**Business Practice for Determining and Calculating Unreserved Use of the FPL Transmission System**

**Purpose:**

[[1]](#footnote-1)With reference to section 7.4 of the FPL Open Access Transmission Tariff (OATT), the purpose of this Business Practice is to document the methodology FPL will use to determine and calculate unreserved use of the FPL Transmission System by Network Integration and Point-to-Point Transmission Service Customers. This Business Practice provides timing guidelines regarding communications between FPL and the Transmission Customers related to unreserved use. In addition, FPL emphasizes that this Business Practice has no impact on Transmission Customers’ obligations to properly and timely schedule resources to serve their load in accordance with their service agreements and applicable sections of the OATT.

Unreserved use charges will be applied in the event that any Transmission Customer uses transmission service that is not properly reserved. Charges for unreserved use shall be assessed in accordance with section 7.4 of the OATT.

**Procedure:**

**I. Timing Requirements for Data, Calculation and Billing of Unreserved Use**

 **A. Point-to-Point Customers**

 1. For a Point-to-Point Transmission Customer, FPL will generally issue an invoice for unreserved use during the subsequent billing cycle after unreserved use is identified by FPL.

 **B. Network Integration Transmission Service Customers**

 1. Prior to the 15th day of each calendar month, the Network Integration Transmission Service Customer will provide FPL the following data for the previous calendar month, as applicable:

* The hourly output of the Transmission Customer’s Network Resources that are i) not metered by FPL; and ii) not scheduled into, out of, or through FPL; and
* A list of each instance where operating reserves were called for following the loss of a Network Resource unless such Network Resource is a purchase that is covered for such loss of resource. For each instance, the Transmission Customer will provide the following information: i) the time when operating reserves where first requested; ii) the amount of operating reserves first requested; and iii) the time and amount of any change in operating reserves requested, including the floating of operating reserves.

2. FPL will use the operating reserve information provided by the Transmission Customer for the loss of a Network Resource as an initial source of information for determining any potential unreserved use. The operating reserve information provided by the Florida Reserve Sharing Group (FRSG) will ultimately be the official data used in the event of the loss of a Transmission Customer’s Network Resource. FPL will not provide the Transmission Customer with the final invoice until the FRSG data is available.

3. FPL will provide a Transmission Customer with notice whether FPL identified any hours of potential unreserved use of the FPL transmission system, along with data identifying any hours of potential unreserved use of FPL’s transmission system generally by the last day of the calendar month following the end of the billing month when such potential unreserved has occurred.

4. FPL will not issue an invoice for unreserved use prior to fifteen calendar days after providing notice to the Transmission Customer of the alleged unreserved use. FPL will evaluate any issues identified by the Transmission Customer in FPL’s determination of alleged unreserved use.

**II. Determination of Unreserved Use**

 **A. Point-to-Point Customers**

 1. The following occurrences will be considered unreserved use of the FPL Transmission System by a Point-to-Point Transmission Customer if the Transmission Customer:

* Exceeds the confirmed transmission service reservation amount during any clock hour; or
* Schedules deliveries during a clock hour without a valid confirmed transmission reservation.

**B. Network Integration Transmission Service Customers that have their Network Load dynamically transferred to another party’s Balancing Authority.**

 1. The following occurrences will be considered unreserved use of the FPL Transmission System by a Network Integration Transmission Service Customer:

* If, during a clock hour, the quantity of i) Delivery Point flows (Delivery Point load minus behind the meter generation), plus ii) loss schedule, plus iii) Point-to-Point Transmission Service schedules sourced from a behind the meter generation, plus iv) Point-to-Point Transmission Service schedules sourced from a dynamically transferred Network Resource, minus v) the output of dynamically transferred Network Resources (actual hourly tie or scheduled value of a dynamically transferred Network Resources), minus vi) non-dynamically transferred Network schedules (Network Resources and secondary service), minus vii) operating reserves received by the Transmission Customer’s Balancing Authority following the loss of a Network Resource is less than zero; or
* If, during a clock hour, the quantity of i) Delivery Point flows (Delivery Point load minus behind the meter generation), plus ii) loss schedule, plus iii) Point-to-Point Transmission Service schedules sourced from a behind the meter generation, plus iv) Point-to-Point Transmission Service schedules sourced from a dynamically transferred Network Resource, minus v) the output of dynamically transferred Network Resources (actual hourly tie or scheduled value of a dynamically transferred Network Resources), minus vi) non-dynamically transferred Network schedules (Network Resources and secondary service), minus vii) operating reserves received by the Transmission Customer’s Balancing Authority following the loss of a Network Resource, minus viii) the output of Network Resources not embedded in the FPL transmission system is greater than zero. .

 **C**. **Network Integration Transmission Service Customers that have their Network Load within and part of FPL’s Balancing Authority.**

1. The following occurrences will be considered unreserved use of the FPL Transmission System by a Network Integration Transmission Service Customer provided the Transmission Customer purchases Schedule 4, Energy Imbalance Service from FPL:

* If, during a clock hour, the sum of the i) Transmission Customer’s actual Network Resource generation interconnected with and metered by FPL (adjusted for Point-to-Point schedules, if any, sourced from any such Network Resource), ii) Network Service schedules into, out of, or through FPL, as applicable, and iii) operating reserves utilized by the Transmission Customer’s Balancing Authority following the loss of a Network Resource of the Transmission Customer, is greater than the energy scheduled to FPL for the Transmission Customer’s Network Load obligations; or
* If, during a clock hour, the sum of the Transmission Customer’s actual Network Resource generation not metered by FPL, and Transmission Customer’s Network Service schedules into, out of, or through FPL is less than that delivered to FPL for the Transmission Customer’s Network Load obligations.

2. The following occurrences will be considered unreserved use of the FPL Transmission System by a Network Integration Transmission Service Customer provided the Transmission Customer self provides Energy Imbalance Services for its Network Load:

* If, during a clock hour, the Transmission Customer’s Network Load is greater than the sum of i) the Transmission Customer’s network schedules to FPL’s Balancing Authority, and ii) the Transmission Customer’s use of its designated Network Resources internal to FPL’s Balancing Authority; or
* If the Transmission Customer schedules a delivery through FPL to load that is not its Network Load utilizing Network Service.

**D. Network Integration Transmission Service Customers that have their Network Load within its own Balancing Authority.**

1. The following occurrences will be considered unreserved use of the FPL Transmission System by a Network Integration Transmission Customer:

* If the Transmission Customer schedules a delivery through FPL to load that is not its Network Load utilizing a Network Service OASIS reservation; or
* If the Transmission Customer schedules a delivery through another party in excess of its internal generation plus purchases using Point-to-Point OASIS reservations.

# III. Calculation of Florida Reserve Sharing Group (FRSG) Operating Reserves utilized by a Network Customer Following the Loss of a Network Resource

A. FPL will calculate the amount of operating reserves (OR) utilized by a Transmission Customer following the loss of a Network Resource utilizing data obtained from the FRSG. Operating reserves will be adjusted for discrete clock hours, as necessary.

B. FPL will make adjustments during its determination of unreserved use by the Transmission Customer to reflect the Transmission Customer’s use of operating reserves under the FRSG Agreement following the loss of a Network Resource.

# IV. Calculation of Unreserved Use for Point-to-Point Transmission Service

A. FPL will determine the unreserved use by the Transmission Customer based on that portion of usage that is above the Transmission Customer’s confirmed transmission service reservation.

 B. FPL will bill the Transmission Customer for the energy flow for which there was no confirmed Transmission Service reservation for or implemented tag; this would include such instances in which the OASIS reservation was reserved for the incorrect day or hour, or not tagged.

**V. Unreserved Use Calculation Formulas for Network Integration Transmission Customers**

**A.** **Network Transmission Service Customers that have their Network Load dynamically transferred to another party’s Balancing Authority.**

1. The following calculations will be used to determine, on a clock hourly basis, if any use of FPL’s Transmission System by the Transmission Customer under Network Transmission Service constitutes unreserved use and the amount; as applicable:

 Unreserved use will occur during any hour in when either of the following occurs:

DPF + LS + PTP1 + PTP2 - DT - NS - OR < 0; or

DPF + LS + PTP1 + PTP2 - DT - NS - OR - FNR > 0

 Where:

* DPF = Transmission Customer’s Delivery Point flows.
* DT = Output of the Transmission Customer’s dynamically transferred Network Resources.
* LS = Loss Schedule to FPL.
* NS = Sum of all schedules through FPL’s system for Network Service.
* PTP1 = Point-to-Point Transmission Service schedules that are sourced from a generating resource behind the Transmission Customer’s Delivery Point.
* PTP2 = Point-to-Point Transmission Service schedules sourced from a dynamically transferred generating Network Resource.
* OR = Operating reserves allocable to the Transmission Customer resulting from the loss or runback of a dynamically transferred or behind the meter Network Resource.
* FNR = The greater of i) the actual output of the Transmission Customer’s Network Resources not embedded in FPL’s Transmission System plus operating reserves resulting from the loss or runback of a Network Resource not specifically included as part of OR above and ii) the lesser of a) 10% of Network Load, b) 20 % of the Network Resource capacity not embedded in FPL’s Transmission System, or c) 20MW.

**B. Network Transmission Service Customers that have their Network Load within and part of FPL’s Balancing Authority.**

1. The following calculations will be used to determine, on a clock hourly basis, if any use of FPL’s Transmission System by a Network Integration Transmission Service Customer provided the Transmission Customer purchases Schedule 4, Energy Imbalance Service from FPL constitutes unreserved use and the amount; as applicable:

 Unreserved use will occur during any hour in when either of the following occurs:

NSF + PTP2 - DT - NS - OR < 0; or

NSF + PTP2 - DT - NS - OR - FNR > 0

 Where:

* NSF = Sum of all Network schedules to FPL to meet the Transmission Customer’s Network Load obligation including losses.
* DT = Actual output of the Transmission Customer’s dynamically transferred or scheduled generating Network Resources.
* NS = Sum of all Network schedules through FPL’s system for Transmission Customer.
* PTP2 = Point-to-Point Transmission Service schedules received sourced from a dynamically transferred generating Network Resource.
* OR = Operating reserves allocable to the Transmission Customer.
* FNR = Actual output of the Transmission Customer’s Network Resources not embedded in FPL Transmission System.
1. The following calculations will be used to determine, on a clock hourly basis, if any use of FPL’s Transmission System by a Network Integration Transmission Service Customer provided the Transmission Customer self provides energy imbalance services constitutes unreserved use and the amount; as applicable:

Unreserved use will occur during any hour in when either of the following occurs:

NL - NSF - NRIF - OR > 0

 Where:

* NL = Network Load including losses
* NSF = Sum of all Network schedules to FPL to meet the Transmission Customer’s Network Service obligation including losses.
* NRIF = Transmission Customer’s Network Resources internal to FPL’s Balancing Authority.
* OR = Operating reserves allocable to the Transmission Customer.

**Revision History**

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| --- | --- | --- |
| Date | Revision | Change Summary |
| 6/22/2012 | 0 |  |
| 7/02/2012 | 1 | Edit required in section V.A.1. |
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1. There may be instances or circumstances related to unreserved use not covered by this Business Practice. Nothing in this Business Practice will limit FPL’s right to identify and bill for unreserved use or the Transmission Customer’s obligation to pay for unreserved use or the Transmission Customers right to dispute any charges for unreserved use pursuant to FPL’s OATT. [↑](#footnote-ref-1)