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November 15, 2013

VIA ELECTRONIC FILING

Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: Portland General Electric Company, Docket No. ER10-2573-**

**Notice of Adoption of a Business Practice**

Dear Secretary Bose:

Portland General Electric Company (PGE) hereby submits this informational filing to notify the Federal Energy Regulatory Commission (Commission) that PGE has adopted the attached business practice entitled “Conditional Open Season Process for Newly Acquired Transmission Capacity on the California Oregon Intertie” (New Business Practice). The New Business Practice governs the open season process for allocation of newly acquired capacity on the California Oregon Intertie. PGE announced that this newly acquired capacity would be allocated in an open season in an Open Access Same-Time Information System (OASIS) posting on October 24, 2013. All capacity granted under the New Business Practice will be conditioned on the Commission’s approval of PGE’s acquisition of the capacity, currently pending before the Commission in Docket No. EC14-13-000. PGE is opting to award this transmission capacity through an open season process because the open season is the fairest and most transparent way to allocate this newly acquired capacity. Once the open season has

closed and the capacity has been allocated, the transmission service will be provided pursuant to PGE's Open Access Transmission Tariff.

Simultaneous with this notice filing, the New Business Practice is being posted on PGE's OASIS.

Please direct any questions regarding this notice filing to the undersigned at the number listed above.

Respectfully submitted,

/s/ Gary D. Bachman  
Gary D. Bachman

Counsel for Portland General Electric  
Company

Attachments

cc: Steve Rodgers, FERC

**Business Practice: Conditional Open Season Process for Newly Acquired Transmission Capacity on the California Oregon Intertie**

**Posted:** November 15, 2013  
**Effective:** November 15, 2013  
**Revision No:** 0

**1. Purpose**

The purpose of this business practice is to provide potential customers with a description of, and instructions to participate in, an open season process for newly acquired capacity that PGE may have available beginning January 1, 2014, on the California Oregon Intertie. The Point of Receipt for this capacity will be JohnDay, and the Point of Delivery will be COB.

**2. Definitions**

Eligible Customer: As defined in Section 1.12 of PGE's OATT

Long Term Firm Point-To-Point Transmission Service: As defined in Section 1.19 of PGE's OATT

**3. Open Season Process****3.1. Description**

PGE is currently in commercial negotiations that may result in PGE owning additional transmission capacity on the California Oregon Intertie in the amount of 102 MW in the north to south direction (POR=JohnDay to POD=COB). PGE will make this capacity available through a conditional open season process, as described in this business practice. PGE will only accept requests for this capacity through the process described below. All capacity granted through this open season will be conditioned on: (1) FERC approval of PGE's acquisition of the capacity (currently pending in FERC Docket No. EC14-13-000), and (2) successful completion of the commercial transaction that results in PGE owning the described capacity. The capacity will be available for service January 1, 2014, or such later

date that both the commercial transaction has closed, and PGE has received final FERC approval for the transaction.

### **3.2. Process**

- 3.2.1. Open season bidder will complete the attached 2014 Open Season Bid Form, Exhibit 1 to this Business Practice.
- 3.2.2. Open season bidder will submit the completed form to PGE by email to [TransmissionProvider@pgn.com](mailto:TransmissionProvider@pgn.com) during the open season window set forth in Section 3.2.3, below.
- 3.2.3. All open season bid forms received by email between 12:01 a.m. PST on November 18, 2013, and 11:59 p.m. PST on December 8, 2013, will be considered received simultaneously, and will be eligible for the open season.
- 3.2.4. Capacity will be awarded to successful bidders according to the allocation and competition rules in Section 3.3 of this Business Practice.
- 3.2.5. PGE will notify successful bidders by email and telephone call to the contact identified on the successful bidder's open season bid form. Successful bidders will then have five (5) business days to confirm their bid by satisfying the conditions required of successful bidders in Section 4 of this Business Practice.
- 3.2.6. Once a successful bidder has satisfied all conditions required of successful bidders in Section 4 of this Business Practice, PGE will tender to the successful bidder a Service Agreement in the form attached as Exhibit 2 to this Business Practice. Successful bidder must execute and return the Service Agreement by December 27, 2013. Failure to execute and return the Service Agreement by December 27, 2013, will be deemed a withdrawal and termination of the application.

### **3.3. Allocation and Competition Rules**

- 3.3.1. PGE will not accept a discount on any Long Term request. Capacity will be offered only at PGE's Long Term Firm Point to Point rate as described in Schedule 7 of PGE's OATT.

- 3.3.2. All bids must request Long Term Firm Point-to-Point Transmission Service.
- 3.3.3. Bidders may specify a duration of transmission service between one year and 20 years.
- 3.3.4. Bidders may request any amount of capacity up to the full 102 MW. Bidders must request a minimum of 10 MW.
- 3.3.5. Bids will be priority ranked first by the duration of service requested. Among bids requesting the same duration, bids will next be ranked by the number of MWs requested to create an overall ranking list.
- 3.3.6. PGE will designate all open season bidders who are ranked at first priority as successful bidders. Capacity will be allocated equally among all successful bidders, up to each bidder's requested number of MWs. After allocating equal amounts of capacity to all successful bidders, any remaining MWs to be allocated among these successful bidders will be allocated randomly among these successful bidders by an independent third party. For example, if 10 bidders request the full 102 MW, 8 of those bidders will receive 10 MW and 2 of those bidders will be randomly selected to receive 11 MW.
  - a. If more than 10 bidders are ranked at first priority, 10 successful bidders will be chosen by an independent third party at random from those ranked at first priority.
  - b. If a successful bidder does not meet the required conditions within five business days or declines to execute a Service Agreement within the required timeframe, the successful bidder's open season bid will be considered withdrawn and their application terminated.
  - c. If a successful bidder's open season bid is withdrawn, any capacity awarded to that successful bidder will be offered to a randomly selected open season bidder ranked at first priority that was not chosen as a successful bidder. If there are no bidders so situated, the capacity will be allocated equally among all successful bidders ranked at first priority,

with remaining MWs allocated randomly as specified above, up to each bidder's requested number of MWs. If all first priority successful bidders have received their requested capacity, the remaining capacity will be allocated among lower priority bidders, up to their maximum requested capacity, consistent with the priority ranking system described in Sections 3.3.5 and 3.3.6, above.

- d. If there is remaining capacity after awarding the amount requested by first priority successful bidders, such remaining capacity will be allocated among lower priority bidders, up to their maximum requested capacity, consistent with the priority ranking system described in Sections 3.3.5 and 3.3.6, above.

3.3.7. PGE will publish the list of successful bidders on its OASIS website.

3.3.8. Any capacity not awarded through the open season process will be posted as Available Transfer Capability on PGE's OASIS.

3.3.9. In no event shall any successful bidder be awarded less than 10 MW.

#### **4. Conditions Required of Successful Bidders**

4.1. In accordance with Section 16.1 of PGE's OATT, Point-to-Point Transmission Service shall be provided by the Transmission Provider only if the following conditions are satisfied by the successful bidder prior to December 27, 2013. To receive Transmission Service, a successful bidder must:

4.1.1. Complete an application for service in accordance with PGE's Arranging Long Term Firm Transmission Service Business Practice, including written application, Transmission Service Request, and deposit;

4.1.2. Meet the creditworthiness criteria in Attachment L of the OATT; and

- 4.1.3. Provide information required in accordance with Attachment K of the OATT.

## **5. Attachments**

5.1. Exhibit 1-Open Season Bid Form

5.2. Exhibit 2-Open Season Service Agreement



## Conditional Open Season: 102 MW January 1, 2014 Open Season Bid Form

Open Season Bidder			
Company Name			
Representative Name			
Title			
Business Address			
Telephone		Fax	
e-mail			
Transmission Service Information			
Type of Service	Long Term Firm Point-to-Point		
Location of the Point of Receipt	John Day		
Location of the Point of Delivery	COB		
Service Commencement Date	January 1, 2014		
Term of Transmission Service <b>*Term selected must be a minimum of 1 year and a maximum of 20 years.</b>			
Transmission Capacity Requested <b>*Minimum 10 MW, Maximum 102 MW</b>			
Applicant			
By signing below, applicant acknowledges that the party requesting service is an Eligible Customer under Section 1.12 of the Tariff.			
Printed Name of Applicant			
Applicant Signature			
Title			
Date			
<p>Procedures for initiating Transmission Service with Portland General Electric Company (PGE) are set forth in Section 17 of PGE's Open Access Transmission Service Tariff. These procedures require submittal of an Application, which provides the information identified in 18 CFR Section 2.20 of the Code of Federal Regulations. Open season bidders will be required to satisfy certain conditions listed in PGE's Business Practice titled Conditional Open Season Process for Newly Acquired Transmission Capacity on the California Oregon Intertie.</p> <p>Successful bidders will be required to submit the information identified (refer to Section 17.1 of the Tariff). PGE is generally able to process a request for service expeditiously upon receipt of this information. Special requests or circumstances may require the provision of additional information. PGE will rely upon the information provided above in processing a customer's open season bid.</p>			

If you have any questions about this Application, please contact the **Open Season Administrator** at:

Julie Martinez      [TransmissionProvider@pqn.com](mailto:TransmissionProvider@pqn.com)      Phone: (503) 464-7677

Business Practice: Open Season Process for Newly Acquired Transmission Capacity on the COI	Revision 0
Effective Date: November 15, 2013	Page 6 of 9



**Form of Service Agreement For  
Firm Point-To-Point Transmission Service**

- 1.0 This Service Agreement, dated as of \_\_\_\_\_ is entered into by and between **Portland General Electric Company**, (Transmission Provider) and \_\_\_\_\_ (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Transmission Provider an Application deposit in the amount of \$ \_\_\_\_\_, in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (1) \_\_\_\_\_ or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on \_\_\_\_\_.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Portland General Electric Company  
Attn: Julie Martinez  
121 SW Salmon Street  
Portland, OR 97204

Transmission Customer:

Name:  
Attn:  
Address:  
PH:  
Fax:

- 7.0 The Tariff and attached Specifications are incorporated herein and made a part hereof and constitute the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements with respect hereto. This Service Agreement may be modified only by a written agreement executed by both parties hereto.

Business Practice: Open Season Process for Newly Acquired Transmission Capacity on the COI	Revision 0
Effective Date: November 15, 2013	Page 7 of 9

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name/Title: **Frank F. Afranji, Director  
Transmission & Reliability Services  
Portland General Electric Company**

Transmission Customer:

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name/Title: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This service agreement is conditioned on:

(1) FERC approval of PGE's acquisition of 102 MW of capacity currently pending in FERC Docket No. EC14-13-000, and

(2) Successful completion of the commercial transaction that results in PGE owning the described capacity.

Business Practice: Open Season Process for Newly Acquired Transmission Capacity on the COI	Revision 0
Effective Date: November 15, 2013	Page 8 of 9

**Specifications for Firm Point-To-Point  
Transmission Service**

- 1.0 Term of Transaction: \_\_\_\_\_
- Start Date: \_\_\_\_\_
- Termination Date: \_\_\_\_\_
- 2.0 Description of capacity and energy to be transmitted by Transmission Provider including the electric Control Area in which the transaction originates.
- \_\_\_\_\_
- 3.0 Point(s) of Receipt: John Day
- Delivering Party: \_\_\_\_\_
- 4.0 Point(s) of Delivery: COB
- Receiving Party: \_\_\_\_\_
- 5.0 Maximum amount of capacity and energy to be transmitted (Reserved Capacity):
- \_\_\_\_\_
- 6.0 Designation of party(ies) subject to reciprocal service obligation: \_\_\_\_\_
- 7.0 Name(s) of any Intervening Systems providing transmission service: \_\_\_\_\_
- 8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)
- 8.1 Transmission Charge: \_\_\_\_\_
- 8.2 System Impact and/or Facilities Study Charge(s): \_\_\_\_\_
- 8.3 Direct Assignment Facilities or Other Schedule 7 Charges: \_\_\_\_\_
- 8.4 Ancillary Services Charges: \_\_\_\_\_