

Consolidation (API 5.d R09015)

Business Practice Standards Draft

WEQ OS

Marie Pompel – June 2015



Timeline

- API 5.d – discussed at May OS face to face
 - Assignment given at meeting
 - Assignment specifics:
 - Draft WEQ 003 standards consistent with principles discussed at face to face.
 - Present draft language at June Face to Face.
 - Subcommittee will review, vote and decide additional standards needing to be drafted.

Background

- API 5.d R09015 submitted by Bob Harshbarger (Puget Sound Energy)
 - Transmission Customers may from time-to-time may have a portfolio of transmission service reservations from a single provider on a single path. For ease of tracking and efficiency, the customers desire to combine or merge like reservations (i.e., firm, non-firm, etc) into a single reservation. Under existing OASIS business practices and protocols, customers must use the Resale mechanisms to merge two or more like reservation under a single assignment reference number. In other words, customers sell their reservations back to themselves.
 - While use of the resale mechanism gives the customer a single reservation to manage, it is not desirable because: 1) the use of Resale to merge reservations presents a false picture of what is really happening, and 2) Transmission Providers must report all resales to FERC and establish transmission reassignments agreements with the assignee.
 - This request is for a new OASIS mechanism (a combination of business practices and protocols) that allows for the merger of like reservations without the use of the resale mechanism and resulting the additional contracting and administrative requirements (for additional details refer to FERC Order 890).

Subcommittee principles for Consolidation

- The following principles were agreed upon at the May OS Face to Face in Vancouver BC.
 - The Consolidation should be allowed the flexibility of an Original reservations
 - Consolidations shall be for Unconditional FIRM PTP Reservations
 - Rollover Rights will remain with the Parent reservation
 - CCO's will not be permitted to Consolidate
 - Consolidation will be allowed to Redirect
 - Consolidated Reservation shall “stand on it's own” and will be decoupled from the Parent Reservations
 - Resale Definition will need to be updated so that a Resale is only applicable to a third party
 - This new functionality will be included in the Preemption and Competition work being done.

Draft Language

- Drafted new BPS language consistent with Subcommittee principles
- Vetted drafted language with Bob H, Alan Pritchard and JT Woods
- Updated draft language
- Will present draft language at June OS Face to Face