

Short-term Preemption and Competition Automation

NAESB OS Customer Workshop
September 11, 2013



Purpose of Ongoing BPA Customer Workshops

1. Focus is changing from PCM to NAESB
 - a) There will be separate PCM engagements
 - b) Could be face-to-face meetings or live meeting teleconferences.
2. BPA Transmission hosts these workshops as an aid for the region.
 - a) Consolidate regional understanding/agreement on NAESB OS projects.
 - b) Clarify BPA's position, if any, on policies BPA thinks will be discussed at the upcoming NAESB OS.
 - c) Have in-depth technical discussions associated with the various aspects of Preemption and Competition. (e.g. Timing)
3. See Customer Engagement Calendar (separate posted document)

Recap of August NAESB OS Meeting Timing and Flowchart Assignment

Motion 63

When competition is initiated for a valid Challenger, each valid Defender that has ROFR shall be notified of the competition through a MATCHING request created by the Transmission Provider on OASIS in a PRESUBMITTED status in a pre-submittal workspace. The MATCHING request shall communicate the following information:

- 1) The Aref of the Challenger
- 2) The Matching profile, consisting of the transmission service and minimum profile of capacity and price over time and required to be submitted by the Defender in order to exercise their ROFR. This is the profile that was tested for feasibility of the Defender to exercise their ROFR.
- 3) The remaining profile of capacity over time that the Defender would retain if they do not exercise their ROFR.

Recap of August NAESB OS Meeting Timing and Flowchart Assignment

Motion 64

To exercise their ROFR, the Defender must submit a MATCHING request in the QUEUED status and provide the following information:

- 1) The Matching profile, consisting of the transmission service, profile of capacity, and price over time. This profile must meet or exceed the minimum requirements to exercise ROFR to be a valid request.
- 2) The remaining profile of capacity over time that the Defender is requesting to retain in the event that the MATCHING request is denied. This must be the same remaining profile provided by the TP, or a lower profile as allowed by the TP to be a valid request.

Recap of August NAESB OS Meeting Timing and Flowchart Assignment

Motion 65

The defender may explicitly indicate their intent to NOT exercise ROFR by submitting a MATCHING request with status of QUEUED and the following information:

- 1) A MATCHING profile set to 0 MW over time
- 2) Restatement of the remaining profile of capacity over time as stated in the PRESUBMITTED MATCHING request. This must be the same remaining profile provided by the TP, or a lower profile as allowed by the TP to be a valid request.

Recap of August NAESB OS Meeting

Timing and Flowchart Assignment

Motion 63 - TP provides the TC with the AREF of the challenger, the minimum needed to match, and what the TC will retain if they don't match.

AREF	Minimum Matching Profile	Remaining Profile
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Motion 64 - To match, the TC will submit their desired matching profile and the profile of what they want to retain should their matching request be denied by the TP.

Minimum Matching Profile (Meet or Exceed)	Remaining Profile or Mitigating Profile
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Motion 65 - To opt out of matching, the TC will submit their matching profile with all zeros and the profile of what they want to retain (either the remaining or mitigating profile).

Matching Profile (Set to all zeros)	Remaining Profile or Mitigating Profile
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Recap of August NAESB OS Meeting Timing and Flowchart Assignment

- 1) How will the Matching Profile, matching request and Remaining Profile be processed when:
 - a. The valid Match is infeasible due to prior CONFIRMED matches resulting in insufficient ATC. (The Transmission Provider will set the matching request to REFUSED status and will apply the remaining profile to the Defender Transmission Service Request)
 - b. The queued Match fails to meet the minimum term (Duration, capacity, price) (The Transmission Provider will set the matching request to INVALID status)
 - c. The valid Match becomes infeasible due to system changes while in the pre-submittal workspace. (The Transmission Provider will do nothing until the Match has been submitted and the queue has been set and evaluated.)
 - d. The valid Match is infeasible due to modification of the minimum term defined by the Transmission Provider resulting in insufficient ATC. (The Transmission Provider will set the matching request to REFUSED status)

Recap of August NAESB OS Meeting

Timing and Flowchart Assignment

2. How does the Transmission Provider indicate that the remaining profile has been applied?
3. Can a Matching request be REBID and/or WITHDRAWN?
4. What are the requirements for notification of the Transmission Provider to the Defender?
5. If the customer fails the validity checks for MATCHING request can they correct the request and resubmit? Or is this the only chance they get.
6. What shall the Transmission Provider use for MATCH feasibility?
7. The Defender puts in a mitigating profile that exceeds the bounds of the maximum remaining profile, what is the correct TP action?
(The Transmission Provider will set the matching request to INVALID status)

Recap of August NAESB OS Meeting

FERC's Recent Entergy Order

Alan Pritchard provided an assessment of the OASIS Business Practices he felt would be impacted by the order, including:

1. Excerpt from the Entergy Order
2. Pro Forma OATT Sections 13.2 and 14.2
3. Business Practices that need to be reviewed
4. References to “Confirmed” which must be reviewed to see if they align with FERC's Entergy Order language.

Recap of August NAESB OS Meeting

Non Firm Assignment

Relevant parameter differences: Firm vs Non-Firm

Firm to Non-Firm Parameter Comparison

Parameter	Firm PtP (SPP OATT 13.2)	Non-Firm PtP (SPP OATT 14.2)	NAESB
Term	Minimum term 1 hour. Not all TPs offer Hourly Firm	1 hour to 1 month	
Reservation Priority			
Conditionality	Conditionality specified	No comment on conditionality	NF conditional until 1 hour prior to start
Pre-confirmation	Pre-confirmed trumps non pre-confirmed	Pre-confirmed trumps non pre-confirmed	
Duration	Longer duration has higher priority	Longer duration has higher priority	
Service Class	Higher service class has priority over lower service class	Higher service class has priority over lower service class	
ROFR	Offered	Offered	WEQ-001 Table 4-3
ROFR Defender Response Time	24 Hours (subject to scheduling deadlines)	Hourly NF - Immediately	WEQ-001 Table 4-2
		Within 24 hours all others (subject to scheduling deadlines)	"lesser of (a) the Transmission Customer confirmatin time limit in Business Practice Standard WEQ-001 Table 4-2 or (b) 24 hours"
Multiple Defenders	Simultaneous opportunities to match	Silent on multiple defenders, re Simultaneous match opportunities	
Partial offer subsequent to Defender match	No reference	No reference	No reference

Recap of August NAESB OS Meeting

Non Firm Assignment

- Should Non-Firm be subject to or excluded from Preemption and Competition?
 - Non-Firm should be subject to Preemption and Competition

Recap of August NAESB OS Meeting

Non Firm Assignment

- Should Non-Firm have a conditional window?
 - If so, What should the parameters be?
- **Non-Firm should have a defined conditional window schedule**
 - Option #1 – Mirrors Firm, i.e. Hourly = 1Hour, Daily = 1 Day, etc.
 - Option #2 – All Non-Firm conditional until 1 hour prior to start
 - Option #3 – Mirror Firm for Monthly, Weekly, and Daily, but set Hourly to three hours prior to WECC close of Pre-schedule (Noon).

Recap of August NAESB OS Meeting

Non Firm Assignment

- What is the definition of “Immediately?”
 - *A longer term competing request for Non-Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request: (a) **immediately** for hourly Non-Firm Point-To-Point Transmission Service after notification by the Transmission Provider;*
 - Option #1 – 5 minutes, per Table 4-2, PtP Customer Confirmation Time Limit
 - Option #2 – Alternative (unspecified) time as defined by overall timing requirements.
 - General Comment: Selection should apply to both Defender and Challenger uniformly.

Recap of August NAESB OS Meeting

Non Firm Assignment

- Timing Implications?
 - Decisions on Conditionality, Response time, and Time required to complete a full Preemption and Competition activity will be coordinated with the Timing/Flowchart Individual Assignee

Recap of August NAESB OS Meeting Subsequent Meetings

- 1. Timing and Flowchart Assignment Meetings**
- 2. NITS Assignment Meetings**
- 3. Non Firm Assignment Meetings**

Other Items?

Agenda for September NAESB OS Meeting

Tuesday, 9/17

2013 Annual Plan Item 2.a.i.1-2 and 5.c Pre-emption/competition **8:15 – 2:45**

- **Non Firm Assignment** (Ken Quimby) **8:15 – 9:15**
- Long Term Assignment (Paul Sorenson) **9:15 – 9:30**
- Preemption Recommendation (JT Wood) **9:30 – 10:00**
- Break **10:00 – 10:15**
- FERC Redirect Assignment (Alan Pritchard) **10:15 – 10:30**
- NT Assignment (Alan Pritchard) **10:30 – 11:00**
- **OASIS Notification Assignment** (Marie Pompel) **11:00 – 12:00**
- Lunch **12:00 – 1:00**
- Tagging Adjustment/Notification Assignment (Robin Cross) **1:00 – 1:45**
- **Timing/Flowchart Assignment** (Matt Schingle) **1:45 – 2:45**

Agenda for September NAESB OS Meeting

Wednesday, 9/18

1. Consent Agenda – Adoption of Draft Minutes **8:00 – 8:45**
 - June 6, 2013
 - June 25-27, 2013
 - August 21-22, 2013
 - August 29, 2013

2. 2012 Annual Plan Item 2.a.i.1-2 and 5.c Pre-emption/competition **8:45 – 2:45**
 - Continue Timing/Flowchart Discussion **8:45 – 10:00**
 - Break **10:00 – 10:15**
 - Continue Timing/Flowchart Discussion **10:15 – 12:00**
 - Lunch **12:00 – 1:00**
 - Open Discussion/Follow up to Presentations **1:00 – 2:45**

Agenda for September NAESB OS Meeting

Thursday, 9/19

1. 2013 Annual Plan Item 2.a.i.1-2 and 5.c Pre-emption/competition **8:00 – 11:50**
 - Planning Discussion on Completion of Preemption and Competition **8:00 – 10:00**
 - Deadlines for Assignments
 - Identify Scope of Work to be Completed
 - Discussion on the Completion Date of Recommendation
 - Break **10:00 – 10:15**
 - Planning Discussion on Completion of Preemption and Competition **10:15 – 11:50**
 - Plan for next meeting September 24th
 - Deadlines for Assignments
 - Identify Scope of Work to be Completed
 - Discussion on the Completion Date of Recommendation

Non Firm Assignment (Tier 4 and below)

Assigned to Ken Quimby, Interested Resources* - Paul Sorenson, Ron, Robin, Alex Swerzbin, Matt Schingle, Alan Pritchard, Danielle Johnson, Bob Zerfing

1. Develop a list of NAESB/FERC policy/legal differences (13.2/14.2/Others) between Firm and Non Firm, such as there being no Conditional Reservation Deadline for Non Firm.
 - a) Develop a list of timing differences between Firm and Non Firm. Recommend any changes to Table 4-2. (Need to communicate with the Timing/Flowchart Taskforce on this issue)
2. Make a recommendation about Non Firm Hourly which is pro forma. What does it mean when a defender must match "immediately"? Should NF Hourly competition be excluded due to the short timeframes involved?
3. Make a recommendation(s) for treatment of NF P&C.

FERC Redirect Assignment (Entergy Order)

**Assigned to Alan Pritchard, Interested Resources* - JT Wood,
Rebecca Berdahl, Robin Cross, Narinder Saini, Brenna Moore**

1. Identify the NAESB standards that needs to be addressed if this Order is retained. (Review paper submitted at the August OS)
2. Identify impacts on Preemption & Competition.

Timing/Flowchart Assignment Work Statement

Assigned to Matt Schingle, Interested Resources* - Robin Cross, Brenna Moore, Rebecca Berdahl, Bob Zerfing, Paul Sorenson, Ken Quimby, Marie Pompel

1. Finish going through the process flowchart listing the steps and various options for each. (short term firm competition)
2. **Develop options (choices) for each step, such as defender priority, ability to meet/exceed, match by changing start and/or stop date, etc. and give recommendation to each. (Motion 63 – 65)**
3. Develop a proposal on the sandbox (or something like the presubmittal workspace) and develop the recommendation. This needs to be settled because a lot of issues/decisions will vary depending upon what we do here.
4. Look at differences in the processes and timings between PTP and NT (Table 4-2 and Table 105-A). Address whether there should be timing differences between P&C with ROFR and P&C without ROFR.
5. Recommend revisions to Table 4-2 and Table 105-A if necessary to reflect new timings around competition.
6. Recommend unconditionality timing rules that respect motion 10.

Non Firm issues

1. Develop a list of timing differences between Firm and Non Firm. Recommend any changes to Table 4-2.
2. Review the process map from the Timing/Flowchart Taskforce for any changes needed for NT(secondary network).

September NAESB OS Meeting Timing and Flowchart Assignment (as of 9/10/2013)

Recommendations

- 1 Capacity shall not be taken from a defender after the earlier of the conditional reservation deadline or the defender scheduling deadline.
- 1a Competition shall not be initiated if the competition could conclude after the lesser of the conditional reservation deadline or defender scheduling deadline
- 2 Competition shall not be initiated if the competition could conclude after the challenger scheduling deadline.
- 3 The TP shall account for the Matching time limit and Challenger Confirmation time limit where applicable
- 4 The TP has the right to account for the timing of any special market function that must not be disrupted by preemption and competition in determining whether to initiate the preemption and competition process e.g. business days, prescheduling deadline, day ahead market.

September NAESB OS Meeting Timing and Flowchart Assignment (as of 9/10/2013)

Motion 1:

Capacity shall not be taken from a defender through the preemption and competition process after the earlier of the conditional reservation deadline of the defender or the defender scheduling deadline. Preemption and Competition shall not be initiated if the preemption and competition process could conclude after the lesser of the conditional reservation deadline or defender scheduling deadline. The TP shall account for the Matching time limit and Challenger Confirmation time limit where applicable.

Motion 2:

Preemption and Competition shall not be initiated for a challenger if the preemption and competition process could conclude after the challenger scheduling deadline. The TP shall account for the Matching time limit and Challenger Confirmation time limit where applicable.

Motion 3:

The TP has the right to account for any special market function that must not be disrupted by preemption and competition, as provided in the TP's business practices e.g. business days, prescheduling deadline, day ahead market.

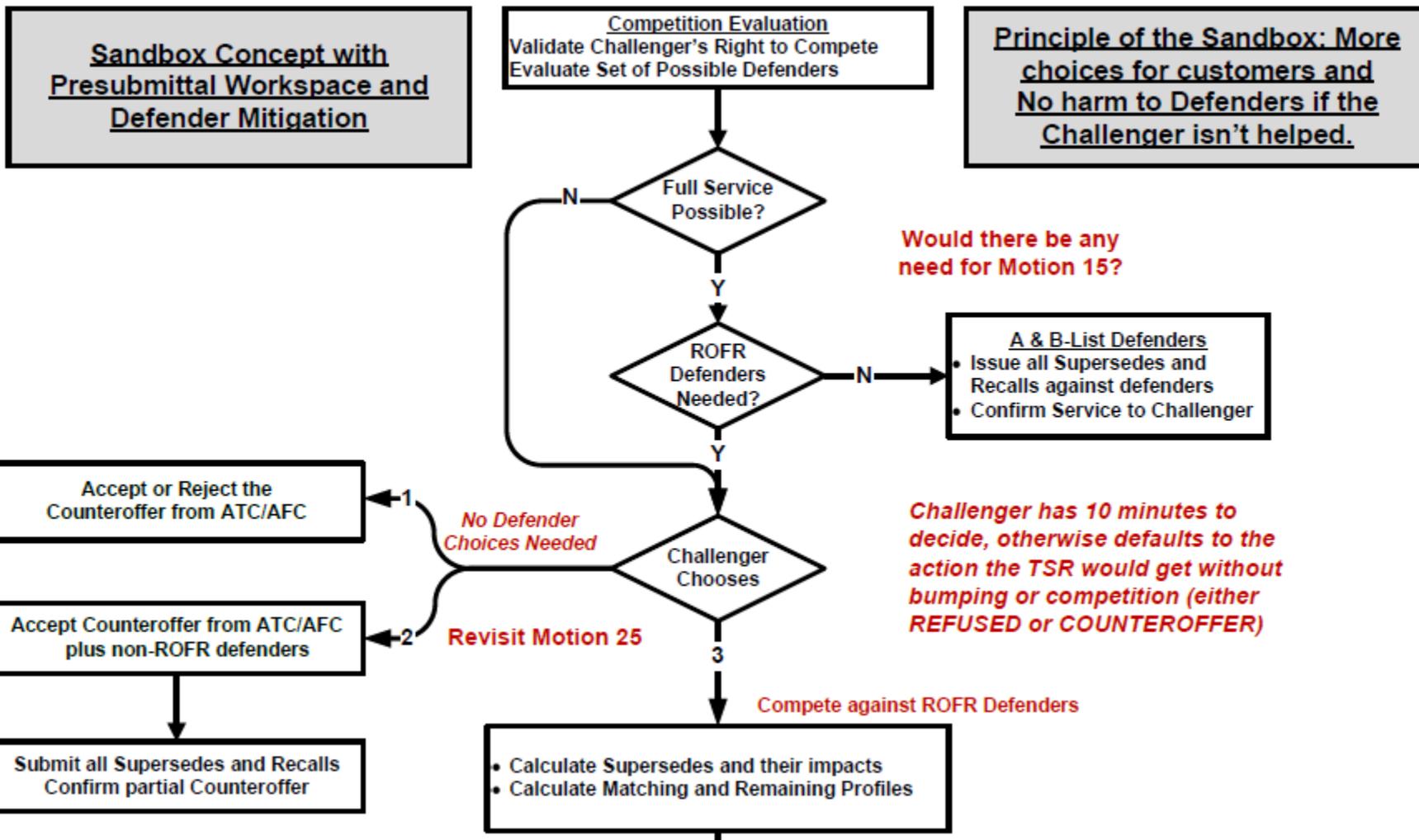
September NAESB OS Meeting Timing and Flowchart Assignment

Defender Lead Time							
	Defender		Earlier of the Conditional Reservation Deadline, defender scheduling deadline	TP Eval (this does include normal AFC evaluation and TP PC evaluation)	Special Market Function (timing, day-ahead, etc.)	Matching Time Limit per ???	Challenger Confirmation Time Limit (will require a change to table 4-2)
Non-ROFR	Firm	Monthly	Month	Silent	TP Right	N/A	N/A
		Weekly	Week	Silent	TP Right	N/A	N/A
		Daily	Day	Silent	TP Right	N/A	N/A
ROFR	Firm	Monthly	Month	Silent	TP Right	24 Hrs	24 Hrs
		Weekly	Week	Silent	TP Right	24 Hrs	24 Hrs
		Daily	Day	Silent	TP Right	24 Hrs	24 Hrs

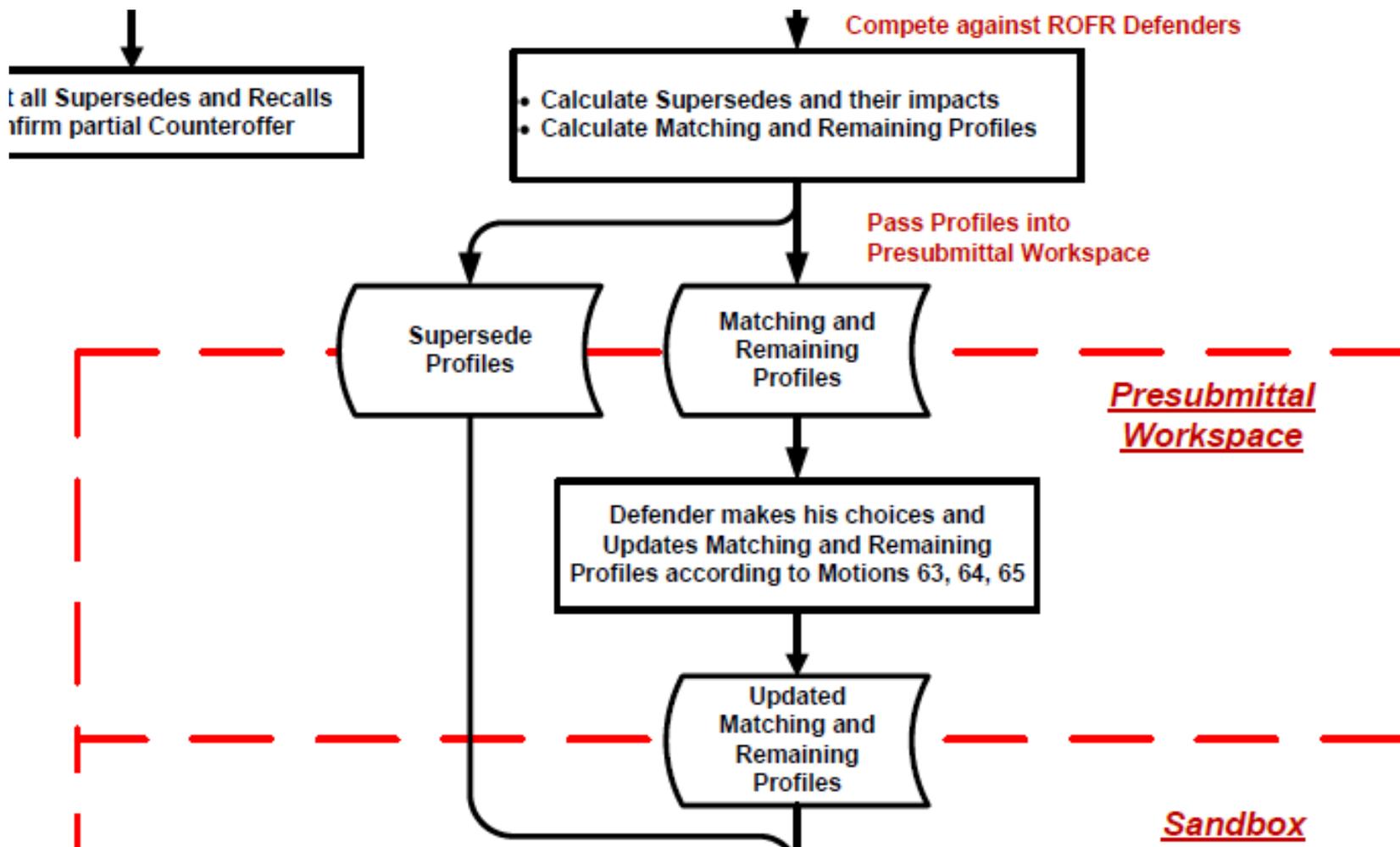
September NAESB OS Meeting Timing and Flowchart Assignment

		Challenger Lead Time					
Defender		Challenger scheduling deadline	TP Eval (this does include normal AFC evaluation and TP PC evaluation)	Special Market Function (timing, day-ahead, etc.)	Matching Time Limit per ???	Challenger Confirmation Time Limit (will require a change to table 4-2)	
Non-ROFR	Firm	Monthly	Varies	Silent	TP Right	N/A	N/A
		Weekly	Varies	Silent	TP Right	N/A	N/A
		Daily	Varies	Silent	TP Right	N/A	N/A
ROFR	Firm	Monthly	Varies	Silent	TP Right	24 Hrs	24 Hrs
		Weekly	Varies	Silent	TP Right	24 Hrs	24 Hrs
		Daily	Varies	Silent	TP Right	24 Hrs	24 Hrs

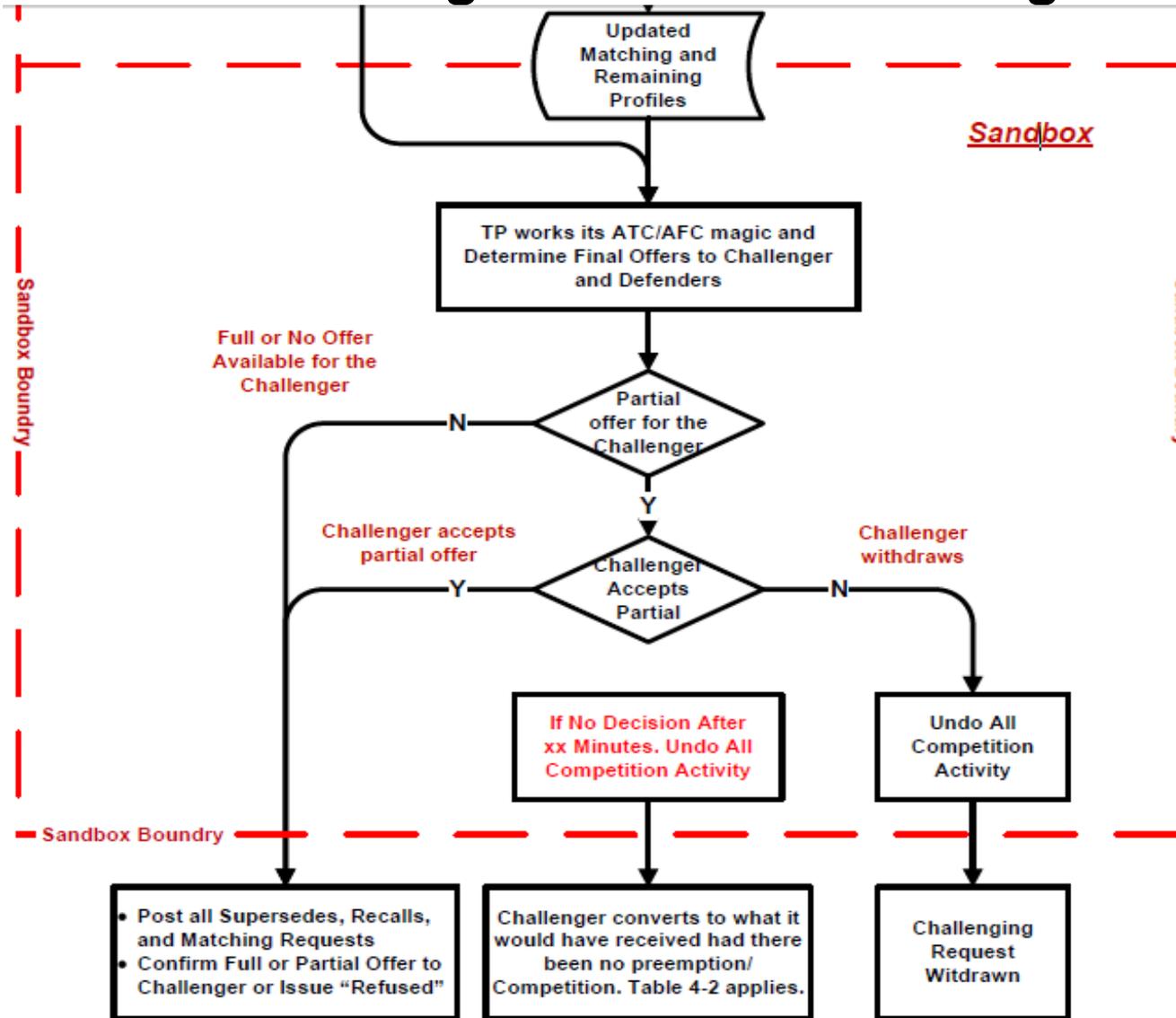
September NAESB OS Meeting Timing and Flowchart Assignment



September NAESB OS Meeting Timing and Flowchart Assignment



September NAESB OS Meeting Timing and Flowchart Assignment



If at some point in time during the competition, enough ATC/AFC becomes available to give the Challenger a full offer without Preemption, undo all preemption activity and grant the full offer to the Challenger.

September NAESB OS Meeting - Non Firm Assignment Non Firm ATC Allocation Methods (Pre-Schedule)

Single Bucket

Firm and Non-Firm PTP and NT all compete in the same bucket. Table 4-3 fully applies. Higher priority Tiers preempt lower priority Tiers.

Two Buckets

Firm NT and PTP all compete in the Firm Bucket
6NN and Non-Firm PTP all compete in the same Non-Firm bucket. Tier 3 preempts Tier 4

Three Buckets

Firm NT and PTP all compete in the Firm Bucket
6NN has its own bucket
Non-Firm PTP all compete in the same bucket.

Multiple NF Buckets

Firm NT and PTP all compete in the Firm Bucket
6NN has its own bucket
Monthly NF
Weekly NF
Daily NF
Hourly NF
Secondary NF

**September NAESB OS Meeting - Non Firm Assignment
Non Firm ATC Allocation Methods (Pre-Schedule)**

See Non Firm Allocation Work Sheets

September NAESB OS Meeting

Non Firm Assignment

- Should Non-Firm have a conditional window?
 - If so, What should the parameters be?
- **Non-Firm should have a defined conditional window schedule**
 - Option #1 – Mirrors Firm, i.e. Hourly = 1Hour, Daily = 1 Day, etc.
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September NAESB OS Meeting

Non Firm Assignment

- What is the definition of “Immediately?”
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September NAESB OS Meeting

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Update on Alan Pritchard's NITS Assignment

Activities to date

1st Meeting on September 6th to discuss scope

- Non-Firm assignment: shared questions on non-firm actions between Tiers 3 and 4 (6NN and non-firm PTP)
 - What is implied by duration of “immediately”?
 - Establish a deadline for when a Tier 4 reservation cannot be preempted.
 - There appears to be no unconditional window for non-firm.
- NITS assignment scope: currently undergoing review/comment.

NITS assignment:

Proposed scope items

- 1. What is our focus and what are we addressing?**
Focus on Tier 1 and Tier 3 as challengers.
 - What are the rules that apply to these?
 - What decisions/motions need to be made or modified?
Include NITS vs PTP or Tier comparisons.
 - What would we recommend for specific business practice language?
 - Provide input and/or guidance to other OASIS Subcommittee Assignments, where appropriate.
- 2. Specific topics for recommendation (draft)**
 - Flat profile requirement
 - Partial service offering
 - Competition against oneself
 - Queue hoarding ????

NITS Assignment:

BPA appreciates participation

- BPA appreciates the customers' participation in the OASIS Subcommittee and assignments
- Due to the attribute differences between NITS Business Practice and PTP Business Practices, BPA suggests that the scoping assignment consider separate motions for PTP and NT.
 - Example: NITS Service_Increment

OASIS Notification

Scope and recommendation

Assignment Goals

- Propose a template structure for identification of Challengers and Defenders such that a report would show how the initial identification and the actions taken during competition and the final results.
- Propose a mechanism for customers to subscribe for dynamic notifications (preemption and competition events).

Scope

- Template structure to allow customers to search during or after the competition and preemption process has occurred, to determine the valid challenger, the valid defenders and data associated to the competition and bumping.
- Administrative Notification which allows a customer the ability to select certain circumstances in which they want dynamic notification due to the competition and preemption process.

Transmission Customers Requests

- Ability to search for competition data during or after a competition or bumping has occurred.
- Ability to be notified based on being identified as a Valid Challenger or a Valid Defender
- Ability to manage notifications within OASIS

Any Additional Request?

- Are there any other types of searches or informational queries you would be interested in?

Information Requested

- Challenger Aref
- Challenger Duration
 - Start and Stop Date and Time
- Challenger price
- Challenger MW profile
- Challenger Company

Information Requested

- Defender (s) Aref
- Defender (s) Duration
 - Start and Stop date and time
- Defender (s) original profile
- Defender (s) mw profile being challenged
- Defender (s) Matching profile
- Defender (s) Remaining profile
- Associated E-tags to Defender Aref

Any additional Information?

- Is there any other Challenger or Defender information you would like to see to make an informed decision?

Some Justifications

- Leverage current template structure and OS motions 42(“y” flag passed), 46(etag notification failed) to enhance functionality to allow dynamic notifications to Transmission Customers to more effectively manage the effect of the Competition and Preemption Process.

Current template functionality

- WEQ 002-4.2.4 thru 002-4.2.7
 - Query/Response Template structure
 - Input/Response Template structure
- WEQ Notification Structure 002-4.2.10.3.1-4.2.10.3.2
 - HTTP Notification
 - Email Notification
- Utilize Comment fields if necessary

New template functionality

- WEQ 002-4.
 - Template changes to allow for more information capture and transparency

New Notification functionality

- Additional notification functionality
 - “y” competition flag notification
 - Valid Challenger Notification
 - Valid Defender Notification
 - Matching Notification
 - Competition completion Notification

Recommendation

- Recommend Template (specifically 4.2.XX) be changed to incorporate all requested data elements
- Recommend OASIS functionality be changed to allow for more specific/flexibility in notifications that the customer can subscribe to.

Tagging Adjustment/Notification Assignment

Assigned to Robin Cross, Interested Resources* - Cory Anderson, Marie Pompel

1. Need to clarify the expectations of the Transmission Customer (reservation holder) wants to merely to provide notice to tag authors or whether do they want the ability to adjust tags.
2. Is there a requirement needed for tag authors to implement tag adjustments directed by the Transmission Customer (reservation holder).
3. Should there be a requirement for the Transmission Provider to notify the Transmission Customer (reservation holder) of the tags affected due to competition.