

**CONTRACT LOCK: TBL EVALUATION OF PUBLIC CUSTOMERS' PROPOSAL  
NT REPLACEMENT SERVICE AGREEMENT<sup>1</sup>**

<b>Public Customer Proposal</b> <i>(Section reference in this column correlates to the section of the customer replacement agreement proposal)</i>	<b>Preliminary TBL Recommendation</b>	<b>Explanation/Comments</b>
1. Transmission Provider plans, constructs, builds to meet Network Load <i>(Section 4)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 28.2: "Transmission Provider Responsibilities"</li> </ul>	
2. NT service between designated PORs and PODs up to actual load. <i>(Section 5a)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 1.22: "Network Load"</li> <li>▪ Lock OATT Section 28.3: "Network Integration Transmission Service"</li> </ul>	
3. Ability to designate new Network Resources <i>(Section 5b)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 28.2: "Transmission Provider Responsibilities"</li> <li>▪ Lock OATT Section 28.3 "Network Integration Transmission Service".</li> <li>▪ Lock OATT Section 30.2: "Designation of New Network Resources"<sup>2</sup>.</li> </ul>	
4. Ability to add and delete PORs and PODs <i>(Section 5c)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 30.2: "Designation of New Network Resources"<sup>1</sup>.</li> <li>▪ Lock OATT Section 30.3: "Termination of Network Resources"</li> <li>▪ Lock OATT Section 31.1: "Network Load"</li> <li>▪ Lock OATT Section 31.4: "New Interconnection Points"</li> </ul>	

<sup>1</sup> Other OATT sections, attachments, or capitalized terms referenced within a "locked" OATT section are not locked unless expressly stated.

<sup>2</sup> OATT section 29 "Initiating Service" reference in OATT section 30.2 will not be locked.

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5. Non-Fed resources dispatched only with customer approval, compensation to customer determined in advance of dispatch. <i>(Section 5d)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 30.5: “Network Customer Re-dispatch Obligation”<sup>3</sup></li> <li>▪ Lock OATT Section 33.2: “Transmission Constraints”.</li> <li>▪ Lock OATT Section 33.3: “Cost Responsibility for Relieving Transmission Constraints”.</li> </ul>	
6. Transmission Provider provides annual load and resource forecasts, as desired by customer. <i>(Section 5e)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Customer proposal modifies existing obligations.</li> </ul>
7. Rate Treatment: Rolled-in pricing for NT service for <u>existing loads</u> and <u>load growth</u> . <i>(Section 5f)</i>	<ul style="list-style-type: none"> <li>▪ Rolled-in pricing for existing load only.</li> <li>▪ Rate issue, subject to 7(i).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Rate treatment not locked for load growth.</li> </ul>
8. Rate Treatment: Pricing for Congestion spread over all NT, including <u>load growth</u> . <i>(Section 5g)</i>	<ul style="list-style-type: none"> <li>▪ NT re-dispatch costs for existing loads spread over existing NT.</li> <li>▪ Rate issue, subject to 7(i).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Congestion rate treatment not locked for load growth.</li> </ul>
9. Lock Customer Served Load billing determinants <i>(Section 5h)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 31.7: “Declared Customer-Served Load”</li> <li>▪ No lock of CSL Billing Factors—Rate issue, subject to 7(i).</li> </ul>	
10. Lock certain scheduling flexibilities <i>(Section 5i, 5j)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ OATT does not provide scheduling terms for NT service.</li> <li>▪ Customer proposal modifies existing obligations.</li> </ul>

<sup>3</sup> OATT Attachment K “Procedures for Re-dispatch at Pre-schedule and in Real Time” reference in OATT section 30.5 will not be locked.

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11. Ancillary Services provided by Transmission Provider, even with RTO. <i>(Section 5k)</i>	<ul style="list-style-type: none"> <li>▪ Needs further discussion.</li> </ul>	<ul style="list-style-type: none"> <li>▪ RTO will be the Control Area Operator. Approaches to ancillary services may evolve over time.</li> </ul>
12. Lock Real Power Losses methodologies and return flexibilities <i>(Section 5l)</i>	<ul style="list-style-type: none"> <li>▪ Incorporate new contract language that locks average loss methodology for existing uses.</li> <li>▪ No lock for return flexibilities or new firm and non-firm uses.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TBL objective is to adopt new language that locks an average loss methodology for existing uses. TBL must recover all costs.</li> <li>▪ Return flexibilities: Business Practice—TP must be responsive to changing operational requirements.</li> </ul>
13. Provide GTA Service (no agreement among publics) <i>(Section 5m)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ BPA commitment to provide GTA service to be resolved in Regional Dialogue.</li> </ul>
14. Generation Imbalance (“reserved” by public customers) <i>(Section 5n)</i>		<ul style="list-style-type: none"> <li>▪ Awaiting proposal from public customers.</li> </ul>
15. Roll-over rights to prevailing service for long-term firm service customers at time of roll-over <i>(Section 5o)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TBL proposing 20-year Replacement Service Agreement for existing service.</li> </ul>
16. TP will not require or prohibit participation in energy markets. <i>(Section 5p)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TOA allows for conversion to RTO service.</li> </ul>

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17. Incorporate OATT provisions: <ul style="list-style-type: none"> <li>▪ <u>Section 13.6</u>, “PTP Curtailment”</li> <li>▪ <u>Section 28.4</u>, “Secondary Service</li> <li>▪ <u>Section 30.8</u>, “Use of interface capacity”</li> <li>▪ <u>Section 31.7</u> “Declared CSL”</li> <li>▪ <u>Section 33.4</u> “Curtailments of scheduled Deliveries”</li> <li>▪ <u>Section 33.5</u>, “Allocation of Curtailments”</li> </ul> <i>(Section 5q)</i>	<ul style="list-style-type: none"> <li>▪ Lock OATT Section 28.4: “Secondary Service”</li> <li>▪ Lock OATT Section 31.7: “Declared Customer-Served Load”</li> <li>▪ Lock OATT Section 33.4: “Curtailments of Scheduled Deliveries”<sup>4</sup></li> <li>▪ Lock OATT Section 33.5: “Allocation of Curtailments”</li> </ul>	<ul style="list-style-type: none"> <li>▪ No lock of 13.6—applicable to PTP not NT.</li> <li>▪ No lock of 30.8—subject to further interpretation.</li> </ul>
18. Locked sections of the Replacement Service Agreement govern OATT <i>(Section 6)</i>	<ul style="list-style-type: none"> <li>▪ Add contract language providing for <b>locked provisions</b> of replacement service agreement to govern OATT.</li> <li>▪ OATT governs non-locked provisions.</li> </ul>	
19. Amendments to the Replacement Service Agreement if ¾ of participants agree to offer amendment; then all participants must take amendment. <i>(Section 7)</i>	<ul style="list-style-type: none"> <li>▪ Add contract language to incorporate original TBL proposal of 2/3 consensus.</li> <li>▪ Customers may recommend changes.</li> <li>▪ TP proposes any OATT changes; if approved by 2/3 participants, all participants must accept.</li> <li>▪ Amendments subject to FERC approval.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TBL believes 2/3-approval of participants provides adequate representation.</li> </ul>
20. Mandatory Dispute Resolution for Replacement Service Agreement Disputes <i>(Section 8)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ OATT procedures in Section 12 or current remedies of law will apply.</li> </ul>

<sup>4</sup> OATT Attachment G “Network Operating Agreement” reference in OATT section 33.4 will not be locked.

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21. Provide all notices affecting Replacement Service Agreement to designated representatives <i>(Section 9)</i>	<ul style="list-style-type: none"> <li>▪ Incorporate existing contract provision for notices.</li> </ul>	
22. Interpret Replacement Service Agreement in accordance with federal law. <i>(Section 10)</i>	<ul style="list-style-type: none"> <li>▪ Incorporate existing contract provision for federal law interpretation.</li> </ul>	
23. Successors and assigns provisions for Replacement Service Agreements <i>(Section 11)</i>	<ul style="list-style-type: none"> <li>▪ Incorporate existing contract provision for successors and assigns.</li> </ul>	
24. Identification that all contents of the Replacement Service Agreement, including Exhibits, comprise the Whole Agreement. <i>(Section 12)</i>	<ul style="list-style-type: none"> <li>▪ Lock contract language that identifies Service Agreement as whole agreement, provided the remainder of all other OATT provisions and Network Operating Agreement are added as exhibits to the Replacement Service Agreement.</li> </ul>	
25. Customer access to all Transmission Provider information between TBL/PBL re: operation of fed power resources and allocation of ATC. <i>(Section 13)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Customer proposal modifies existing TP obligations. Other remedies available.</li> </ul>
26. Waiver of Rights <i>(Section 14)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ TBL must maintain non-discriminatory OATT. Any waiver must apply to all transmission customers.</li> </ul>
27. Applicability of Public Law 104-134, section 3201(i) <i>(Section 15)</i>	<ul style="list-style-type: none"> <li>▪ Incorporate contract provisions for PL 104-134 applicability.</li> </ul>	

Shading denotes items not currently provided for in the OATT.

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28. Specific proposal for remedy for any breach of Replacement Service Agreement <i>(Section 16)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Customer proposal modifies existing obligations. This requires a waiver of sovereign immunity—beyond BPA authority.</li> </ul>
29. Include definitions within the Replacement Service Agreement <i>(Section 17)</i>	<ul style="list-style-type: none"> <li>▪ No lock.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Circumstances beyond TBL control may require TP to modify definitions.</li> </ul>

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