



Western Area Power Administration (Western) Network Integration Transmission Service Business Practices

In accordance with Part III of Western’s OATT, this business practice documents the process by which all Western Regions will accept applications and implement Network Integrated Transmission Service (NITS or Network Service). Specifically, this business practice addresses:

1. Requirements for submitting an application for NITS or modifying/renewing an existing NITS agreement;
2. Requirements for designating a new network resource;
3. Un-designation of network resources;
4. Load and Resource forecast submission requirements;
5. Restrictions on the use of network transmission service;
6. Implementation of NITS.

1.0 Requirements for Submitting an Application for Network Transmission

The requirements for submitting an application for network transmission can be found at Section 29.2 of Western’s Tariff. Below is a list of additional requirements.

A) Applying for new network service transmission requests (including renewals):

- Requests for network service that include a new network resource must be submitted on Western’s OASIS site.
- An application fee of \$3,500 must be submitted to Western within five business days of the OASIS request. The application fee is only applicable to new applications (including renewals), applications to add new designated network resources equal to or greater than one year, and all requests to add a new designated load at new points of delivery regardless of duration.
- Failure to provide any of the requirements will result in the OASIS request status to be “INVALID”. The customer will forfeit its position in Western’s transmission queue. If the customer still wishes to pursue network transmission from Western a new request must be submitted to start the process again.

B) Applying to add a new designated network resource to an existing NITS Agreement:

- All requests to designate a new network resource must be submitted on Western’s OASIS site.



- An application fee of \$3,500 must be submitted to Western within five business days of the OASIS request for new designated network resources equal to or greater than one year.
- A written application form (Exhibit #1), must be received by Western within five business days of the OASIS request.
- The signed attestation (included in Exhibit #1) must be submitted to Western prior to the start of service.
- The Network Customer shall include a qualifying statement in the comment field when "confirming" the OASIS request. The qualifying statement shall be:

"Network Customer attests that the network resource pursuant to Section 29.2 satisfies the following conditions: (1) the Network Customer owns the resource, 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 transmission service under Part III of the Tariff; and (2) the Network Resources do not include any resources, or any portion thereof, that are committed for sale to nondesignated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis."

[Note: The Network Customer should not confirm the reservation until the customer can attest by this statement that the contract for the network resource is executed. If the qualifying statement is not accompanied with the confirmation of the OASIS request, Western may, but is not obligated to, notify the customer of this requirement. In the absence of this qualifying statement, any e-tags submitted will be denied. If Western gives notice to the customer and the qualifying statement is not included with the confirmation of the OASIS request within one business day following such notice, the network service request will be "annulled".]

Until such time the OASIS functionality is able to accommodate the full attestation statement above as described in sections 29.2(v) and 30.2 of the Western OATT, the network customer shall send their attestation electronically to fulfill its requirements to:



- Regional Contact(s) as posted on OASIS
- The minimum term of designation is same as the minimum term of Firm Point-to-Point service offered by the Region, and the Customer should review each Region’s OASIS site for information on the minimum term (which is either daily or hourly).
- Prior to the effective date of any approved change in designated network resources, the Network Customer shall update their table of designated network resources and distribute it to Western. Such notification shall be submitted electronically to:
 - Regional Contact(s) as posted on OASIS
- In accordance with the OASIS posting standards, Western has posted a list of its current designated network resources and all network customers’ current designated network resources on the Region’s OASIS page.
- Failure to provide any of the requirements will result in the OASIS request status to be “INVALID”. The customer will forfeit its position in Western’s transmission queue. If the customer still wishes to pursue network transmission from Western a new request must be submitted to start the process again.

C) Applying to add a new designated network load to an existing NITS Agreement:

- A written application and an application fee of \$3,500 must be submitted to Western for new network loads at new points of delivery (i.e. at load points that aren’t already metered and included in the Customer’s NITS agreement).

2.0 Requirements for a Designated Network Resource (DNR)

Network Customers are responsible for ensuring that their Network Resources meet the qualifications specified in Western’s OATT and this Business Practice. As noted in Order 890, Customer’s network resources may be subject to audit by FERC.

- DNRs must be either generating resources owned or leased by the Network Customer or purchases of non-interruptible power under executed contracts.
- In DSW, CRSP, RMR, and SNR, Network Customers may designate resources from system purchases not linked to a specific generating unit, provided the purchase power agreement is interruptible only for reliability reasons. UGP requires the source be



specified. The purchase agreement must not allow the seller to fail to perform under the contract for economic reasons.

- If a power purchase contract has a liquidated damages (LD) clause, the contract may be designated only if the clause requires the seller to make the buyer whole for a curtailment. If the LD clause simply requires the payment of a pre-determined penalty, the contract may not be designated.
- For off-system resources, the Network Customer is required to obtain and demonstrate to Western it either has or is in the process of obtaining firm transmission service from the point at which the Network Customer takes delivery under the contract to the Western transmission system.
- For power purchase agreements, Western will permit those resources to be designated only for the duration of the agreement. Day-ahead and real-time purchases (for those regions that offer hourly Firm Point-to-Point service) can be used as DNRs, but only for the duration provided and to the extent there is sufficient transmission capacity as posted on OASIS to accommodate the request. Western will **not** reserve transmission on a long-term basis for day-ahead and real-time purchases.
- For off-system resources, the Network Customer is required to obtain and demonstrate to Western it has obtained firm transmission service from the point at which the Network Customer takes delivery under the contract to the Western transmission system.

3.0 Undesignation of Network Resources:

In accordance with Section 30.3 of the OATT, a network customer may undesignate a network resource on a permanent or temporary basis. The minimum term for undesignation of network resources recognized by Western is hourly. The spreadsheet for undesignation of a network resource, as posted on the OASIS, shall be completed and submitted electronically prior to commencement of such service to the following until such time the OASIS functionality is developed on the OASIS:

- Regional Contact(s) as posted on OASIS

The spreadsheet for undesignation of network resource on a temporary basis will suffice in meeting the requirements for the network customer to update their list of designated network resources. Undesignation of network resources on a permanent basis will require an update to



the network customer's list of network resources.

A) Undesignating network resources:

- All requests to un-designate a network resource must be submitted according to the individual Region's posted Timing Requirements.
- Until the OASIS is able to handle such requests, all notices should be submitted in writing as noted above.
- Upon granting the request to un-designate the network resource, Western will release available transmission capability (ATC) associated with the newly undesignated resource for the duration of un-designation.
- If a customer wishes to re-designate an un-designated network resource a request must be submitted on Western's OASIS. The request submitted must follow the same time lines as for the designation of a new network resource.

4.0 Load and Resource Forecasts Submission

In FERC Order 890 a new requirement was placed on transmission providers to post load forecast data. For Western to provide a more accurate calculation of its available transmission capacity, designated network resource(s) and load(s) forecasts must be provided by the following times:

- Day-Ahead forecasts must be submitted by noon the pre-scheduling day.
- Monthly forecasts must be submitted by noon three business days prior to the start of the month.
- Yearly forecasts must be submitted by the timeframe(s) noted for each Region in Attachment P, or in the Region's Transmission Planning Process postings. .

From time to time Western may request the network customer to provide an updated forecast that doesn't correspond with the deadlines above. Western will notify the network customer via e-mail. The network customer will have five business days to respond to the request.

5.0 Restrictions of Network Transmission Service

The purpose of NITS is to use transmission on Western's system to serve designated load from designated network resources. Any other use of network transmission is a violation of



Western's OATT. Any attempts by a customer to deviate from the intended purpose of network service will result in denial of that service and/or will incur un-reserved capacity penalties.

- Network Service may not be used for sales to non-designated loads or direct or indirect provision of transmission service to third parties.

DNRs may not include 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. If a customer wishes to make a firm sale, the designated network resource must be undesignated and purchase point-to-point transmission.

6.0 Implementation of NITS

Western will implement network transmission service in accordance with Part III of its Tariff.

- Western reserves the right to call upon any designated network resources to address or prevent a system emergency (Section 33 of OATT). Costs will be allocated as outlined in the OATT.
- Western reserves the right to either curtail load schedules or perform load shedding to any designated load to address or prevent a system emergency.



Exhibit #1
Application Form
Request for Designation of a New Network Resource and
Network Customer Attestation
On-System /Off-System Resource

Date: _____
Customer Name: _____
Scheduling Entity Name: _____
Contract ID (if applicable): _____
Designation Start Date and Time: _____
Designation End Date and Time: _____

Is this an on-system OR off-system resource (check one)? On-System Off-System

Unit size (MW): _____
Capacity to be designated (MW): _____
VAR capability _____ Leading: _____ Lagging: _____
Operating restrictions _____
Any periods of restricted _____
operations throughout the year: _____
Maintenance schedules: _____
Minimum loading level of unit: _____
Normal operating level of unit: _____
Any must-run designations required for _____
system reliability or contract reasons: _____
Approximate variable generating cost _____
(\$/MWh) for redispatch computations: _____

Network transmission to be used (check one): Existing Reservation; ATC (if checked, include TSR # _____); Request new study (if checked, include TSR # _____)

Arrangements governing sale and delivery of power to third parties from generating facilities located in the Transmission Provider Control Area, where only a portion of the unit output is designated as a Network Resource: _____

Amount of power to which the customer has rights (the MW quantities may be profiled; for example, a purchased power contract may have different MW quantities in the on-peak hours than in the off-peak hours, if so please attach an hourly profile):



_____ Contract Quantity _____ Designated Quantity

Delivery point(s) on the Western transmission system: _____

Point at which Customer takes delivery under the purchase agreement: _____

(For Off-System Only) Transmission arrangements on external transmission system(s) including any applicable OASIS reservation number: _____

Customer Attestation Statement (REQUIRED):

_____ hereby attests that the above specified generation resources satisfy the following conditions:

- 1) The Network Customer owns the resource, 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 network transmission service under the OATT; and

- 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.

(Name of Person Making Attestation)

(Phone Number & Email Address)