

## **ROLLOVER RIGHTS OF LONG-TERM FIRM TRANSMISSION SERVICE**

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### **1.0 OVERVIEW**

Pursuant to Section 2.2 of BC Hydro's [Open Access Transmission Tariff \(OATT\)](#), Long-Term Firm Point-to-Point (LTFPTP) Transmission Service and Network Integration Transmission Service (NITS) Transmission Customers, with contracts of five years or longer have a right to rollover their Transmission Service for any number of years. Section 4 of BC Hydro's OATT Business Practice on *Submitting a Long-Term Firm Point-to-Point Transmission Service Request* outlines how to submit a rollover request for LTFPTP Transmission Service.

The rollover request is considered as a new Transmission Service Request (TSR) with the exception that (i) a rollover request does not need to be studied in the same manner as a new TSR, and (ii) the Transmission Customer requesting to rollover its existing service request has the Right of First Refusal (ROFR) in the event of a competing request.

The effective date for the purposes of transition to the new rollover rights as contemplated in OATT Section 2.2.1 is October 21, 2009; the effective date of BC Hydro's amended OATT.

These Business Practices provide clarification of the rules, standards and practices used by BC Hydro to implement its OATT. While the terms of BC Hydro's OATT and these Business Practices govern, the Transmission Customers should also refer to the NAESB WEQ Business Standards and WECC Regional Criteria which BC Hydro has followed in most, but not all, respects. BC Hydro also complies with the Mandatory Reliability Standards adopted by the BCUC.

### **2.0 EVALUATION OF INITIAL REQUESTS**

When a Transmission Customer submits a LTFPTP TSR, BC Hydro will evaluate the request for periods beyond the Stop Time of the request to determine if rollover will be available for future periods based on existing long-term firm commitments. If this evaluation determines that there is insufficient capacity to accommodate the request in potential future rollover periods, the Service Agreement will stipulate that the Transmission Customer will not be permitted to rollover its service beyond the period where insufficient capacity exists. If this evaluation determines that BC Hydro is uncertain whether there is sufficient capacity for rollover, the rollover rights and conditions will be determined in accordance with provisions stipulated in

Section 9, “Other Provisions”, of “Specifications For Long-Term Firm Point-To-Point Transmission Service” in the Transmission Customer’s Service Agreement.

### **3.0 ROLLOVER REQUEST AND TIMELINE**

The Transmission Customer must submit a rollover request with request type of RENEWAL on OASIS pursuant to Section 17.1 or Section 29.2 of the OATT, as applicable to LTFPTP or NITS Transmission Customers, respectively.

The rollover request must be received by BC Hydro no less than one (1) Calendar Year (or as defined in Section 2.2.1) prior to the date on which the reservation expires, rolls over, or is renewed. The rollover request can be for capacity up to the amount specified available for rollover on the Transmission Customer’s Service Agreement.

### **4.0 COMPETING REQUEST**

A new LTFPTP TSR submitted to BC Hydro is considered a competing request for the same capacity with the rollover request of either a LTFPTP Transmission Customer or a NITS Transmission Customer if:

- (a) the new TSR has the same Start Time as the rollover request and extends beyond the Stop Time of the rollover request;
- (b) the new TSR is submitted prior to the rollover request; and
- (c) there is insufficient ATC to accommodate both the new TSR and the rollover request.

A new TSR is not a competing request if it is determined by BC Hydro that the new TSR cannot be granted due to constraint(s) not applicable to the rollover request.

### **5.0 COMPETING PROCESS**

- (a) Upon deeming an application for a rollover request complete, BC Hydro shall immediately notify the rollover request customer, by e-mail, that the rollover request is accepted on the condition that the rollover request customer may be required to match on term to a competing request.
- (b) BC Hydro will identify all competing requests as described in Section 4 of this business practice and establish their competing priority. The Competing Priority determines the sequence of competing requests, whose terms the rollover request has to match and is established according to their service queue priority.
- (c) BC Hydro will post rollover requests and competing requests with their Competing Priority on its website.

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- (d) BC Hydro shall start the Competing Process as soon as practicable. BC Hydro shall notify the rollover request customer(s) and competing request customer(s) the date when the Competing Process begins.
- (e) BC Hydro will determine the competing request that will engage in the competing process by processing the competing requests, one at a time, starting with the highest Competing Priority on OASIS as follows:
- (1) BC Hydro shall notify the competing request with the highest Competing Priority via e-mail of an offer or counteroffer, as applicable, for requested service:
    - (i) The lesser of or equal to the MW amount held by the rollover request or the competing request; and
    - (ii) If the rollover request customer does not exercise its ROFR.
  - (2) The competing request customer shall confirm its acceptance of the offer or counteroffer within 15 Calendar Days<sup>1</sup> via e-mail. If the competing request customer does not confirm the offer or counteroffer within the specified time period, BC Hydro shall consider that the competing request customer has refused the offer or counteroffer and remove its request from the Competing Process; however, the competing request will remain in the transmission queue. BC Hydro shall then make an offer or counteroffer to the competing request customer with the highest Competing Priority amongst the requests remaining in the Competing Process in accordance to Section 5(e) of this business practice.
  - (3) Once the offer or counteroffer is accepted by the competing request customer, BC Hydro shall within one (1) Business Day notify the rollover request customer of a required match to the competing request via e-mail. The rollover request customer may:
    - (i) submit on OASIS a matching request with request type of ORIGINAL that has the same attributes of its rollover request, except with a term matching that of the competing request and PRECONFIRMED Yes.
    - (ii) indicate in the Customer Comment field of the matching request: “Matching request to rollover request TSR No. (OASIS AREF No.)”
    - (iii) submit the matching request within three (3) Business Days<sup>2</sup> after the day notification is made.
  - (4) If the rollover request customer:
    - (i) submits a matching request as stated in 5(e)(3) above, within the specified time period, the matching request in the type of ORIGINAL will be granted. The rollover request customer will be required to execute a Service Agreement for the matching request.

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<sup>1</sup> Table 4-2 of NAESB WEQ-001-4.13 Business Practice Standards for OASIS transactions adopted in FERC Order No. 638 and remains the same in FERC Order No. 676.

<sup>2</sup> Midwest Independent Transmission System Operator, Inc., November, 2004, 109 FERC 61,129, Order Accepting Compliance Filing and Accepting Proposed Tariff Revisions, As Modified.

- (ii) does not submit a matching request as stated in 5(e)(3) above, within the specified time period, BC Hydro will grant the capacity held for the rollover request customer to the competing request. The competing request customer will be required to execute a Service Agreement for the term and capacity granted and a study agreement, if applicable, when a Partial Service was granted.
  - If the Competing Customer Executes the Service Agreement, then the Rollover Customer is counter-offered the remaining Capacity based on the term of the rollover request if applicable.
  - If the Competing Customer does not execute the Service agreement, then the Rollover Customer is offered a Service Agreement for the full rollover request.
- (f) If there is more than one rollover request, BC Hydro shall subject the rollover requests to competition based on the time the requests are submitted *i.e.*, the rollover request submitted last in time is the first to be asked to match a competing request in the highest queue priority.
- (g) A LTFPTP customer with redirected service on a Firm or Non-Firm basis can only request to rollover the Firm service as specified in its Service Agreement. Refer to BC Hydro's Business Practice on *Redirect of a Transmission Reservation* for more information.

## 6.0 EXAMPLES

For the following examples, it was assumed that any competing request can be accommodated up to 100 MW held by the rollover request without constraints, and the competing request Customer has accepted the offer or counteroffer.

### **Example 1**

#### **Conditions**

- (a) Rollover request, A, requested to rollover a 100 MW service for 5 years, from January 1, 2007 to December 31, 2011.
- (b) There was no restriction to A's rollover right.
- (c) Competing request, B, submitted earlier than A, requested a 100 MW service for six (6) years, from January 1, 2007 to December 31, 2012.
- (d) Competing request, C, submitted earlier than A but later than B, requested a 100 MW service for ten (10) years, from January 1, 2007 to December 31, 2016.

#### **Process**

- (i) A was asked to match the term of B.
- (ii) A matched the term of B.
- (iii) A was granted to rollover its service of 100 MW for six years with rollover right.
- (iv) No change to B; B Remains in same queue position.
- (v) No change to C; C Remains in same queue position.
- (v) The Competing Process was concluded.

**Example 2****Conditions**

- (a) Rollover request, A, requested to rollover a 50 MW service for 5 years, from January 1, 2007 to December 31, 2011. Initial service was for 100 MW.
- (b) There was no restriction to A's rollover right; A had a right to rollover up to 100 MW.
- (c) Competing request, B, submitted earlier than A, requested a 100 MW service for six (6) years, from January 1, 2007 to December 31, 2012.
- (d) Competing request, C, submitted earlier than A but later than B, requested a 100 MW service for ten (10) years, from January 1, 2007 to December 31, 2016.

**Process**

- (i) A was asked to match the term of B.
- (ii) A matched the term of B (six years).
- (iii) A was granted to rollover its service of 50 MW for six years with rollover right.
- (iv) No change to B; B Remains in same queue position.
- (v) No change to C; C Remains in same queue position.
- (vi) The Competing Process was concluded.

Note: If A did not exercise its rollover right for the remaining 50 MW capacity within the rollover deadline, the capacity would have been released and offered to the request at the top of the queue based on queue time.

**Example 3****Conditions**

- (a) Rollover request, A, requested to rollover a 100 MW service for 5 years, from January 1, 2007 to December 31, 2011.
- (b) There was no restriction to A's rollover right.
- (c) Competing request, B, submitted earlier than A, requested a 50 MW service for ten (10) years, from January 1, 2007 to December 31, 2016.
- (d) Competing request, C, submitted earlier than A but later than B, requested a 50 MW service for six (6) years, from January 1, 2007 to December 31, 2012.

**Process**

- (i) A was asked to match the term of B.
- (ii) A refused to match the term of B (10 years).
- (iii) B was granted service of 50 MW for ten years with rollover right.
- (iv) A was granted the remaining rollover capacity based on term of the renewal request (50 MW for 5 years).
- (v) No change to C; C Remains in queue.
- (vi) The Competing Process was concluded.

**Example 4**
**Conditions**

- (a) Rollover request, A, requested to rollover a 100 MW service for 5 years, from January 1, 2007 to December 31, 2011.
- (b) There was no restriction to A's rollover right.
- (c) Competing request, B, submitted earlier than A, requested a 25 MW service for ten (10) years, from January 1, 2007 to December 31, 2016.
- (d) Competing request, C, submitted earlier than A but later than B, requested a 50 MW service for six (6) years, from January 1, 2007 to December 31, 2012.

**Process**

- (i) A was asked to match the term of B (10 years).
- (ii) A refused to match the term of B.
- (iii) B was granted service of 25 MW for ten years with rollover right.
- (iv) A was granted the remaining rollover capacity based on term of the renewal request (75 MW for 5 years).
- (v) No change to C; C Remains in queue.
- (vi) The competing process was concluded.

**Example 5**
**Conditions**

- (a) Rollover request, A, requested to rollover a 100 MW service for 5 years, from January 1, 2007 to December 31, 2011.
- (b) There was no restriction to A's rollover right.
- (c) Competing request, B, submitted earlier than A, and requested a 1000 MW service for ten (10) years, from January 1, 2007 to December 31, 2016.

**Process**

- (i) A was asked to match the term of B (10 years).
- (ii) A refused to match the term of B.
- (iii) B was granted a Partial Service of 100 MW for ten years with rollover rights pending the result of its System Impact Study for full service.
- (iv) A was not granted any capacity for rollover.
- (v) The competing process was concluded.

**Document Change History**

Issue	Reason for Issue	Date
7	Clarified language	February 15, 2023
6	Updated language to be consistent with BCUC order G-304-22	February 6, 2023
5	Updated language	October 12, 2022
4	Updated and revised language for clarity and transparency	April 4, 2019
3	Updated and revised language for clarity	July 6, 2016
2	Updated hyperlink to OATT under bchydro.com	July 23, 2015
1	Updated procedures. Previously Business Practice 16.	November 1, 2010

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