



**Bonneville Power Administration
Transmission Services**

Conditional Firm Service Agreement

Posted for customer information only.

March 4, 2009

EXHIBIT [F]
CONDITIONAL FIRM SERVICE

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1. DEFINITIONS

Unless otherwise defined herein, capitalized terms are defined in Transmission Provider's Tariff or the Precedent Transmission Service Agreement (PTSA).

- (a) "Bridge" or "Bridge Service" means a type of Conditional Firm Service that Transmission Provider offers and Customer accepts until Long-Term Firm Transmission Service becomes available. Bridge Service provides Customer with a fixed Number of Hours subject to Conditional Curtailment that Transmission Provider cannot unilaterally change.
- (b) "Conditional Curtailment" means curtailments that occur at the North American Electric Reliability Corporation ("NERC") curtailment priority 6 for no more than the Number of Hours specified in the Table each calendar year.
- (c) "Conditional Firm" or "Conditional Firm Service" means a type of Long-Term Firm Transmission Service subject to Conditional Curtailment for the Number of Hours.
- (d) "Long-Term Firm Transmission Service" means long-term firm Point-to-Point (PTP) or Network Integration (NT) Service.
- (e) "Number of Hours" or "Number of Hours Option" means the number of hours of Conditional Curtailment per year, as set forth in the Table. Transmission Provider can exercise Conditional Curtailment for such number of hours any time the curtailment would help to relieve actual or anticipated reliability problems on the Transmission System.
- (f) "Reassessment" or "Reassessment Service" means a type of Conditional Firm Service in which Transmission Provider has a right, no more than once every two years, to unilaterally modify the Number of Hours specified in the Table or terminate service to maintain reliability.
- (g) "System Conditions" or "System Conditions Option" means an alternative to the Number of Hours Option for Conditional Firm Service, whereby, when offered by Transmission Provider at a future date, Transmission Provider's curtailment rights would be specific to reliability problems at given flowgate(s), and not limited to a specified Number of Hours each year.
- (h) "Table" means the Table(s) attached to this Exhibit.

2. EFFECTIVE DATE

This Exhibit is effective on the date of execution by the Parties.

3. SEPARATE TABLE TO SPECIFY EACH CONDITIONAL FIRM RESERVATION

The Parties will specify each Conditional Firm Service reservation in a separate Table attached to this Exhibit. Transmission Provider will specify in section 1(c) of the Table, Determination of Bridge or Reassessment Service, the type of Conditional Firm Service it will provide: Bridge Service or Reassessment Service.

4. TERMINATION

(a) Bridge Service

(1) Termination of Bridge Service upon Conversion to Long-Term Firm Transmission Service

Bridge Service under a Table will terminate on the date Transmission Provider replaces Bridge Service with Long-Term Firm Transmission Service, upon satisfying construction or other requirements listed in section 1(e) of the Table, Identification of Facilities, or earlier, upon the availability of Long-Term Firm Available Transfer Capability (ATC).

(2) Termination of Bridge Service upon Failure to Perform under the PTSA

Subject to Customer's option to convert under section 4(a)(4) of this Exhibit, Termination of Bridge Service and Customer Option to Elect Reassessment, Bridge Service will terminate if:

(i) Transmission Provider fails to meet deadlines for its determination of rate treatment for Customer or for its compliance process under the National Environmental Policy Act (NEPA), unless otherwise agreed to by Customer; or

(ii) Transmission Provider fails to satisfy construction or other requirements set forth in the PTSA or listed in section 1(e) of the Table, Identification of Facilities.

(3) Termination of Bridge Service upon Failure to Perform not under the PTSA

Subject to Customer's option to convert under section 4(a)(4) of this Exhibit, Termination of Bridge Service and Customer Option to Elect Reassessment, Bridge Service will terminate if Transmission Provider or Customer fails to satisfy requirements set forth in the Tariff associated with construction or other requirements listed in section 1(e) of the Table, Identification of Facilities, that are not included in the PTSA.

(4) **Termination of Bridge Service and Customer Option to Elect Reassessment**

- (i) If Transmission Provider fails to perform under section 4(a)(2), Termination of Bridge Service upon Failure to Perform under the PTSA; or
- (ii) If Transmission Provider or Customer fails to perform under section 4(a)(3), Termination of Bridge Service upon Failure to Perform not under the PTSA, of this Exhibit.

Transmission Provider will give Customer written notice of termination of Bridge Service. Such termination will be effective on the first day of the month at least 90 calendar days from the date of notice. Customer may elect Reassessment Service by providing written notice to Transmission Provider at least 30 calendar days prior to the effective date of Bridge Service termination.

(b) **Reassessment Service**

Reassessment Service under a Table will terminate if:

- (1) Transmission Provider determines that it can no longer provide Reassessment Service reliably at the time of reassessment; or
- (2) Transmission Provider increases the Number of Hours of Conditional Curtailment and Customer elects to terminate Reassessment Service by written notice to Transmission Provider at least 30 calendar days prior to Transmission Provider's effective date of the new Number of Hours.

5. PRIORITY RIGHTS TO MONTHLY SHORT-TERM FIRM SERVICE

(a) **Determination of Monthly Short-Term Firm Service**

Transmission Provider will determine, on a monthly basis, if it has monthly short-term firm ATC available to provide NERC curtailment priority 7 service to Customer's Conditional Firm reservation on a short-term basis.

(b) **Obligation to Provide Service**

If Transmission Provider determines that monthly short-term firm ATC is available, Transmission Provider must provide such service to Customer in accordance with Transmission Provider's Conditional Firm Transmission Service Business Practice, as amended from time to time, and in accordance with section 15.4(c) of the Tariff.

- (c) **Notice**
If monthly short-term firm ATC is available prior to the month of service, Transmission Provider will notify Customer of that availability.

6. BRIDGE SERVICE

See section 4(a)(1), Termination of Bridge Service upon Conversion to Long-Term Firm Transmission Service, and section 4(a)(4), Termination of Bridge Service and Customer Option to Elect Reassessment, of this Exhibit.

7. REASSESSMENT SERVICE

- (a) **Initial Number of Hours**
Under each Table specifying Reassessment Service, Transmission Provider will establish the initial Number of Hours.
- (b) **Transmission Provider's Right to Modify Number of Hours of Conditional Curtailment or Terminate Reassessment Service**
Under each Table providing Reassessment Service, Transmission Provider may not modify the Number of Hours or terminate Reassessment Service earlier than: 1) two years from the date of execution of the Table; or 2) if Transmission Provider has already modified the Number of Hours under a Table, two years from the effective date of the prior modification to the Number of Hours.
- (c) **Customer Obligation to Pay for Studies**
Customer must pay for Transmission Provider's Reassessment studies in accordance with Transmission Provider's Conditional Firm Transmission Service Business Practice, as amended from time to time, and in accordance with section 15.4(c) of the Tariff.
- (d) **Notice of Change in the Number of Hours**
Transmission Provider will give Customer at least 90 calendar days notice of any modifications to the Number of Hours under section 4(b)(2) of this Exhibit, before the effective date of the modified Number of Hours.
- (e) **Notice of Termination of Reassessment Service**
Transmission Provider will give Customer at least 90 calendar days notice upon Transmission Provider's determination to terminate Reassessment Service under section 4(b)(1) of this Exhibit, before the effective date of such termination.

8. CURTAILMENTS

- (a) **Transmission Provider's Rights to Conditionally Curtail**
Except for testing under section 8(d)(1) of this Exhibit, Determination of Curtailment Hours and Testing, Transmission Provider must only use Conditional Curtailments to preserve the reliability of the Transmission System, as may occur in real-time or be anticipated to occur, and provide as much advance notice to Customer as is practicable.
- (b) **Customer's Obligations in the Event of Conditional Curtailments**
Customer must have arrangements in place such that the output of the generator(s) will be reduced per Transmission Provider's e-Tag order. If Transmission Provider executes a Conditional Curtailment of an e-Tag, Customer must exercise its arrangements to decrease (ramp down) the generator(s) supporting Customer's e-Tag. Customer must comply with the e-Tag equal to Transmission Provider's ordered reduction, consistent with Transmission Provider's Conditional Firm Transmission Service Business Practice, as amended from time to time, and in accordance with section 15.4(c) of the Tariff.
- (c) **Demonstration of Curtailment**
Customer must provide the following information within 5 business days upon Transmission Provider's request:
- (1) Generator output readings for the duration beginning at least 5 minutes before the start of the Conditional Curtailment, and through the end of the last hour of the Conditional Curtailment; and
 - (2) Output readings, in kW or MW, in time increments not greater than one minute.
- (d) **Conditional Curtailment Hour Accounting**
- (1) **Determination of Curtailment Hours and Testing**
Transmission Provider will decrement Customer's annual Number of Hours in accordance with Transmission Provider's Conditional Firm Transmission Service Business Practice, as amended from time to time, and in accordance with section 15.4(c) of the Tariff. Transmission Provider has the right to use up to 5 hours of the Number of Hours for test and verification purposes. Transmission Provider will conduct testing under reasonable circumstances to minimize disruption to Customer's operations.
 - (2) **Recordkeeping**
Transmission Provider will track the Number of Hours used and will provide such information to Customer within a reasonable time upon Customer's request.

(3) **Resetting of Available Conditional Curtailment Number of Hours**

If Transmission Provider exhausts the Number of Hours specified in a Table prior to 2400 hours Pacific Standard Time on December 31st of each year, Transmission Provider will change the reservation for the Table to NERC curtailment priority 7 for the remainder of the calendar year in accordance with the Conditional Firm Transmission Service Business Practice, as amended from time to time, and in accordance with section 15.4(c) of the Tariff. Effective at 2400 hours Pacific Standard Time on December 31st of each year, Transmission Provider will reset the Number of Hours available for Conditional Curtailment to the Number of Hours set forth in the Table.

9. SYSTEM CONDITIONS OPTION

Upon Transmission Provider developing Conditional Firm Service based on specified System Conditions(s):

(a) **Customer One-Time Option**

Transmission Provider will give notice to Customer that Customer will have a one-time option to convert its Number of Hours Option to Conditional Firm Service based on specified System Conditions. If Customer has multiple Tables under this Exhibit, Customer may make the decision to convert to the System Conditions option for any or all of the Tables;

(b) **Customer Notice Period for Response**

Customer will have 60 calendar days from the date of Transmission Provider's notice to notify Transmission Provider in writing of Customer's request to convert its Conditional Firm Service under a Table to the System Conditions Option, or such option will expire; and

(c) **Execution of Amendment**

Transmission Provider and Customer must execute the amendment to this Exhibit to reflect the conversion from Number of Hours to System Conditions.

10. INCORPORATION

This Exhibit, and any Tables to this Exhibit, are incorporated into and made a part of the Service Agreement.

11. SIGNATURES

The signatories represent that they are authorized to execute this Exhibit on behalf of the Party for which they sign.

CUSTOMER NAME

UNITED STATES OF AMERICA

Department of Energy

Bonneville Power Administration

By: _____

By: _____

Name: _____
(Print/Type)

Name: _____
(Print/Type)

Title: _____

Title: Transmission Account Executive

Date: _____

Date: _____

EXHIBIT [F]
TABLE *[insert No.]*
SPECIFICATIONS FOR CONDITIONAL
FIRM [POINT-TO-POINT] TRANSMISSION SERVICE

Associated with Precedent Transmission Service Agreement No. *[as applicable/ insert No.]*

1. TERM OF TRANSACTION AND CUSTOMER ELECTIONS AND CONTACT INFORMATION

(a) Enabling TSR

Customer's TSR, upon which the Conditional Firm Service reservation for this Table is based, is identified as follows:

The Assign Ref is: *[insert Assign Ref]*

Start Date: at 0000 hours on *[insert date, ex. October 1, 2005]*.

Termination Date: at 0000 hours on *[insert date, ex. October 1, 2008]*.

(b) Start Date and Contract Information pursuant to this Conditional Firm Service Table

Transmission Provider will fill in the applicable Assign Ref, Start Date and Termination Date.

The new Assign Ref is: _____ (Bonneville will insert Assign Ref or N/A)

Start Date at 0000 hours on: _____ (Bonneville will insert date)

Termination Date at 0000 hours on: _____ (Bonneville will insert date)

In the event of a Partial Service award: _____ (Bonneville will insert MW demand)

Customer, Initial/Date

Transmission Provider, Initial/Date

(c) Determination of Bridge or Reassessment Service

Conditional Firm Service under this Table is for **[Bridge or Reassessment]** Service.

(d) Identification of flowgate(s) on which the transmission is using Conditional Firm inventory:

(e) Identification of Facilities

Identify the facilities, or other requirements, necessary to enable Long-Term

Firm Transmission Service if Long-Term Firm ATC does not otherwise become available.

(f) **Applicable Number of Hours of Conditional Curtailment:**

Conditional Curtailment Number of Hours: _____

(g) **Transmission Provider Right for the First Reassessment**

[not applicable if for Bridge Service]

Earliest date on which the first Reassessment under this Table may take place: _____

2. DESCRIPTION OF CAPACITY AND ENERGY TO BE TRANSMITTED BY TRANSMISSION PROVIDER

Contract POR (Source)	Reservation - Scheduling (POR)	POR Balancing Authority	Contract POD (Sink)	Reservation - Scheduling (POD)	POD Balancing Authority	Reserved Capacity (MW)

3. POINT(S) OF RECEIPT

4. POINT(S) OF DELIVERY

5. DESIGNATION OF PARTY(IES) SUBJECT TO RECIPROCAL SERVICE OBLIGATION

6. NAMES OF ANY INTERVENING SYSTEMS PROVIDING TRANSMISSION SERVICE

7. SERVICE AGREEMENT CHARGES

Service under this Service Agreement will be subject to some combination of the charges detailed below and in Exhibits [B] and [C]. The appropriate charges for transactions will be determined in accordance with the terms and conditions of the Tariff.

(a) **Transmission Charge**

PTP-08 Rate Schedule or successor rate schedules.

- (1) **Reservation Fee**
Not Applicable
- (2) **Short Distance Discount (SDD)**
0.6+ (0.4 x ___/75) (formula for PTP) = ___ or Not Applicable.
- (b) **System Impact and/or Facilities Study Charge(s)**
- (c) **Direct Assignment and Use of Facility Charges**
- (d) **Ancillary Service Charges**

8. OTHER PROVISIONS SPECIFIC TO THIS TABLE

- (a) **Creditworthiness**
The Customer agrees to comply with Transmission Provider’s credit support requirements throughout the term of this Table, as set forth in Transmission Provider’s Creditworthiness Business Practice, as amended from time to time, and in accordance with section 11 of the Tariff. Based on such credit support requirements, at the time Transmission Provider establishes the Start Date and other contract information, Transmission Provider will determine whether Customer has an obligation to post additional credit assurances.

[other, as may be applicable]

9. SIGNATURES

The signatories represent that they are authorized to execute this Table on behalf of the Party for which they sign.

CUSTOMER NAME

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: _____

By: _____

Name: _____
(Print/Type)

Name: _____
(Print/Type)

Title: _____

Title: Transmission Account Executive

Date: _____

Date: _____