



Western Area Power Administration Point-to-Point Transmission Service Redirects Business Practice

In accordance with section 22 of its Open Access Transmission Tariff (OATT) and the Federal Energy Regulatory Commission's (FERC) Order No. 890, Western Area Power Administration allows firm point-to-point (PTP) transmission service customers to request modified transmission service over points of receipt and/or delivery other than those specified in the relevant transmission service agreement. Such modifications, typically referred to as "redirects" outside of FERC's pro forma OATT, are not allowed for network transmission service. (Order No. 890 at ¶ 1293 and 1612)

The following apply to redirects in accordance with Western's OATT and Order No. 890.

Redirects on a Non-Firm Basis

In accordance with section 22.1 of Western's OATT, a firm PTP transmission customer may request that Western provide transmission service on a non-firm basis over points of receipt and delivery other than those specified in the service agreement (Secondary Receipt and Delivery Points), in amounts not to exceed its firm capacity reservation, without incurring an additional non-firm point-to-point transmission service charge or executing a new service agreement, subject to the following conditions:

- Service provided over Secondary Receipt and Delivery Points will be non-firm only, on an as-available basis and will not displace any firm or non-firm service reserved or scheduled by third-parties under Western's OATT or by Western for its Statutory Service deliveries.¹
- The sum of all firm and non-firm PTP transmission service provided to the transmission customer at any time shall not exceed the reserved capacity in the relevant service agreement under which such services are provided.
- The transmission customer shall retain its right to schedule firm PTP transmission service at the points of receipt and delivery specified in the relevant service agreement in the amount of its original capacity reservation.
- Service over Secondary Receipt and Delivery Points on a non-firm basis shall not require the filing of an application for non-firm PTP transmission service. However, all other

¹ See Western's "Policy Statement Regarding Provision of Transmission Service to Western's Merchant Function" posted on Western's OASIS.



requirements of Part II of Western's OATT (except as to transmission rates) shall apply to transmission service on a non-firm basis over Secondary Receipt and Delivery Points.

Redirects on a Firm Basis

In accordance with section 22.2 of Western's OATT, any request by a firm PTP transmission customer to modify points of receipt and/or delivery on a firm basis shall be treated as a new request for service in accordance with section 17 of Western's OATT, except that such transmission customer shall not be obligated to pay any additional deposit and application processing fee if the capacity reservation does not exceed the amount reserved in the existing service agreement. While such new request is pending, the transmission customer shall retain its priority for service at the existing firm points of receipt and delivery specified in its service agreement.

Notwithstanding the above, redirects on a firm basis are subject to the following conditions:

- Firm redirects of long-term service will retain any rollover rights applicable to the parent service, even if the redirect is requested for a shorter period than the parent service.
 - As a new request for service, each firm redirect request is subject to the availability of capacity and subject to the possibility that Western may not be able to provide rollover rights on the new, redirected path. For example, assume a transmission customer with a five-year agreement for firm service between points A and B, who qualifies for rollover rights on that path. If the transmission customer seeks to redirect on a firm basis in year 3 to points C to D and then redirect back to points A and B thereafter, at the end of the five year agreement the transmission customer would have rollover rights only with respect to points A to B. If, however, the transmission customer seeks to redirect to points C and D for the last six months of the contract term and both qualifies for rollover rights on this path and has requested rollover within the notice period of the contract, the customer would then have rollover rights only with respect to points C and D. Western will offer rollover rights to a customer requesting a firm redirect only if rollover rights are available on the redirected path, i.e., to the extent not restricted based on reasonable forecasts of load growth or preexisting contracts that commence in the future. (Order No. 890 at ¶ 1280, and Order No. 890-A at ¶ 704 at footnote 282)
 - A customer may exercise its rollover right only at the end of the contract. Thus, if a customer with rollover rights requests a firm redirect of its capacity for less than the full remaining term of the contract, absent some further request to redirect, the original path will automatically be reinstated and rollover rights would remain on



only the original path. By contrast, if the customer requests a firm redirect of its capacity until the end of its contract, the customer would have rollover rights along only the redirected path, and only to the extent not restricted based on load growth or future contracts along the redirected path. (Order No. 890-A at ¶ 705)

- If the customer has not been granted rollover rights for a firm redirect that extends to the end of its contract, the redirected service will terminate on the same date as the parent service. (Order No. 890-A at ¶ 706)
- The firm redirect right does not grant the transmission customer access to system capacity or queue position different from other customers submitting new requests for service. A firm redirect request will be evaluated using the same system assumptions and analysis applicable to any other new request for service, including whether sufficient ATC exists to accommodate the request. (Order No. 890 at ¶ 1285-186, and Order No. 890-A at ¶ 708)
- Multiple redirects will be allowed only if the transmission customer can meet the scheduling and other requirements for new requests for service under Part II of Western's OATT, provided that the redirects cannot exceed the total capacity granted to the parent request. (Order No. 890 at ¶ 1295)