PROCESSING OF LONG-TERM FIRM POINT-TO-POINT TRANSMISSION SERVICE REQUESTS

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1.0 Overview

BC Hydro's <u>Open Access Transmission Tariff</u> (OATT) requires that all Transmission Service Requests (TSRs) be made on BC Hydro's OASIS (Open Access Same-Time Information System). For information on how to submit a Long-Term Firm Point-to-Point (LTFPTP) TSR, refer to BC Hydro's OATT Business Practices on *Submitting a Long-Term Firm Point-to-Point Transmission Service Request*. If OASIS is not functioning, BC Hydro will post a bulletin to advise of the OASIS outage.

Except for rollover requests, LTFPTP TSRs are received and processed according to the path and on a first-come first-served basis. (Refer to BC Hydro's OATT Business Practice on *Rollover Rights of Long-Term Firm Service* for more information.)

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 LTFPTP TSR VALIDATION

BC Hydro will validate the LTFPTP TSR pursuant to Section 17.2 of BC Hydro's OATT. If the TSR is deficient, BC Hydro will notify the Transmission Customer within fifteen (15) Calendar Days of receipt of the TSR pursuant to Section 17.4 of BC Hydro's OATT. The Transmission Customer has fifteen (15) Calendar Days from date of notification to remedy the deficiencies; otherwise, BC Hydro will set the TSR to DECLINED in OASIS.

3.0 RESPONSE TO A COMPLETED APPLICATION

BC Hydro will respond to a Completed Application for LTFPTP transmission service pursuant to Section 17.5 of the BC Hydro's OATT.

3.1 <u>Processing TSRs</u>

If LTFPTP TSRs are processed after their Start Time, BC Hydro's approach will remain consistent with its tariff and business practices whereby rollover rights, if applicable, will only be offered if the Term of the Transaction as stated in OATT Attachment B, Specifications for Long-Term Firm Point-To-Point Transmission Service, is five years or longer in duration between the start of service and the Stop Time offered by BC Hydro. This may be different than the interval between the Start Time and the Stop Time of the associated TSR.

3.2 Determination of Available Transfer Capability (ATC)

BC Hydro will conduct system studies as required to determine ATC for LTFPTP TSRs. BC Hydro will utilize available information to determine if a study is required to respond to a LTFPTP TSR.

3.32 ATC to Meet the Completed Application

If BC Hydro determines that it has ATC to satisfy the full capacity requested on the Completed Application, BC Hydro will tender to the Transmission Customer a Service Agreement pursuant to Section 17.6 of the OATT.

The Transmission Customer must execute the Service Agreement within fifteen (15) Calendar Days from the date on which the agreement is tendered by BC Hydro; otherwise the LTFPTP TSR will be declined.

Upon receipt of the executed Service Agreement, BC Hydro will set the LTFPTP TSR to ACCEPTED as soon as practicable, and request the Transmission Customer to confirm it on OASIS.

3.43 Partial ATC to Meet the Completed Application

If BC Hydro determines that it does not have adequate ATC to satisfy the full capacity requested on the Completed Application, BC Hydro will tender to the Transmission Customer a Service Agreement for Partial Service or Conditional Firm Service. A System Impact Study Agreement will also be tendered pursuant to Section 19 of the OATT, if applicable.

Refer to BC Hydro's Business Practices on *Long-Term Firm Point-to-Point Partial Service* and/or *Conditional Firm Service*.

3.54 No ATC to Meet the Completed Application

If BC Hydro determines that it does not have any ATC to meet the request of the Completed Application, BC Hydro will tender to the Transmission Customer a study agreement pursuant to Section 19 of the OATT. The Transmission Customer will submit a deposit if applicable, execute the study agreement and return it to BC Hydro within



the timelines specified in Section 19.1 of the OATT; otherwise, the LTFPTP TSR will be declined. Upon receipt of the executed study agreement and the deposit, if applicable, BC Hydro will set the LTFPTP TSR to STUDY status.

3.65 Allocation of Long-Term Firm ATC

If long-term firm ATC becomes available from constructing Network Upgrades in response to a LTFPTP TSR with the Transmission Customer subsequently executing a Service Agreement, the ATC associated with those Network Upgrades will be awarded to that Transmission Customer first. Remaining ATC, if any, will be awarded in order, to CFS Transmission Reservations, other Long-Term Transmission Reservations with conditions , and TSRs based on queue priority.

If long-term firm ATC becomes available from the existing system without Network Upgrades, this ATC will be awarded, in order, to confirmed CFS Transmission Reservations, other Long-Term Transmission Reservations with conditions, and TSRs based on queue priority.

4.0 DECLINING LTFPTP TSRs WITH A TERM OF LESS THAN 12 MONTHS

If the study process as described in Section 19 of the OATT is not complete by the Start Time of the LTFPTP TSR and there is less than 12 months remaining in the term of the TSR, BC Hydro will decline the Completed Application¹.

If there is less than 12 months remaining in the term of a TSR that is in the queue, BC Hydro will decline the Completed Application.

5.0 SYSTEM IMPACT STUDY (SIS)

Upon receipt of an executed System Impact Study Agreement, BC Hydro will perform the System Impact Study (SIS) pursuant to Section 19.3 of the OATT.

6.0 FACILITIES STUDY (FS)

Pursuant to Section 19.4 of the OATT, if the SIS indicates that additions or upgrades to the Transmission System are needed to meet the Transmission Customer's LTFPTP TSR, BC Hydro will, within thirty (30) Calendar Days of the completion of the SIS, tender to the Transmission Customer a Facilities Study (FS) Agreement. The Transmission Customer must execute and return the FS Agreement, and provide deposit, if applicable, to BC Hydro within fifteen (15) Calendar Days of the date on which the study agreement was tendered by BC Hydro; otherwise, the application shall be deemed withdrawn and the LTFPTP TSR will be DECLINED.

BC Hydro will perform the FS pursuant to Section 19.4 of the OATT.

¹ Morgan Stanley Capital Group vs Illinois Power Company, 93 FERC 61,081 (2000), Order Granting Rehearing In Part and Clarifying Prior Order, October 26, 2000.



7.0 EXTENSION OF COMMENCEMENT OF SERVICE

7.1 <u>Annual Reservation Fee</u>

As noted in Section 5.2 of BC Hydro's OATT Business Practice on *Submitting a Long-Term Firm Point-to-Point Transmission Service Request,* the Transmission Customer must pay a non-refundable annual reservation fee equal to one month's charge for LTFPTP transmission service for each year within 15 calendar days of notifying the Transmission Provider that it intends to extend the commencement of service.

If the Transmission Customer fails to pay the annual reservation fee within 15 calendar days of notifying the Transmission Provider it intends to extend the commencement of service, the Transmission Customer will lose its option to extend the Service Commencement Date and will remain obligated to take service under the original terms and conditions of the underlying Transmission Service.

7.2 <u>Extensions Subject to Availability</u>

BC Hydro will grant the Transmission Customer an extension subject to availability. Additional study procedures set forth in Section 19 of the OATT may apply.

7.3 Competing Requests for Reserved Capacity

If the highest priority request in the queue on the same path or sharing common path(s) (i.e. wheelthrough service) has an earlier Service Commencement Date than the extended Service Commencement Date and BC Hydro could not satisfy that highest priority request without releasing all or part of the Transmission Customer's Reserved Capacity;

OR

If during the extension for commencement of service, another Transmission Customer submits a Completed Application, and there were no other requests in queue, and BC Hydro could not satisfy the new Customer's request without releasing all or part of the Transmission Customer's Reserved Capacity;

<u>THEN</u>

The Reserved Capacity will be released unless within 30 Calendar Days of notification from BC Hydro of a competing request, the Transmission Customer agrees to match the competing request's service commencement date and to pay the rate per OATT Rate Schedule 01 for its Reserved Capacity starting with the new service Commencement Date of the new competing request.



Document Change History

Issue	Reason for Issue	Date
<u>7</u>	Clarified queue processing	<u>XX, 2023</u>
6	Updated Language	October 12, 2022
5	Clarified language and removed Partial Service to its own Business Practice	March 13, 2019
4	Updated and removed language for clarity	April 12, 2016
3	Updated hyperlink to OATT under bchydro.com	July 23, 2015
2	Updated procedures and removed Shaped Service. Previously Business Practices 15.	November 18, 2010
1	Updated procedures corresponding to the implementation of Conditional Firm Service	March 10, 2010