

## **XY.0    CONDITIONAL FIRM SERVICE (“CFS”)**

### **XY.1    Reference**

British Columbia Transmission Corporation (“BCTC”) Open Access Transmission Tariff (OATT) Section 15.4(c)

### **XY.2    Definitions**

- XY.2.1    Conditional Firm Service (“CFS”) is a form of Long Term Firm Point-To-Point (“LTFPTP”) service that BCTC offers when there is insufficient long-term firm available transfer capability (“ATC”) to meet the full request. CFS can be curtailed at the secondary network service priority in either a defined number of hours in a year or during predefined system conditions. CFS does not preclude the BCTC’s obligation to offer other forms of partial interim service (i.e., partial MW offers, partial duration offers, or a combination of the two). BCTC is obligated to make a partial offer of firm service if possible. The remainder can then be studied to determine whether a CFS offer is possible if the customer desires a System Impact Study (“SIS”).
- XY.2.2    “Customer” mean the customers requesting LTFPTP service.
- XY.2.3    “Number of Hours Option” is a CFS option by which BCTC may curtail CFS for a specified number of hours during the contract year or defined period to relieve actual or anticipated reliability problems on the transmission system. BCTC may add a risk factor to the calculation of annual curtailment hours to account for forecasting risk.
- XY.2.4    “System Conditions Option” is a CFS option by which BCTC may curtail CFS if specified conditions of the transmission system are occurring or are anticipated to occur.

### **XY.3    Availability of CFS**

BCTC shall offer Customer with CFS at completion of a SIS if:

- (a)    the Customer has requested BCTC to include the study of CFS options in the SIS as an alternative to network upgrades in its Application for service, and
- (b)    by offering CFS, the reliability of the transmission system would not be negatively impacted.

**XY.4 Requesting CFS Studies**

- XY.4.1 In the Application for LTFPTP service, the Customer needs to specify whether the Customer wants BCTC to study for curtailment options for CFS if full service is not available in its OASIS request.
- XY.4.2 If the Customer has requested BCTC to study curtailment options, the SIS will include descriptions of
- Number of Hours Option, and/or
  - System Conditions Option
- in addition to
- Transmission additions or upgrades required to provide the requested LTFPTP service.
  - Specific system constraints that caused the TP to be unable to provide long term firm transmission service.
- XY.4.3 The Customer is responsible for additional study costs, if any.
- XY.4.4 BCTC will conduct the SIS in accordance with section 19.3 of BCTC's Open Access Transmission Tariff ("OATT").
- XY.4.5 BCTC will document its methodology for determining ATC for CFS as part of Attachment C of the OATT

**XY.5 Service Agreement for CFS**

- XY.5.1 At the completion of the SIS and if CFS is available, BCTC will tender a Service Agreement for CFS to Customers requesting LTFPTP service in accordance with BCTC Business Practice section XX.5. The Service Agreement for CFS will include descriptions of the Number of Hours Option and/or System Condition Option.
- XY.5.2 The Customer shall execute a Service Agreement for CFS within 15 Calendar Days from the date it is tendered by BCTC.
- XY.5.3 In executing the Service Agreement for CFS, the Customer is required to select either the Number of Hours Option or the System Conditions Option for conditional curtailment, but not both.
- XY.5.4 If the Customer has executed a Facilities Study Agreement with the Service Agreement for CFS, BCTC will offer the Customer taking CFS a Service

Agreement for the full service requested at the completion of the Facilities Study. The Customer is required to execute the Service Agreement in accordance with section 19 of the OATT.

- (a) IF the Customer commits to Network Upgrades required, by executing the Service Agreement for the full service requested, BCTC shall provide CFS to the Customer as a bridge service (please see section XY.7 of this Business Practice)
- (b) If the Customer does not execute the Service Agreement for the full service requested, BCTC shall continue to provide the Customer with CFS in accordance with section 15.4(c) of BCTC's OATT and this Business Practice.

## **XY.6 Curtailment Characteristics**

XY.6.1 If the Customer chooses the System Conditions Option for its CFS,

- (a) BCTC may only curtail CFS when the specified system conditions cited in the Service Agreement are occurring or are anticipated to occur.
- (b) BCTC will track conditional curtailments based on each of the anticipated or realized system conditions, and provide documentation to the Customer upon request.

XY.6.2 If the Customer chooses the Number of Hours Option for its CFS,

- (a) BCTC may curtail CFS any time that curtailment of the service would help to relieve a reliability event that is occurring, or is anticipated to occur, and not just when system events are occurring that made it necessary for the reservation to be CFS. The following rules apply to this option:
  - A full or partial curtailment lasting for one hour, or a full or partial curtailment lasting less than one hour, constitutes one hour of curtailment.
  - CFS will have the same curtailment priority as other firm services when all the number of hours for curtailment specified in the service agreement has been utilized.
- (b) BCTC will track the number of hours curtailed and the number of hours for curtailment remaining for the year or other period defined in the service agreement and provide documentation to the Customer upon request.

**XY.7 CFS for Customers Committing to Network Upgrades**

If the CFS Customer commits to the Network Upgrades by executing a Service Agreement as described in section XY.5.4 of this Business practice, BCTC shall provide the Customer with a CFS without change to the selected System Condition Option or Number of Hours Options for the period when the Service Agreement for CFS is executed and when the relevant Network Upgrades become operational giving the Customer the full LTFPTP service.

**XY.8 CFS for Customers Not Committing to Network Upgrades**

XY.8.1 For CFS Customers not willing to commit to Network Upgrades for its LTFPTP service request by not executing a Facility Study Agreement or Service Agreement, BCTC shall continue to provide the Customer with CFS conditioned on reassessing the conditions for curtailment of service biennially. BCTC shall determine whether the curtailment conditions specified in the System Condition Option or Number of Hours Options in the Service Agreement for CFS need to be modified for purposes of maintaining reliability.

XY.8.2 BCTC will provide the Customer a reassessment of curtailment conditions no less than ninety (90) Calendar Days prior to the imposition of these new curtailment conditions.

XY.8.3 Response to reassessment results

- (a) If the curtailment conditions become more onerous to the Customer, the Customer may choose to either continue with the service under the new conditions or to discontinue the service.
  - (i) If the Customer decides to continue service, the Service Agreement for CFS will be amended accordingly.
  - (ii) If the Customer decides to discontinue service, the Customer is required to inform BCTC in writing that it chooses to discontinue the service on the date on which the curtailment conditions associated with the CFS change. Written notice of the choice to discontinue the service must be received by BCTC, at least thirty (30) Calendar Days in advance of the date upon which the curtailment conditions would change.
- (b) If curtailment conditions become less onerous to the Customer, or unchanged, both parties will remain contractually bound to continue the service until the next reassessment or until the service agreement terminates, whichever comes first.

#### XY.8.4 Rollover of CFS

CFS with a contract term of 5 years or longer have rollover rights under the same conditions in which rollover rights are available for a LTFPTP service (please see BCTC Business Practice Section xx) with the following additional conditions:

- (a) For CFS with rollover rights that coincide with BCTC's biennial assessment of the CFS, BCTC shall provide the CFS Customer with information on reassessed curtailment conditions at least 30 Calendar Days prior to the relevant rollover deadline. In addition, BCTC shall have the right to reassessment the curtailment conditions for service at the end of the first year of service that has been rolled over.

For example, a customer taking CFS with a 5-year term must declare its intent to rollover service in the 4<sup>th</sup> year of service, coincident with the 2<sup>nd</sup> biennial review.

- (b) For CFS with rollover rights that do not coincide with BCTC's biennial assessment of the CFS, BCTC shall have the right to reassessment curtailment conditions prior to rollover. BCTC shall provide the CFS Customer with information on reassessed curtailment conditions applicable when the CFS is rolled-over, at least 30 Calendar Days prior to the relevant rollover deadline.

For example, a customer taking CFS with a 6-year term must declare its intent to rollover service in the 5<sup>th</sup> year of service, not coincident with the 3<sup>rd</sup> biennial review.

### XY.9 Other Terms and Conditions

XY.9.1 During the term of CFS, in the periods where Short-term firm ATC is available, the Short-term firm ATC will be awarded to CFS in accordance to the Start Date of the service prior to being offered to the market (i.e. according to the first-come-first-serve principle). During such periods, CFS with Short-term firm ATC awarded can only be curtailed at the priority of firm services.

XY.9.2 CFS can be used to support imports from Designated Network Resources in other Balancing Authorities.

XY.9.4 CFS reservations have the same redirect and resale rights as LTFPTP service.

### XY.10 Pricing

CFS will be charged the LTFPTP rate regardless of any curtailments.