to redirect or resell. This allows PTP service to maximize the Customer's flexibility while delivering value for both load-service and marketing opportunities.

Overview

Point-To-Point Transmission Service is for the transfer of capacity and energy from Point(s) of Receipt (POR) to Point(s) of Delivery (POD). (i.e.- Point A to Point B) ¹

PTP can be purchased as:

- Long-Term Firm (LTF)
 - o Yearly
- Conditional Firm Service (CFS)
 - Yearly²
- Short-Term Firm (STF) and Non-Firm (NF)
 - o Monthly, Weekly, Daily or Hourly

PTP can be used to serve load or to market power to third parties. It can be resold amongst Transmission Provider Customers, and it can be redirected to alternative points on the transmission system on an asavailable basis. PTP Monthly bills are based on reserved capacity whether the reservations are scheduled or not (This is known as "Take or pay").

Reservations

PTP transmission service is reserved based on a specified MW value using a Transmission Service Request (TSR). Firm PTP service is available in yearly, monthly, weekly, daily, and hourly durations. Non-firm service is available in Monthly, Weekly, Daily and Hourly durations.^{3,4}

Scheduling

PTP Customers may schedule reserved capacity using a confirmed TSR or their service agreement number in accordance with BPA's business practice.⁵
PTP has NERC curtailment priority codes ranging from 7F to 1NS. Specifically, firm PTP has a NERC priority code of 7F for all time horizons (i.e. yearly, monthly weekly, daily and hourly), whereas conditional firm may have a NERC curtailment priority of 6 or 7, depending on the situation, and non-firm PTP have NERC curtailment priority codes of 5 (monthly), 4 (weekly), 3 (daily), 2 (hourly) and 1 (hourly).^{6,7}

A Customer may designate one or more scheduling agents to schedule transmission service on their behalf.8

Curtailment

In the event that a Curtailment is required to maintain reliable operation of BPA's transmission system and the reliability of systems directly or indirectly interconnected with it, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. Curtailments are processed in ascending numerical priority order (0-7), exhausting each level before moving to the next.

STF Preemption and Competition

BPA Transmission Services' Open Access Transmission Tariff (OATT) allows a later-submitted short-term TSR with higher reservation priority (Challenger) to preempt an earlier-submitted request or conditional reservation with lower reservation priority (Defender) when there is not sufficient short-term capacity to grant a full offer. A Defender of a conditional PTP reservation has a Right of First Refusal to retain their reservation if challenged by a PTP request and the Defender agrees to match the duration of that PTP request.



¹BPA OATT§13 (Firm) & 14(Non-Firm)

² Customers can only request to be studied for CFS in a Cluster or Individual Study and requires the ability for BPA to manage the constraints before an offer can be made.

³ Business Practices Requesting Transmission Service, §F Reservation

⁴ Business Practices Requesting Transmission Service, §F Reservation

Timelines

⁵ Business Practices Scheduling Transmission Service

⁶ Business Practices Scheduling Transmission Service, §A.3.c

⁷ BPA OATT §28.4 Secondary Service

⁸ Business Practices Scheduling Agent

⁹ BPA OATT §13.6 & §14.7

Long Term Competition

When a Customer requests to defer 10 taking Transmission Service that has been awarded to them, BPA's OATT allows BPA to seek another Customer willing to take and pay for the service through the competition process.

When a Customer requests to renew Transmission Service that will otherwise expire, BPA's OATT allows BPA to seek another Customer willing to take service for a longer duration through the competition process.

Unlike in the short-term, Preemption¹¹ is not a feature of long-term TSRs.

Redirect

A Transmission Customer may request to modify the POR and/or POD points on a firm or non-firm basis. The request shall be treated as a new request for service in accordance with Section 17¹² of BPA's OATT, except that such Transmission Customer shall not be obligated to pay any additional deposit since the capacity reservation cannot exceed the amount reserved in the existing Service Agreement. When requesting firm service, while a new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement. ¹³

Resale

A Transmission Customer (Reseller) may resell all or a portion of their rights under their service agreement to another eligible transmission customer (Assignee). The cost, amount and duration of the resale transaction must be agreed upon by the Reseller and the Assignee and must be posted on the Open Access Same-Time Information System (OASIS). Resale transactions convey only scheduling rights to the Assignee. The Reseller and Assignee are responsible for billing charges associated with a resale transaction.¹⁴

Transfer of Service

A Customer (Reseller) may transfer all or a portion of their confirmed transmission service reservation to another Customer (Assignee). This attribute of PTP allows Customers to convey all rights and obligations from the Reseller to the Assignee for the service that is transferred.¹⁵

Deferral of Service

A Customer may choose to defer their transmission Service Commencement Date up to, but not to exceed, one (1) year. A Customer may defer this service up to five times for LTF PTP Transmission Service. ¹⁶

Conditional Firm Transmission Service

Conditional Firm is a form of LTF PTP transmission service that allows the Transmission Provider to curtail a reservation at the NERC Curtailment Priority 6 for reliability reasons during defined system conditions or up to a maximum number of hours each year. There are two types of Conditional Firm Service:

- Bridge Service is available to Customers that are supporting the required transmission system expansion for Long-Term Firm service.
 - Conditions of service may not be changed once a Customer accepts Bridge Conditional Firm Service.
- Reassessment Service is available to Customers that choose not to support transmission system expansion required to provide Long-Term Firm service.
 - Conditions of service may be updated every two years based on a reassessment study.
 - A Transmission Provider may change conditions to meet the reliability needs of existing NT service and confirmed Firm Point-to-Point obligations.

Both Bridge and Reassessment Conditional Firm Service can utilize one of two types of conditions:

• **System Conditions** type allows the Transmission Provider to curtail the Customer's transmission

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 $^{^{10}}$ <u>Deferral and Renewal BP</u> Customers are permitted to delay taking service for up to five years.

¹¹ Preemption allows a lower-queued Customer to take service ahead of a higher-queued request without a right of first refusal or competition.

¹² BPA OATT §17

¹³ <u>Business Practices</u> Redirects § C.15c -17c; <u>BPA OATT</u> section §22.2

¹⁴ BPA OATT §23 Schedule 7, § 2; Schedule 8, § 2

¹⁵ Transfer of Service BP; BPA OATT, §23.

¹⁶ Deferral of Transmission Service BP; BPA OATT, §17.7.

- service at the NERC Curtailment Priority 6 at any time that an identified transmission system condition is occurring.
- Number of Hours type allows the Transmission
 Provider to curtail the Customer's transmission
 service at the NERC Curtailment Priority 6 for up to a
 specified number of hours per year to mitigate
 transmission congestion.

Reservation Priority (Renewal)

If a Customer requests, and BPA is able to offer, a transmission contract term of LTF PTP service for at least five years or more with Reservation Priority, the Customer will have a right of first refusal (ROFR). This allows the Customer to renew their existing transmission service and to continue receiving LTF PTP for another five years. ¹⁷ Customers must renew their service at least a year before the end date of the service they wish to renew.

17 BPA OATT §2.2

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