



Portland General Electric

Transmission & Reliability Services

Business Practice: Designation and Termination of Network Resources

Posted: February 8, 2010
Effective: May 3, 2010
Revision No.: 5

1. Purpose

The purpose of this business practice is to inform network and native load customers how to designate and terminate Designated Network Resources (DNRs).

(Note: NAESB is developing redesignation business practice standards which will be incorporated in this business practice once they are approved.)

2. Definitions

2.1. **Off System Resources:** Those resources requiring third party transmission service or transmission arrangements on an external transmission system(s) to serve the Network Customer's Network Load.

3. Requirements

3.1. Sections 29 and 30 of PGE's Open Access Transmission Tariff (OATT) address provisions relating to the designation of network resources.

4. Practice

4.1. Process for Designation of Network Resources

- 4.1.1. Designated Network Resource (DNR) request forms will be posted on PGE's OASIS. There are forms for "On-System" DNR requests and "Off-System" DNR requests.
- 4.1.2. Existing Network Customers who wish to modify their existing service by designating a new Network Resource pursuant to the OATT may do so by submitting a completed DNR Request Form to PGE as an addendum to their Application so long as all information in the original Application is still accurate. PGE will require the Existing Network Customer to attest to the fact that all information submitted in the most current Application is still accurate. If this is not the case, the Existing Network Customer will be required to submit a new Application pursuant to Section 29.2 of the OATT.
- 4.1.3. Existing Network Customers designating new Off-System or On-System Network Resource(s) must submit a Transmission Service Request via OASIS for the appropriate transmission path at the time they submit the DNR Request Form to PGE.

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- 4.1.4. New Network Customers must submit a request(s) for Network Integration Transmission Service (NITS) via PGE's OASIS and a Transmission Service Request covering all DNRs prior to submitting new Off-System or On-System DNR request(s). A customer can expedite this process by pre-confirming Transmission Service Requests, but be aware pre-confirmed requests cannot be withdrawn. A pre-confirmed Transmission Service Request for firm NITS requires submittal of a Network Resource Attestation, as described in Section 4.3 below.
- 4.1.5. All DNR request(s) must be for a minimum of one day, starting at midnight and ending at midnight. These requests must be block capacity requests; they may not contain hourly MW profiles.
- 4.1.6. PGE will process DNR requests as soon as practicable, but must acknowledge DNR requests within ten (10) days of receipt. Within fifteen (15) days of receipt, PGE will either post an acceptance statement on PGE's OASIS (providing notice that the DNR request is not deficient) or fax a deficiency statement to the Network Customer. The deficiency statement will include an explanation of the nature of the deficiency. Wherever possible, PGE will attempt to remedy deficiencies through informal communications with the Network Customer. If such efforts are unsuccessful, PGE shall return the DNR request without prejudice to the Network Customer; a new or revised DNR request will be required, which will be assigned a new queue priority.
- 4.1.7. A Network Customer may choose to aggregate transmission service requests for Off-System DNRs into a single NITS request. To do so, these Off-System DNRs must impact the same delivery points to PGE's system and be for the same term (begin- and end-date) of service. If any one or more of the aggregated remote DNRs is found to be deficient, PGE will counteroffer the associated Transmission Service Request's capacity. Customers are expected to closely monitor the status of their NITS requests and respond to Counteroffers.
- 4.1.8. This business practice supports temporary termination of resources as a group for those resources identified as associated with a common NERC registered Point-of-Receipt (POR). The Transmission Provider will review the POR identified with each DNR and will verify that the POR is listed on the NERC Registry and that the DNRs are appropriately associated with the identified POR.
- 4.1.9. If any of the following data pertaining to a previously submitted and approved DNR is modified, that resource must be undesignated and a new designation request must be made in order to ensure firm NITS:
 - Identification of the control area(s) from which the power will originate
 - Delivery point(s) to the Transmission Provider's Transmission System
 - Transmission arrangements on the external Transmission Systems(s)
- 4.1.10. Nothing in this business practice guarantees that a request to designate or undesignate a particular Network Resource will be granted. For example, such requests may be denied for reliability reasons or because the POR is not listed on the NERC Registry or the DNRs are not appropriately associated with the identified POR. If such a request is denied for reliability reasons, a description of the denial shall be posted in accordance with 18 C.F.R. 37.6(e)(2).

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4.2. Guidelines for Completing Designation Forms

- 4.2.1. Designation of Network Resources must be completed pursuant to Section 29.2(v) of PGE's OATT. Customers must utilize the appropriate forms. Completed DNR request forms must be submitted via facsimile to PGE Transmission at 503-464-7796 utilizing the forms of this business practice provided on PGE's OASIS.
- 4.2.2. The following should be used as a guideline when describing a Network Resource:
- 4.2.2.1. For Off-System Network Resources, when describing transmission arrangements on the external transmission system(s), entries such as "not applicable" or a blank response are not acceptable. Any third-party transmission services needed to deliver power from the resource from the point at which the Network Customer takes delivery of the resource to PGE's Transmission System must be firm. The Network Customer may respond with either or both of the following as appropriate:
- An OASIS assignment reference number with the host OASIS node identified
 - Documentation sufficient to enable PGE to confirm that transmission arrangements on external transmission system(s) are firm
- 4.2.2.2. When describing the Network Resource's operating restrictions, a blank is not an acceptable response; Network Customers may respond with "not applicable" or "none." Specifics of a power purchase agreement, such as seasonal delivery periods should be described in the operating restrictions to the extent possible.
- 4.2.2.3. When describing the approximate variable cost for redispatch of the Network Resource a dollar per MWh amount is required. An application will be deemed deficient in the event of any non-numeric response, such as "not applicable" or a blank.
- 4.2.3. Additionally, to support temporary terminations of a group, the appropriate NERC registered Point of Receipt (POR) associated with the Network Resource will be identified. Entries such as "not applicable" or a blank response are not acceptable.

4.3. Network Resource Attestations

- 4.3.1. DNR requests must include an attestation signed by an authorized officer from or agent of the Network Customer that the new network resource satisfies the following conditions ("Network Resource Attestation"):
- 4.3.1.1. The Network Customer: (a) owns the resource¹, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of

¹ Consistent with informal guidance from FERC Staff, PGE will interpret the attestation to mean that the customer will own the resource at the time it is used as a network resource.

NITS; or (b) is acting on behalf of another entity that benefits from the transmission service provided to the Network Customer, and the resource qualifies as a Network Resource as to that other entity under part (a) of this provision;² and

4.3.1.2. The Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

4.3.2. Attestations must be provided at the time the DNR is requested. A designation request lacking such attestation will be deemed deficient and denied.

4.4. DNR Temporary Termination Process

4.4.1. A Temporary Termination is a request to un-designate a DNR that is submitted concurrently with a request to re-designate that network resource at a specific point in time. Such a termination is accomplished through the submittal of a completed Termination of Network Resource Form which is posted on PGE's OASIS.

4.4.2. Submittals must be received by no later than:

- The firm pre-schedule deadline (10:00am Pacific time) for temporary termination periods of a day or longer, or
- No later than 20 minutes before the first hour for temporary termination periods of less than a day.

4.4.3. Termination forms must be submitted via facsimile to PGE Transmission at 503-464-7796 utilizing the forms of this business practice provided on PGE's OASIS.

4.4.4. The Temporary Termination may be for any duration within the DNR's original start and stop dates and times. Temporary Terminations may not be made within the hour for that hour.

4.4.5. Temporary Termination requests must be accompanied with an attestation to ensure redesignation of the DNR (and allow the expiration of the Recall request of the associated NITS reservation).

4.4.6. For the Temporary Termination period (described in the form as the termination start and redesignation start dates and times), NITS associated with the DNR will be Recalled and the affected capacity released as Firm and Non-firm Available Transfer Capability.

² Part (b) of this practice is necessary to accommodate situations that are common in the Northwest, where a Network Customer has a contract and/or statutory obligation to serve a Network Load, and opts to purchase NITS over PGE's system to serve that load, but the Network Resource associated with that NITS is held by the Network Load rather than the Network Customer. Typically, the Network Resource in this context is a full requirements contract under which the Network Customer is obligated to serve the Network Load.

- 4.4.7. Designated Network Resources identified with a common NERC registered POR may be temporarily terminated in full or in part as a group. For these group terminations identify the associated Group Resource POR in place of the resource name on the Termination of Network Resource Form.
- 4.4.8. Temporary Terminations become redesignated at the Start of Redesignation Date and Time as identified on the Termination form and the Network Customer shall retain its right to service from the applicable DNR and its associated NITS.

4.5. DNR Indefinite Termination Process

- 4.5.1. An Indefinite Termination of a DNR is made using the same form as the Temporary Termination; however, the redesignation start date and time is not entered.
- 4.5.2. Indefinite Termination of a DNR request does not require an attestation.
- 4.5.3. Upon approval of an Indefinite Termination of a DNR request, associated NITS will be Recalled and the affected capacity released as Available Transmission Capability. The Network Customer shall not retain its right to service from the applicable DNR; a new request to designate the resource would be required.

4.6. Posting of DNRs

- 4.6.1. PGE will post on OASIS DNR information for each Network Customer on the Designated Network Resources List. Information concerning operating restrictions and approximate variable generating costs will be redacted from the list.

5. References

Table 1 – Deadlines for DNR Designation and Termination

	DNR Designation	Daily Terminations	Hourly Terminations
Submittal Deadline	15 days prior to desired commencement of DNR ³	10:00am preschedule day	No later than 20 minutes before the hour
Minimum Increment	One Day	One Day	One Hour

Revision History

³ PGE will process DNR requests as soon as reasonably practicable prior to the 15-day deadline.

Revision	Date	Change Summary
0	July 13, 2007	<ul style="list-style-type: none"> Initial Posting
1	October 17, 2007	<ul style="list-style-type: none"> Added message to identify March 2008 FERC 205 Filing
2	March 17, 2008	<ul style="list-style-type: none"> Address Northwest IOU variance Application
3	July 16, 2009	<ul style="list-style-type: none"> Shortened name from "Designation and Termination of Network Resources for Network Customers" to "Designation and Termination of Network Resources" Added Definition Section Added Requirements Section Reformatted BP to new standards Added Revision History Clarifies that the Attestation must be submitted with the designation request Deleted reference to FERC 205 filings Delete the requirement to identify the control area from power originates for the off-system DNRs – consistent with FERC's acceptance of the PNW IOU 205 filing Remove requirement to email DNR form Add Group Resource POR to termination form Added POR associated with Resource to DNR forms Clarified use of TSRs Added agent applicability to attestation Clarify selection in 4.2.2.1
4	December 1, 2009	<ul style="list-style-type: none"> Clarify in Step 4.1.2 that a new DNR to an existing Application is treated as an addendum to the original Application changed DNR Forms to match step in 4.1.2
5	May 3, 2010	<ul style="list-style-type: none"> Amend attestation statement to allow a an entity to represent a transmission customer.