

## SHAPED SERVICE

### *In this Section*

[Overview](#)

[Availability of Shaped Service](#)

[Description of Shaped Service](#)

[Offering of Service](#)

[Rollover Services, Competing Requests and ATC](#)

### 1.0 OVERVIEW

Pursuant to Section 15.4(c) BC Hydro's [Open Access Transmission Tariff](#) (OATT), Shaped Service is a form of Long-Term Firm Point-to-Point (LTFPTP) transmission service that BC Hydro offers when there is insufficient long-term firm Available Transfer Capability (ATC) to meet the Transmission Customer's full request for LTFPTP transmission service. Refer to BC Hydro's OATT Business Practice on *Submitting a Long Term Firm Transmission Service Request* for information on submitting a LTFPTP transmission request.

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, 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 AVAILABILITY OF SHAPED SERVICE

In response to a Completed Application (per Section 17.2 of BC Hydro's OATT) for LTFPTP Transmission Service, BC Hydro will make a determination of ATC. If BC Hydro determines that there is insufficient ATC to meet the Transmission Customer's LTFPTP Transmission Service Request (TSR) in full, BC Hydro will tender to the Transmission Customer a System Impact Study or Facilities Study Agreement with a Service Agreement for partial capacity and/or partial term, or Shaped Service as applicable.

Refer to BC Hydro's OATT Business Practice on *Processing of Long Term Firm Transmission Requests* for information on BC Hydro's evaluation of submitted LTFPTP TSRs.

### 3.0 DESCRIPTION OF SHAPED SERVICE

BC Hydro shall offer Shaped Service as Partial Interim Service when there is insufficient ATC to meet a customer's LTFPTP service request.

An offer of Shaped Service may only be made in annual increments of service (e.g. one, two or three years of service), the minimum term of which must contain at least twelve months of Reserved Capacity in an amount greater than zero megawatts.

Where an offer of Shaped Service is made in response to a LTFFTP service request that is not an annual increment, BC Hydro will round up the LTFFTP service request to the next annual increment. For example, if a request is made for 18 months of LTFFTP service, BC Hydro will offer 24 months of Shaped Service if those 24 months contain at least twelve months of Reserved Capacity in an amount greater than zero. If the 24 months do not contain at least twelve months of Reserved Capacity in an amount greater than zero, then BC Hydro will offer 36 months or as many years as necessary (provided that the ATC is available) so that the Shaped Service offered will contain at least twelve months of Reserved Capacity in an amount greater than zero.

If additional ATC becomes available during the term of a Shaped Service contract, the Shaped Service contract holder will not be required to amend its contract during the contract term to take up the available ATC.

#### **4.0 OFFERING OF SERVICE**

1. If Shaped Service is available, BC Hydro will tender to the customer:
  - (a) A Service Agreement for Shaped Service; and
  - (b) A SIS Agreement.

The customer may execute the Service Agreement or both the Service Agreement and the SIS Agreement. If the customer does not execute either the Service Agreement or both the Service Agreement and the SIS Agreement, then the customer's Application is considered withdrawn<sup>1</sup>.

2. If the customer executes a Service Agreement but not the SIS Agreement, BC Hydro will provide the customer Shaped Service and remove the customer's request from the priority queue.
3. If the customer executes both agreements, BC Hydro will provide the customer with Shaped Service and proceed with the study process pursuant to Section 19 of the Tariff. Upon completion of the study process, the customer has a choice of continuing with its Shaped Service or amending its Service Agreement for full LTFFTP service.

#### ***Examples***

1. If BC Hydro were to receive a two-year LTFFTP service request for 100 MW commencing in January 2010 and BC Hydro determines that there is sufficient ATC to meet the request except that there is zero ATC in the month of January, then BC

---

<sup>1</sup> Please see Bonneville Power Administration, 110 FERC ¶ 61, 094, Order Granting Clarification and Denying Rehearing, February 8, 2005, ¶ 30

Hydro would offer a two-year service agreement for Shaped Service that would consist of 100 MW in the months of February to December and zero MW in January.

2. If BC Hydro were to receive a one-year LTFPTP service request of 100 MW commencing January 2010 and BC Hydro determined that there was sufficient ATC except that there was zero ATC in the months of January, February and December, then BC Hydro would offer a two-year Shaped Service agreement that would consist of 100 MW in the months of March to November and zero MW in January, February and December.
3. If BC Hydro were to receive an 18-month LTFPTP service request of 100 MW commencing January 2010 and BC HYDRO determined that there was sufficient ATC except that there was zero ATC in the month of July, then BC Hydro would offer a two-year Shaped Service agreement that would consist of zero MW in July and 100 MW in the remaining months.

## **5.0 ROLLOVER SERVICES, COMPETING REQUESTS AND ATC**

In addition to Rollover Rights of Long Term Firm Transmission Service Business Practice, the following principles for the rollover of Shaped Service apply:

1. Consistent with Section 2.2 of the OATT, Shaped Service customers have the right to rollover their Shaped Service unless the Shaped Service contract specifies that it does not include rollover rights. Shaped Service customers' rollover rights are subject to the matching requirements specified in Sections 2.2 and 19.7 of the Tariff as explained below.
2. In the case where no additional ATC has become available and there are no competing requests for service, a Shaped Service Customer wishing to continue to take service must request to rollover its Shaped Service contract at least 1 year prior to the expiration of the term of the Shaped Service contract.
3. In the case where additional ATC has become available and there are no competing requests, if the Shaped Service contract holder requests to rollover its transmission service, BC Hydro will counteroffer the shape of service that is then available or, if available, the entire block of service originally requested by the customer. If the customer does not accept the counteroffer, its request to rollover its service will be denied.
4. In the case where there is a competing request for service but no additional ATC has become available, then BC Hydro will offer the Shaped Service in response to the competing request only if the competing request is for a longer term than the existing Shaped Service contract. If the offer is accepted, then the Shaped Service contract holder will be notified of the competing request. The Shaped Service contract holder will have 3 days from the date of notification to exercise its Right of First Refusal to match the term of the competing request pursuant to Section 2.2 of the OATT. If the Shaped Service contract holder does not exercise its right of first

refusal, then the competing request will be granted and the request by the Shaped Service contract holder to rollover its contract will be denied.

5. In the case where additional ATC has become available and there is a competing request for service, then the Shaped Service contract holder wishing to rollover its service will be required to match the term of the competing request and must also agree to accept a quantity of LTFFTP Service for each month of that term at least equal to the lesser of: (i) the maximum amount of LTFFTP Service that is available in the same quantity for each month of the term; and (ii) the quantity of LTFFTP Service of the competing request.
  
6. If there is a LTFFTP service request that competes with the rollover of two LTFFTP or Shaped Service contracts such that only two of the three customers can be served with existing ATC, then the customer that submits its rollover request last in time will be required to match the competing request. If the competing request is such that only one of the three customers can be served with existing ATC, then the customer that submits its rollover request first in time will have the option to match the competing request or have its request denied. If the first in time customer chooses not to match, then the second in time customer will have the option to match or have its request denied. If both rollover customers refuse to match the competing request, the competing request will be granted.

**Document Change History**

Issue	Reason for Issue	Date
1	OATT Amendment Implementation.	November 18, 2010

[Back to Top of Section](#)