

Idaho Power Transmission Business Practices

Section 2 – Network Integration Transmission Service

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2.0 Interpretation and Authority

Idaho Power administers Network Integration Transmission Service (“NITS” or “Network Service”) in accordance with Part III of its Tariff, applicable Commission orders and regulations, and applicable NAESB Standards as they are finalized, as each is amended from time to time.

2.1 New Network Customer Request

An eligible customer seeking NITS is required to submit an application under section 29 of Idaho Power’s OATT (“OATT” or “Tariff”). The application consists of:

- The New Network Customer and Load Form;
- The Network Resource Designation Form;
- The forecast information as required in section 29.2 of the Tariff;
- The deposit as required in section 29.2 of the Tariff; and
- An OASIS network Transmission Service Request (“TSR”).

The required forms are located on OASIS under the “Network Customer Information/Network Customer Forms” folder. Once completed, forms shall be mailed to:

Manager, Grid Operations
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83702

If not currently a customer of Idaho Power Transmission, customer must first complete the steps required under Section 1.0 of the Business Practices to become a new Idaho Power Transmission Customer.

Customers must submit a network TSR on OASIS according to section 2.4 below. Please note that the priority to NITS is established by the date and time of the OASIS transmission request so the network TSR should be submitted as far as possible in advance of the month in which service is to commence.

If the OASIS site is not working, the customer’s reservation can be made by either (a) faxing the required application information noted above in Section 2.1 to Idaho Power (Pre-Schedule Fax: 208-388-5504), or (b) submitting a network TSR to Idaho

Power by phone (Pre-Schedule 208-388-2827) and faxing (Pre-Schedule Fax: 208-388-5504) the required application information.

2.2 New Native or Network Load Request For Existing Customers

A customer seeking to add a new load to either native or an existing Network Service is required to submit an application under section 29 of Idaho Power's OATT.¹ The application consists of:

- The New Network Customer and Load form located on OASIS under the Network Customer Information/Network Customer Forms folder;
- The forecast information as required in section 29.2 of the Tariff;
- An OASIS network TSR; and
- Deposit.

As the timestamp establishing the queue position is based on the OASIS reservation submittal, the customer's Network Load Form can be submitted to Idaho Power in one of the following ways:

1. Mail to:
Manager, Grid Operations
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83702
2. Fax to Pre-Schedule Fax: 208-388-5504
3. E-mail to, CommercialOperations@idahopower.com
4. Idaho Power IM tool.

The following is considered "new" load and require the submission of a new application according to the procedures set forth above:

- Increases in load, not already accounted for in the annual submission of Network Loads and Network Resources, to the distribution system (<40 kV) at one site of 2 MW or greater; or

¹ Idaho Power OATT § 31.2.

- Increases in load, not already accounted for in the annual submission of Network Loads and Network Resources, to the transmission system (>40 kV) at one site of 5 MW or greater.

The following are considered “material changes” and require timely written notice to the transmission provider:

- Increases in load, not already accounted for in the annual submission of Network Loads and Network Resources, to the distribution system (<40 kV) at one site greater than 1 MW but less than 2 MW.
- Increases in load, not already accounted for in the annual submission of Network Loads and Network Resources, to the transmission system (>40 kV) at one site greater than 1 MW but less than 5 MW.
- Reduction in load, not already accounted for in the annual submission of Network Loads and Network Resources, at one POD or site on either the distribution or transmission system of 5 MW or greater.

Load increases under 1 MW are considered organic growth and do not require timely written notice or a new application.

The customer must submit a network TSR request on OASIS reflecting the POR/POD combination requested to serve the new load. If the POR/POD combination required does not exist, refer to Business Practice section 8.2 regarding new POR or POD request. Please note that the priority to NITS is established by the date and time of the OASIS transmission request so the network TSR should be submitted as far as possible in advance of the month in which service is to commence.

If the OASIS site is not working, the customer’s reservation can be made by either (a) faxing the required application information noted above to Idaho Power, or (b) submitting a network TSR to Idaho Power by phone and faxing the New Network Customer and Load Form.

2.3 New Native or Network Resource Request for Existing Customers

An eligible customer seeking to designate a new Network Resource is required to submit an application under section 29 of Idaho Power’s OATT. This is true even when a Network Customer simply renews a Network Resource without changing the character or terms of the resource (*e.g.*, renewing a firm power supply agreement without modifying its terms).² The application consists of:

- The Network Resource Designation Form located on the Idaho Power OASIS site under the Network Customer Information/Network Customer Forms;

² *Wisc. Pub. Power Inc. SYSTEM v. Wisc. Pub. Serv. Corp.*, 84 FERC ¶ 61,120, at p. 61,655 (1998) (“WPPI”).

- The forecast information as required in section 29.2 of the Tariff;

An OASIS network TSR

As the timestamp establishing the queue position is based on the OASIS reservation submittal, the customer's Network Resource Designation Form can be submitted to Idaho Power in one of the following ways:

1. Mail to:
Manager, Grid Operations
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83702
2. Fax to Pre-Schedule Fax: 208-388-5504
3. E-mail to, CommercialOperations@idahopower.com
4. Idaho Power IM tool.

A Network Customer may choose to aggregate transmission service requests for Designated Network Resources (DNRs) into a single NITS request. To do so, these DNRs must impact the same delivery points to Idaho Power's system and be for the same term (begin and end-date) of service.

The customer must submit a network TSR on OASIS. See section 2.4 for Network OASIS request procedures. If a new POR/POD combination is required for the service, refer to section 8.2. Please note that the priority to NITS is established by the date and time of the OASIS transmission request so the network TSR should be submitted as far as possible in advance of the month in which service is to commence. For network designations of less than 1 year, the latest a DNR can be submitted will correspond to the timing requirements reflected in Business Practice 8.4 Table 2 for the comparable Firm Transmission PTP Service Offering (i.e. monthly DNR comparable to monthly firm PTP service offering).

If the OASIS site is not working, the customer's reservation can be made by either (a) faxing the required application information to Idaho Power, or (b) submitting a network TSR to Idaho Power by phone and faxing the Network Resource Designation Form. This will establish the timestamp required for queue position.

2.4 Submitting a Network Transmission Service Request on OASIS

To submit a network Transmission Service Request you will need to follow these steps:

1. Login to webOASIS;
2. At the main page, select "Reservations", then select IPCO as the TP;
3. Click on "Enter";
4. Select TSR; and
5. Use scroll down menus to specify and submit the following:
 - Point of Receipt/Point of Delivery;
 - Service class (Specify Network);
 - Request Type;
 - Start and Stop dates; and
 - MW Value.
 - In the context of a new resource, MW value refers to the amount of capacity from the resource to be designated
 - In the context of a load designation, MW value refers to the peak load at the point of delivery.

Network Loads and service to Native Load Customers in Idaho Power's system are assigned Points of Delivery (POD) to be used in conjunction with Network Integration Transmission Service (NITS).

2.5 Renewing Network Transmission Service

The customer is to submit a written request of renewal as soon as practicable. This request is to be submitted no later than 60 days prior to the expiration date of the current agreement for contracts executed prior to Order 890 and 1 year prior to the expiration date of the current agreement for contracts executed post Order 890. The request should include any changes the customer wishes to make to the current agreement. The request is submitted via mail to:

Manager, Grid Operations
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83702

The customer will also need to submit a network TSR for the renewal service request. In the comment section of the TSR, please state this is a renewal request for the specific NITSA.

2.6 Network Service, Load, and Resource Evaluation Process

2.6.1 Process for Reviewing Applications.

Upon receipt of an OASIS transmission request, Idaho Power will enter “RECEIVED” as the status of the OASIS transmission request.

Upon receipt of the OASIS request and applicable Network form, Idaho Power will review the completeness of the application (OATT Section 29.2). A complete application requires:

- TSR on OASIS;
- Network Customer Form, Network Load Request Form, and/or Network Resource Designation Form;
- The forecast information as required in section 29.2 of the Tariff; and
- A Deposit as required per section 29.2 of the OATT for any new network customer or load request.

Idaho Power will work to promptly resolve with the applicant any deficiencies in the application.

If the deficiencies are resolved, the application will be classified as a “Completed Application” under the Tariff and Idaho Power will enter “COMPLETED APPLICATION” in the comment field of the OASIS transmission request, and Idaho Power will send a letter acknowledging receipt of the completed application.

If the deficiencies are not resolved, the application will be returned to the applicant, and Idaho Power Company will enter “DECLINED” as the status of the OASIS transmission request, along with entering a reason for the action in the comment field. The applicant may submit a new OASIS reservation and file a new or revised applicable form.

Once an application is accepted as complete, if there is sufficient Available Transfer Capability (“ATC”) to accommodate the transmission request without the need to do a System Impact Study, Idaho Power will tender a Network Integration Transmission Service Agreement (“NITSA”) or a modification to an existing NITSA. Once the NITSA is tendered to the customer, Idaho Power will enter “ACCEPTED” as the status of the OASIS transmission request. The transmission customer will then have to enter “CONFIRMED” as the status of the OASIS transmission request if it has not been “PRE-CONFIRMED.”

If the customer fails to CONFIRM the OASIS transmission request within 15 days, Idaho Power will consider the request withdrawn and enter “REFUSED” as the status of the OASIS transmission request.

If sufficient ATC to accommodate the transmission request is not available, then Idaho Power will tender a System Impact Study Agreement (“SISA”) to the applicant.³ Upon offering the SISA to the customer, Idaho Power will reflect “STUDY” as the status of the OASIS transmission request. If the applicant executes the SISA within the required time period (section 2.4.1), Idaho power will perform the study. Idaho Power’s Grid Operations department will coordinate with the applicant to facilitate the required study. If the applicant does not execute the SISA within the required time period, then the applicant’s application is deemed withdrawn in accordance with Section 32 of the Tariff, and Idaho Power will enter “REFUSED” as the status of the OASIS transmission request.

At the conclusion of the System Impact Study, a Facilities Study may be required.⁴ If a Facilities Study is not required, Idaho Power will tender a NITSA or modified NITSA. Once the NITSA or modification is signed, Idaho Power will enter “ACCEPTED” as the status of the OASIS transmission request. The applicant will then have to enter “CONFIRMED” as the status of the OASIS transmission request if it has not been “PRE-CONFIRMED” within the required time period.

If a Facilities Study is required, Idaho Power will tender a Facility Study Agreement (“FSA”) to the applicant. If the applicant executes the FSA within the required time period, Idaho Power will perform the Facilities Study. The status of the OASIS transmission request will remain in “STUDY”. At the conclusion of the Facilities Study, Idaho Power will tender a NITSA or a modification to an existing NITSA. Once the NITSA or the modified NITSA is signed, Idaho Power will enter “ACCEPTED” as the status of the OASIS transmission request. The transmission customer will then have to enter “CONFIRMED” as the status of the OASIS transmission request if it has not been “PRE-CONFIRMED” within the required time period.

Once the OASIS TSR is CONFIRMED and prior to scheduling against the TSR, Idaho Power will replace the TSR with a Transmission Service Number (“TSN”) that will be used for eTag scheduling purposes if applicable. Idaho Power will change the status of the original TSR on OASIS to “ANNULLED,” enter into the comment field a notation that the TSR is replaced with a TSN, and provide the legacy number. The TSN will be used for scheduling purposes from the time the TSR is annulled to the end of the original service request. This will apply to new Network Load, new Network Customer, and new Network Resource requests.

At the time the NITSA or modified NITSA is tendered, Idaho Power will specify all applicable charges, terms and conditions of service, and required financial guarantees.

³ System Impact Study is defined at Section 1.47 of the OATT.

⁴ Facility Study is defined at Section 1.13 of the OATT.

2.6.2 Material Changes.

Customers must report all material changes in data, submitted previously pursuant to Section 29.2 of the OATT for an approved Designated Network Resource (DNR), in order to assure proper continued integration of such DNR. In some cases a material change may trigger a requirement for that resource to be undesignated such that a new designation request must be made in order to ensure firm NITS. In particular, changes to the following required data would trigger a requirement for a new request for designation of the Network Resource, to ensure firm transmission: [1] changes to POR on the Transmission Provider's Transmission System, or [2] changes to transmission arrangements on external Transmission System(s). This is not an all inclusive list; there may be other items that require notification. The customer is required to notify Transmission Provider of any material change.

Nothing in this business practice guarantees that a request to designate or undesignate a particular Network Resource will be granted. For example, such requests may be denied for reliability reasons. If such a request is denied for reliability reasons⁵, a description of the denial shall be posted (via the comment section on the TSR) in accordance with 18 C.F.R. 37.6(e)(2).

2.6.3 Timelines for Submitting and Reviewing Applications, and for Accepting or Rejecting Service Agreements and Study Agreements.

The timelines set out in the Tariff in Sections 29 and 32 will apply.

2.6.4 List of Network Resources

Idaho Power will maintain a file titled Idaho Power Network and Native Load Resource and Set-Asides posted on OASIS in the Network Customer folder. This report will identify each Network Resource, and for each Network Resource the Network Customers, TSN or legacy transmission number and megawatts of transmission capacity set aside for the Network Resource. Network customers should review the list and contact Idaho Power Transmission if there are any discrepancies.

2.7 Termination of Network Resource

A Network Resource is terminated when the customer no longer owns the resource, the NITSA expires, or according to Section 30.3 of the OATT, may be terminated at any time upon filing a Notice of Termination Form. Once Network Resource designation is terminated indefinitely, the resource may be re-designated only by filing a new application. Customers shall timely notify Idaho Power when a Network Resource is no longer owned in any of the following ways:

⁵ Order 890 paragraph 1586.

1. Mail to:
Manager, Grid Operations
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83702
2. Fax to Pre-Schedule Fax: 208-388-5504
3. E-mail to CommercialOperations@idahopower.com
4. Idaho Power IM tool.

2.8 Undesignation and Redesignation of Network Resources

Idaho Power administers the undesignation of Network Resources in accordance with section 30.3 of Idaho Power's OATT, applicable Commission orders and regulations, and final NAESB Standards, as each is amended from time to time.⁶

This business practice provides Network Customers with the flexibility to undesignate Network Resources in accordance with the applicable provisions of the OATT. Undesignation is required when a customer wishes to make FIRM off-system sales from a designated Network Resource.

This business practice supports undesignation of resources as a group for those resources identified as associated with a common NERC registered Point-of-Receipt (POR). The Transmission Provider will review the POR identified with each DNR and will verify that the POR is listed on the NERC Registry and that the DNRs are appropriately associated with the identified POR.

This business practice does not relieve Network Customers of their responsibility to ensure that they comply with their OATT obligations, including the obligation to ensure that any designated Network Resource comports with the requirements for designated Network Resources set forth in Section 30 of the OATT.

2.8.1 Submission of Request to Un-designate Network Resources

If a PTP TSR is to be considered with the undesignation request per OATT Section 30.3 the customer must first submit a TSR for PTP service on OASIS and include in the comment field that a Network Resource undesignation form is to follow shortly. The undesignation form must be sent to Idaho Power prior to any action being taken on the TSR. If the form is not received within 10 minutes of

⁶ Idaho Power uses the term undesignation and redesignation of Network Resources. However, section 30.3 of Idaho Power's OATT uses the terms temporary termination and indefinite termination.

the TSR submittal time, Idaho Power will evaluate the TSR as a stand-alone request for PTP service and not in conjunction with the undesignation request.

Network Customers must submit the Network Resource Undesignation Form, (which is located on Idaho Power's OASIS site <http://www.oatioasis.com/ipco/index.html> under the Network Customer folder) as directed in 2.8.2 for the time horizon the undesignation occurs.

Idaho Power Transmission will confirm to the customer either its acceptance or denial of the undesignation by either the IM tool or telephone.

2.8.2 Timing Requirements to Un-designate Network Resources

Pre-schedule undesignations: For undesignations, complete Undesignation Forms shall be submitted before any firm energy sale is tagged from that facility but no later than the firm PTP scheduling deadline referred to in OATT Section 13.8 and Business Practice Section 12.3 of the pre-scheduling day for which the undesignation is to be effective.

The undesignation form shall be submitted to the Transmission Providers Pre-schedule desk by either fax (208-388-5504) or submitted as an attachment in the Idaho Power IM tool. If the form is submitted via the fax, notification by phone (208-388-5146) or the instant messaging tool is **required** to advise the Pre-schedule desk the form is coming.

Real Time undesignations: These are only allowed under the following instances:

1. **Booked Out Designated Network Resource:**
A Designated Network Resource that is booked out can be undesignated. The undesignation form shall be submitted to Idaho Power Transmission by either fax (208-388-6157) or the IM tool within 1 business day of the booked out transaction.
2. **Designated Network Resource Impacted by Outages or De-rates;**
impacted by real time transmission outages or de-rates and therefore cannot be brought into Idaho Power's Balancing Area to serve load on firm transmission can be undesignated and either sold in the real-time environment or brought into the Balancing Authority to serve load on non-firm transmission (including secondary network) if available. The undesignation form shall be submitted to Idaho Power Transmission by either fax (208-388-6157) or the IM tool prior to the sale or non-firm scheduling of the resource.
3. **Emergency Conditions:**

A request to undesignate a network resource will be accommodated in response to declared emergency conditions by the Transmission Provider, Reliability Coordinator or another Balancing Authority. Emergency undesignations will only be allowed based on a directive from the Transmission Provider. The undesignation form shall be promptly submitted by the Network Customer after tagging the transaction.

2.8.3 Procedures for Implementing Bookouts⁷ of a Designated Network Resource

These procedures are implementing Section 30.3 of the OATT. Idaho Power will only allow a substitution of network resources for power contract book-outs.. To substitute a new power contract for a previously designated power contract, the same third party transmission previously related to the booked out network resource must be used. In addition, the customer must indicate the substitution on the tag by referencing the substituted (or booked-out) DNR power contract reference number and attest to Tariff Section 29.2(viii) by stating “ATTEST 29.2(viii)” in the comment section of the tag. The comment field should look substantially similar to the following: “SUB 999999999, ATTEST 29.2(viii).” Customer must submit the designated network resource form for the substituted resource within 1 business day after the substitution occurs.

2.8.4 Process by which Idaho Power will evaluate the Un-Designation Form

Upon receipt of the Undesignation request, Idaho Power will review the completeness of the request. Idaho Power will work to promptly resolve with the applicant any deficiencies in the application. Idaho Power Transmission will confirm to the customer either its acceptance or denial of the undesignation by either the IM tool or telephone.

2.8.4.1 Idaho Power will process non-emergency requests to undesignate a Network Resource if PTP transmission *is not* being requested as follows:

- (a) For pre-schedule undesignations only, Idaho Power will modify the reservation profile of the TSN by subtracting the undesignated MW amount for the period of undesignation. If the network transmission is utilizing a TSR, Idaho Power will “RECALL” the undesignated MW amount for the period of the undesignation.
- (b) Idaho Power will update the posted Idaho Power Network and Native Load Resource and Set-Asides report once the undesignation is processed. Any undesignations submitted in real time will not be reflected on this sheet until the next business day. This report is located in the Network Customer Information folder. ATC may be

⁷ As defined in Idaho Power’s OATT Section 1.4(a)

updated before the updated report is posted on OASIS, depending on when the OASIS system is initialized.

- 2.8.4.2** Idaho Power will process non-emergency requests to undesignate a Network Resource if PTP transmission *is* being requested as follows:
- (a) Idaho Power will review the new point-to-point request for ATC taking into account requests with higher priority in the queue.
 - (b) If the capacity is available for this request, Idaho Power will accept the new TSR request.
 - (b) For pre-schedule undesignations only, Idaho Power will modify the reservation profile of the TSN by subtracting the amount of MW for the period of un-designation and update the posted Idaho Power Network and Native Load Resource and Set-Asides report. If the network transmission is utilizing a TSR, Idaho Power will “RECALL” the undesignated MW amount for the period of the undesignation. ATC may be updated before the updated report is posted on OASIS depending on when the OASIS system is initialized.
 - (e) The un-designation is effective upon acceptance of the TSR.
 - f) If capacity is not available to grant the point-to-point request, the un-designation request will be denied and the point-to-point reservation will be “REFUSED” on OASIS. Customer is notified that Idaho Power denied the un-designation request through the refusal of the TSR.

2.8.5 Network Resource Redesignation

Redesignation of a Network Resource will automatically occur at the time as specified on the Undesignation Form. If no redesignation time is specified with the undesignation request, Idaho Power will consider the Network Resource to be terminated indefinitely. See Section 2.5 - Termination of Network Resource.

2.8.6 List of Undesignation Forms

An undesignation notice will be posted in the Notices section of OASIS. Undesignation forms received from customers will be posted on OASIS in the “Network Customer Information” folder within one (1) business day from receipt of the form.

2.8.7 Calculation of Network Transmission Rights

Network resource firm transmission rights are reduced or restricted from the original grant of network transmission capacity based upon the actual ability of the Network Resource to produce or deliver energy. Network transmission available for use in any hour is determined according to the following formula:

$$\text{OGC} - \text{OUTAGE} - \text{DERATE} - \text{Undesignations}$$

where:

“OGC” is defined as the original granted capacity for the network resource as identified on the Network or Native Load Designated Resource List under the Network Customer Information Folder on OASIS upon designation;

“OUTAGE” is defined as forced or planned outages of the generation resource;

“DERATE” is defined as capacity reductions due to transmission facility outages which create a reduction in the transmission path limit; and

“Undesignations” can be found on OASIS in the “Network Customer Information” folder.

The formula set forth above is applied so that the Network Customer’s network firm transmission rights for use in any hour is the lesser of the original grant of network transmission, the physical ability of the plant to generate, or the physical ability of the line to deliver power from the plant. Undesignated capacity further reduces network transmission rights in any hour. The customer can schedule Network Resources up to the lesser of the network transmission rights available in the hour or the Network Load in the hour. The customer can schedule within the limits of scheduling rules⁸ each hour the resource’s generation between the portion that is a Network Resource to be used for service to Network Load up to the network transmission rights available in the hour, and the portion that is undesignated and available for off-system sale on point-to-point transmission. The combination of the network, undesignated generation, and non-firm energy tags must equal the actual generation of the facility or contract capacity.

Refer to Attachment A at the end of this Business Practice for examples of calculation of Network Rights.

2.8.8 Sales of Network Resources to Network Customers Within Idaho Power’s Balancing Authority.

When a network customer is selling to another network customer inside Idaho Power’s balancing area and the purchasing network customer intends to designate

⁸ Applicable scheduling rules are identified by NERC, NAESB and WECC guidelines, Idaho Power’s Tariff and Business Practice Section 12.

that purchase as a network resource according to section 2.3 of the Business Practice, the selling network customer shall undesignate a network resource at a specific resource POR or may undesignate a portion of the network system equal to the amount of the sale.⁹

If the purchasing network customer does not designate the purchase as a network resource, the selling network customer shall submit a revision to the request to undesignate from a specific resource POR within 1 business day of notification from the Transmission Provider that a resource was not designated.

If the purchasing network customer does not intend to designate the purchase as a designated resource, the selling entity must undesignate a network resource from a specific resource POR and cannot undesignate a portion of the network system equal to the amount of the sale.

2.9 Use of Designated Network Transmission Service

Designated Network Service may only be used when a Network Customer wants to either import energy from a Designated Network Resource into the Idaho Power Balancing Area or move energy from a Designated Network Resource within the Balancing Area; in both cases, to serve the Network Customer's Network Load in those hour(s) being scheduled.

The Network Customer is responsible for proper use of designated Network Service. This business practice does not relieve a Network Customer of its responsibility to ensure that network transmission rights are used in accordance the OATT, in particular Sections 28.1 and 28.6.

Designated Network Service has a NERC curtailment priority of 7. See also Section 13.6 of the OATT.

The NITSA requires the Network Customer to pay a Load Ratio Share of Idaho Power's transmission revenue requirement. See OATT Schedule 9, "Charge Provisions for Network Integration Transmission Service."

Transmission set aside for designated Network Service that is not scheduled at pre-schedule will be posted as non-firm ATC unless the Network Customer notifies Idaho Power that it un-designates or terminates network capacity so it can be posted as firm ATC.

The transmission capacity that is held by a designated Network Resource cannot be used by a resource that is not designated.

⁹ Order 890B paragraph 205.

2.10 Spinning and Supplemental Reserves

Idaho Power offers spinning and supplemental reserves under Schedules 5 and 6 of the OATT as ancillary services.

2.11 Use of Secondary Network Service

Idaho Power administers the use of Secondary Network Service in accordance with Section 28.4 of Idaho Power's OATT, applicable Commission orders and regulations, and final NERC and NAESB Standards, as each is amended from time to time.

Secondary Network Service may be requested when a Network Customer wants to import energy from a non-designated resource into the Idaho Power Balancing Area to serve the Network Customer's Network or Native Load in the Idaho Power Balancing Area.

The combined total of Network Service and Secondary Network Service used in an hour cannot exceed the Native or Designated Network load.

This business practice does not relieve Network Customers of their responsibility to ensure that they comply with their OATT obligations, including the obligation to ensure that Network Transmission rights are used in accordance with the OATT, in particular Sections 28.1, 28.4 and 28.6.

A Network Customer shall schedule Secondary Network Service in accordance with the procedures set forth in the Idaho Power Transmission Business Practices.

Secondary Network Service has a NERC 6 curtailment priority. Curtailment occurs as set forth in the OATT Sections 13.6 and 14.7.

Secondary Network Service is provided to the Network Customer at no additional charge over the Network Customer's charge for network service.

2.11.1 Requesting Secondary Network Service for Network Load Service

A Network Customer must submit its request for Secondary Network Service on OASIS in accordance with the timing restrictions set forth in Section 18.3 of the Idaho Power OATT.

On the TSR Request:

- under the Service Type, select the applicable network service type (hourly, daily, monthly),

- in the comment field indicate that the service is for “Network Load” or “Native Load,” and
- the Pre-Confirmed box must be checked.

The Network Customer is not required to disclose any information about the generation resource or the transmission service used to move the energy from the resource to the Idaho Power Balancing Area.

2.11.2 Request for Secondary Network Service Evaluation Process.

In response to the request for Secondary Network Service (“SN TSR”), Idaho Power will grant the SN TSR to the extent ATC (firm or non-firm) is available.

Idaho Power will evaluate the available ATC for the requested SN TSR, including the ability to SUPERSEDE or DISPLACE previously sold non-firm capacity on the SN TSR’s requested POR/POD as follows:

- (a) If a previously sold TSR is in an “ACCEPTED” but not “CONFIRMED” state, then Idaho Power will change the status of the previously sold TSR to “SUPERSEDED” and list the SN TSR number that is superseding the previously sold TSR in the comment field.
- (b) If a previously sold TSR is in a “CONFIRMED” state and a Request for Interchange (i.e., a tag) has NOT been submitted against the TSR, Idaho Power will change the status of the previously sold TSR to “DISPLACED” and list the SN TSR number that is displacing the previously sold TSR in the comment field.
- (c) If a previously sold TSR is in a “CONFIRMED” state and a Request for Interchange (i.e., an eTag) *HAS* been submitted against the TSR, Idaho Power will not change the status of the previously sold TSR.

If ATC is available for the SN TSR, Idaho Power will enter “ACCEPTED” as the status of the OASIS transmission request. Since Secondary Network Service must be pre-confirmed, the OASIS tool will automatically change the status from ACCEPTED to CONFIRMED. All requests for Secondary Network Service will be accepted to the extent that Network Service or firm PTP service has not taken the capacity on the specific path of the SN TSR.

If ATC is available to grant part of the requested amount but not all, Idaho Power will “COUNTEROFFER” the available capacity. The Network Customer must “CONFIRM” the “COUNTEROFFER”.

If ATC is not available for the SN TSR, Idaho Power will enter “REFUSED” as the status of the SN TSR OASIS request. SN TSR will be “REFUSED” if all the capacity for the requested POR/POR is utilized by firm PTP and NT customers.

If secondary network service is purchased in pre-schedule but not tagged by the end of the pre-schedule day, any unscheduled capacity on the secondary network reservation will be recalled at the end of the pre-schedule day. Secondary network service if needed can be resubmitted in the real time.

2.11.3 Requesting Network Service or Secondary Network Service for Economic Displacement

A Network Customer must submit its request for Network or Secondary Network Service on OASIS in accordance with the timing restrictions set forth in Section 18.3 of the Idaho Power OATT. On the TSR, the comment field must note that the service is for Network Load or Native Load, AND for Economic Displacement.

Idaho Power will evaluate the request as follows:

- (a) Economic Displacement may only be used to displace a resource that was intended to be used to serve the Network Customer’s Network Load, and
- (b) the megawatts of the import must not exceed the megawatts of the Network Resource being displaced; and
- (c) Economic Displacement cannot be a basis for importing energy on Network or Secondary Network Transmission Service if the imported energy will not be used to serve the Network Customer’s Network Load in the hour(s) being scheduled.

Idaho Power’s Power Supply Department must demonstrate to Idaho Power Grid Operations, via the Mind Align tool (Idaho Power’s recorded instant messaging system), that the purchase price of the imported energy, including the cost of transmission and losses to get the energy to the border of Idaho Power’s Balancing Area, is less than the incremental cost of the displaced resource. The displaced resource can either be backed down or sold off-system (provided that the displaced resource is undesignated prior to being sold off-system). Idaho Power will enter “REFUSED” as the status of the SN TSR if this demonstration is not made by Idaho Power’s Power Supply Department. Idaho Power will enter “ACCEPTED” as the status of the SN TSR if the demonstration is made by Idaho Power’s Power Supply Department.¹⁰

2.12 Annual Load and Resource Information Updates

¹⁰ *Idaho Power Company, et al*, 103FERC ¶ 61,182 (2003) (attachment B)

2.12.1 Annual Notice

Any Network Customer has a right to reserve capacity for Network or Native Load growth and for Designated Resources during times when the Designated Resources are not able to produce energy equal to the total capacity of the Designated Resource so long as the Network Customer complies with Section 31.6 of Idaho Power's OATT.

The Network Customer shall provide Idaho Power with annual updates of Network Load and Network Resource forecasts consistent with those included in its application for NITS. The Network Customer must provide these updates annually by October 1.

Any load growth reservation must be based upon reasonably forecasted loads in the customer's current planning horizon and be supported by a reasonable plan for Network Resources to meet that load growth. Any energy replacement reservation must be based upon the customer's current planning horizon and be supported by a reasonable generation forecast for the Network Resource. Idaho Power will accept forecasted needs to replace reduced capacity of hydroelectric Designated Resources based upon critical water forecasts¹¹ where critical water means the lowest or near lowest water on record for the applicable water body, and forecasted needs and state approved integrated resource plans.

Customer may identify the preferred PORs to import additional Designated Resources for the situations described above, which Idaho Power will try to accommodate if practicable.

The reservation requests and reserved capacity will be posted on Idaho Power's OASIS under the "Network Customer Information" folder.

2.12.2 Notice and Evaluation of Updates and Material Changes

Network and Native Load Customers are required to provide updates of known material changes in Network Resources or Load as soon as those conditions are known. Adjustment of load service plan to assumption of "expected" water conditions versus "critical" water conditions will trigger this notification if that adjustment results in a material change of Network Resources available to serve Network Load. The update may be a material change necessitating the need to submit a new application. In the event that this occurs, Idaho Power will notify the customer of the requirement to submit a new application in accordance with Sections 2.2 or 2.3.

Idaho Power encourages Network Customers to release transmission capacity set aside for Network Resources as soon as the customer expects that it will not be needed.

¹¹ *Arizona Public Service Company*, 89 FERC ¶ 61,061 (1999).

Idaho Power will post on OASIS annual Network and Native Load growth reservations and all factual support provided by Network Customers.

In response to annual notice or notice of material changes, Idaho Power will evaluate current commitments and the capability of the system as defined in the Network Customer's Service Agreement to determine if the changes can be accommodated. Idaho Power will notify the Network Customer of the impacts to any Network Upgrade schedule and/or Reliability Must Run ("RMR") requirements resulting from the data update.

In the event that the data update causes material changes, Idaho Power will notify the Network Customer of such and System Impact Study and Facilities Study may be required to advance, delay or modify Network Upgrade and/or Direct Assignment Facilities. As such, procedures and practices in this document, in its entirety, will apply.

Idaho Power will offer the reserved capacity available to other eligible customers until such time that the customer that has reserved the capacity needs the capacity to serve its Network Load.

2.12.3 Network Resources Related to Load Growth Reservations Replacing Capacity of a Network Resources that is Temporarily Decreased

Firm Network Resources are not necessarily required at the time a customer makes a load growth reservation or requests network transmission to replace capacity of Network Resources that is temporarily decreased. A Network Customer is not required to provide Network Resources until such time as the need materializes (i.e., the Network Customer has a "current" need for the energy and transmission).¹² Nevertheless, the Network Customer is required to provide Network Resources to support the set aside no later than 30 days prior to the start of the month in which the set-aside will be scheduled. The failure to designate a Network Resource will result in the network transmission set aside not supported by a Network Resource being released.

2.12.4 Challenges to Data Supporting Network Set Asides

Eligible customers may not challenge the right of an eligible customer to reserve network transmission capacity for load growth or to replace Network Resources whose capacity is temporarily decreased. An eligible customer may only challenge the factual support of the Network Customer's forecast, and must do so by submitting a written statement to Idaho Power within 20 days after Idaho Power posts the forecast on OASIS. The written statement must explain in detail the legal and factual basis for the challenge. Idaho Power will post the challenge on OASIS and promptly respond.

¹² *Id.* at note 8.

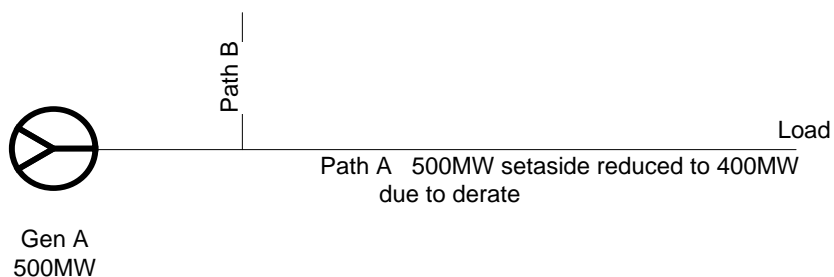
Idaho Power will consider the eligible customer's challenge in its review of the reservation. Idaho Power may develop additional procedures depending upon the facts of the case.

Attachment A (Examples of Section 2.8.7)

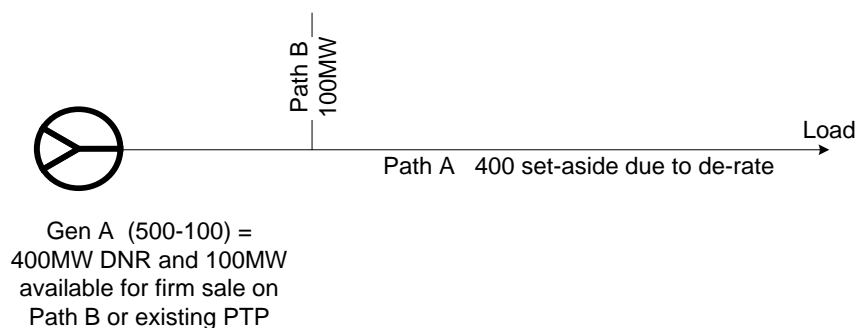
The following examples illustrate the application of the calculation set forth in Transmission Business Practice Section 2.8.7

Example 1:

Network Customer has 500 MW of Network Transmission on Path A to move Gen A to load. Transmission outage de-rates capacity on Path A by 100 MW thereby reducing Network Transmission to 400 MW during the outage.

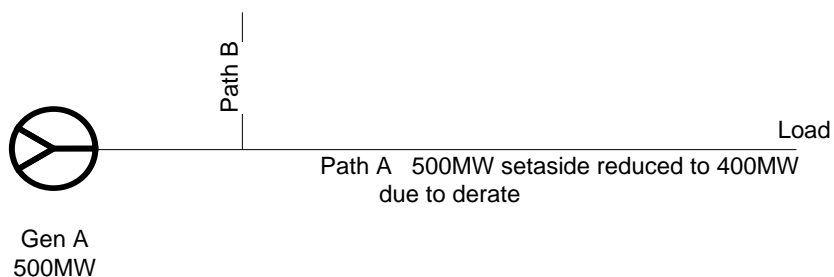


Network Customer submits request to undesignate 100MW:

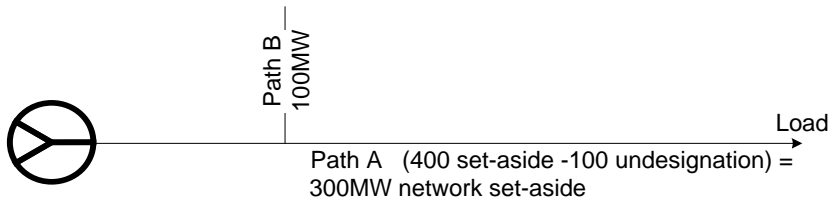


Example 2:

Network Customer has 500 MW of Network Transmission on Path A to move Gen A to load. Transmission outage de-rates capacity on Path A by 100 MW thereby reducing Network Transmission to 400 during the outage.



Network Customer submits request to undesignate 100MW of Gen A and a TSR for 100MW of PTP on Path A:



Gen A (500-100) =
400MW DNR and 100
MW available for firm sale
on Path A. Plant cannot
operate beyond 400 MW.
However, an additional
100 MW can be
undesignated to make a
firm sale on Path B

Version Control Information

Version Number: 7

Effective Date: TBD

Version History

Version	Date	Description
8	8-31-2009	Included clarification of the process involved when undesignating a booked out designated network resource. Removed reference to "designated resource" to match the definition of secondary network in section 28.4 of the OATT.
7	8-4-2009	Modified e-mail distribution and replaced with common e-mail of Commercial Operations Area to eliminate having actual names assigned. Section 2.3 – removed the deposit required for a network resource request. Charges for network resource are calculated from load ratio share and resources do not impact that. Section 2.8.1 revised to require the submittal of the undesignation form within 10 minutes of the TSR submittal time to allow enough time to process multiple requests. Section 2.8.2 added the ability to undesignate in the real time in very specific circumstances involving bookouts or transmission restrictions. Section 2.11 removed (b) that required mentioned secondary usage for economic displacement. There is already a section that discusses this in further detail. Also removed reference to designated resource to match definition of secondary network in section 28.4 of the OATT.
6	5-4-2009	Section 2.3 – clarified that the latest a DNR can be submitted will correspond to the timing requirements of a comparable PTP service offering. Section 2.8.3- removed the sentence where the substituted DNR had to have been attested to prior to scheduling and added that the actual DNR form for the substitute resource will be submitted 1 business day after. Section 2.8.4 moved the sentence where Idaho Power will confirm to the customer acceptance or denial of a DNR to the front of the section rather than the end. Also revised section to remove real-time undesignations and clarify process for pre-schedule. Section 2.8.7 – Added “non-firm energy” tags to be included with network and undesignated generation tags when determining what tags must equal total plant generation. Section 2.9 clarified this is Designated Network Transmission. Section 2.11 clarified (b) by removing the “would have been scheduled” and replaced with “included in the daily generation plan”. Section 2.11.2 clarified that any unscheduled secondary network will be recalled at the end of the pre-schedule day rather than annulled.
5	2-2-2009	Section 2.1 – 2.3 revised processes to identify separate forms used in network process. Section 2.2 added quantitative definitions for new load and material changes in load. Section 2.4 discussion how to submit a network transmission service request on OASIS added. Section 2.5 discussing renewing network transmission service added. Section 2.6 clarified what the “written application” consists of. Section 2.6.2 further discusses material changes. Section 2.8 added third paragraph for temporary termination of multiple resources at common POR. Section 2.8.1 added first paragraph to clarify that IPC will not accept undesignations where resources are not sufficient to meet forecasted load. This section also includes information the customer must submit to IPC to support undesignations. Section 2.8.2- revised this section to clarify when real-time undesignations can occur, the deadlines and identify

Version	Date	Description
		emergency situations. Also clarified that Delivery will reflect whether the undesignation is accepted or not on the IM tool for those requests submitted on the IM tool. Section 2.8.3 added Designated Resource language for bookouts. Section 2.8.7 added Calculation of Network Transmission Rights. Section 2.8.8 added to discuss sales of network resources to other Idaho Power Network customers. Section 2.12.2 discusses that a material change could necessitate the need to submit a new application in accordance with sections 2.2 and 2.3. Attachment A was added to reflect examples to help explain the calculations in Section 2.8.7.
4	10-22-2008	Updated 2.6.2 to note that in the pre-schedule horizon, complete Undesignation Forms shall be submitted before any firm energy sale is tagged from that facility. Updated section 2.9.2 to clarify Idaho's business practice for annulling reserved but untagged secondary network in the pre-schedule horizon (last paragraph in the section).
3	4-11-2008	Update section 2.6.1 to reflect limiting form submittal to maximum 30 minutes. Updated 2.6.1 and 2.6.2 to allow the form to be submitted via the instant message tool.
2	3-19-2008	Update section 2.6.2 replacing the reference to a specific time (10:00 PPT) with reference to the firm scheduling deadline in the OATT.
1	8-1-2007	Revision in Section 2.6.3.1 removing (c) and 2.6.3.2 changing (d) which defines when the undesignation is effective.
0	7-13-2007	Initial Version Release