



## Western Area Power Administration Curtailments Business Practice

The Western Area Power Administration (Western) Open Access Transmission Tariff (OATT) provides for reductions in transmission service provided under the OATT; where **Curtailments** are reductions in transmission service related to reliability constraints. This Business Practice outlines Western's general application of Curtailments, and if any special Curtailment procedures apply in certain circumstances (e.g. for transactions across DC Ties to address operating deadband<sup>1</sup> issues, etc.), those additional Curtailment procedures will be set forth in separate business practices.

### 1. Curtailment Procedures

In accordance with the OATT, Sections 13.6 and 14.7, **Curtailments** for reliability reasons are to be made on a non-discriminatory basis. In the Federal Energy Regulatory Commission (FERC) Puget Sound Energy Order (Puget Order) issued May 20, 2013, FERC clarified that Curtailments made on a non-discriminatory basis should be done on a pro rata basis within each priority class of service.<sup>2</sup> This approach is consistent with the Curtailments implemented in the Eastern Interconnection under the North American Electric Reliability Corporation (NERC) / North American Energy Standards Board (NAESB) Transmission Loading Relief (TLR) Procedures (See NAESB Business Practice Standard WEQ 008).

Curtailments of transmission service that effectively relieve the constraint will be done on a pro rata basis in the following service priority classes (lowest to highest priority):

- a) Secondary Non-Firm Point-to-Point Service
- b) Hourly Non-Firm Point-to-Point Service
- c) Daily Non-Firm Point Point-to-Point Service
- d) Weekly Non-Firm Point-to-Point Service
- e) Monthly Non-Firm Point-to-Point Service

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<sup>1</sup> The transfer range between the minimum DC Tie power transfer level in each direction is referred to as the "deadband".

<sup>2</sup> Puget Sound Energy Order (143 FERC ¶ 61,157) at ¶ 36: "**The Commission has determined that "non-discriminatory basis" means that curtailments for both firm and non-firm service should be done pro rata.** Specifically, in Order No. 888-A, the Commission stated that "the pro-rata curtailment provision was intended to apply to situations where multiple transactions could be curtailed to relieve a constraint. Of course, if curtailment of multiple transactions is necessary, non-firm service would be curtailed prior to firm service." As Morgan Stanley points out, in MAPP, we did not allow Mid-Continent Area Power Pool to curtail hourly non-firm transactions using a last-in, first-out approach, but instead ruled that MAPP must curtail all transactions on a pro rata basis. ... **Curtailment of that those classes of customers should be pro rata.**" (ER13-1146 and ER13-1192) (Excerpt, emphasis added)



- f) Secondary Network Service and Conditional Firm Service (when service has Conditional Curtailment priority) (both have same priority)
- g) Firm Point-to-Point Service, Firm Network Service, and Native Load Service (all 3 have same priority)

Pro rata Curtailments will be based upon the scheduled/tagged amount of service on each transmission service reservation (TSR) within each priority class.

Example #1 (Pro rata Curtailment):

50 MW of Curtailment required to address a reliability issue

- a) 30 MW scheduled on TSR 1 (Secondary Non-Firm Point-to-Point)
- b) 20 MW scheduled on TSR 2 (Hourly Non-Firm Point-to-Point)
- c) 10 MW scheduled on TSR 3 (Hourly Non-Firm Point-to-Point)

Curtailments (Rounded to nearest MW)

- a) 30 MW Curtailed on Schedule for TSR 1 (lowest priority class)
- b)  $(20/30)*20 = 13$  MW Curtailed on Schedule for TSR 2 (TSR 2 and 3 in same priority class)
- c)  $(10/30)*20 = 7$  MW Curtailed on Schedule for TSR 3 (TSR 2 and 3 in same priority class)

Additional Curtailments of service will be applied to remaining amounts scheduled on each TSR. Restoration of service is done in the reverse order and on the same pro rata basis as it was curtailed in each priority class.

## 2. OATT References/Other Background:

Western's OATT, in the relevant section excerpts below, provides for reductions in transmission service provided under the OATT; where **Curtailments** are related to reliability constraints.

1.7 **Curtailment:** A reduction in firm or non-firm transmission service in response to a transmission capacity shortage as a result of system reliability conditions. (Emphasis added)

13.6 **Curtailment of Firm Transmission Service:** In the event that a Curtailment on the Transmission Provider's Transmission System, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, the Transmission Provider will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission Service on a basis comparable to the curtailment of service to the Transmission Provider's Native Load Customers. All Curtailments will be made on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. (Excerpt, emphasis added)



14.7 **Curtailement or Interruption of Service:** *(excerpts)*

The Transmission Provider reserves the right to **Curtail**, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when, an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System.

Where required, **Curtailements** or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailement or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailements or Interruptions will be made to transactions of the shortest term (e.g., hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. (Excerpt, emphasis added)