

## **Business Practice**

Salt River Project Agricultural Improvement and Power District

Effective Date: March 31, 2008

Version 0

## **Rollover Rights**

### **1 General**

- 1.1 Implementation of this Business Practice on Rollover Rights is subject to the exceptions detailed in the *Transition Process for New Five (5) Year Rollover Requirement* document posted on the SRP OASIS.
- 1.2 An SRP transmission Customer with rollover rights will have the right to continue to take transmission service from SRP when the transmission service agreement expires (Rollover Customer) subject to the following:
  - 1.2.1 Competing Requests (See Section 5);
  - 1.2.2 Native Load Restrictions (See Section 6);
  - 1.2.3 Existing Reservations (See Section 7); and
  - 1.2.4 SRP Business Practices regarding Rollover Rights on Redirect.

### **2 Notice**

- 2.1 The Rollover Customer must provide notice to SRP of its election to exercise its right of first refusal no less than one year prior to the expiration date of its transmission service agreement.
- 2.2 Notice to SRP must be submitted on OASIS. In addition, notice may also be submitted in writing per Section 4.

### **3 Submittal of a Renewal Request on OASIS**

- 3.1 When submitted on OASIS, the request will receive an "INVALID" status if the request does not meet all requirements including, but not limited to, the following:
  - 3.1.1 The Request Type must be "RENEWAL".
  - 3.1.2 The Related Ref field must not be blank and must specify the Assignment Ref of an existing confirmed transmission service reservation (Parent Reservation) held by the Transmission Customer that has rollover rights that have not expired.
  - 3.1.3 The Start Time of the Renewal must equal the Stop Time of the reservation being rolled over (Parent Reservation).
  - 3.1.4 The Path, POR and POD of the Renewal must be the same as the Path, POR and POD of the Parent Reservation.

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- 3.1.5 Capacity requested must be less than or equal to the amount of capacity eligible for rollover.
- 3.1.6 SRP must be the Seller and Primary Provider.
- 3.2 Deviations from the above may be, at SRP's discretion, required and/or allowed. For example, if SRP has changed the path name and the path is substantially the same path as the path of the Parent Reservation, such a request would not be "INVALID".

## **4 Submittal of a Renewal Request in Writing**

- 4.1 Submittal on OASIS is required prior to the expiration of the rollover rights (per Section 2.1). Submittal of the intent to exercise rollover rights may also be made in writing to one of the following addresses.
  - 4.1.1 **Via United States Postal Service:**  
Manager  
Transmission and Generation Operations  
SRP  
P. O. Box 52025, POB 013  
Phoenix, AZ 85072-2025
  - 4.1.2 **Via Fax:**  
Fax: 602-236-3808
  - 4.1.3 **Via Hand Delivery:**  
Manager  
Transmission and Generation Operations  
POB 013  
SRP – Central Mail Receiving Station  
2727 E. Washington Street  
Phoenix, AZ 85034-1403
  - 4.1.4 **Via E-mail**  
[srpt@srpnet.com](mailto:srpt@srpnet.com)
- 4.2 If submitted in writing, the intent to exercise rollover rights should include the following:
  - 4.2.1 The Assignment Ref of an existing confirmed transmission service reservation (Parent Reservation) held by the Customer that has rollover rights that have not expired.
  - 4.2.2 The Start Time of the requested transmission, which must equal the Stop Time of the reservation being rolled over (Parent Reservation).

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- 4.2.3 The Path, POR and POD of the requested transmission, which must be the same as the Path, POR and POD of the Parent Reservation.
- 4.2.4 Capacity requested, which must be less than or equal to the amount of capacity eligible for rollover.

## 5 Competing Requests

- 5.1 The customer is required to accept a contract term at least equal to the longest valid competing request.
- 5.2 A request is considered a competing request only if:
  - 5.2.1 The competing request is on OASIS and is Pre-Confirmed.
  - 5.2.2 The competing request is received on OASIS prior to the renewal request being received on OASIS and prior to the expiration of the Rollover Customer's rollover rights.
  - 5.2.3 The competing request has a constrained element in common with the reservation with rollover rights (i.e. there is not enough ATC to accommodate both requests)<sup>1</sup>.
  - 5.2.4 The Start Time of the competing request is equal to the Stop Time of the reservation with rollover rights
- 5.3 A request will *not* be considered a competing request if SRP determines service cannot be granted due to a constraint that is not applicable to the Renewal request.<sup>2</sup>
- 5.4 Competing requests are *not* required to:
  - 5.4.1 Be on the same Path as the reservation with rollover rights.

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<sup>1</sup> For Example: Request 1 has rollover rights for 50 MW on a path that uses transformer A in which SRP has 200 MW of capacity. There are no other transmission reservations or set asides using transformer A. Request 2 is queued for 50 MW on a path that also uses transformer A. Request 2 is not considered a competing request because transformer A is not a constrained element. That is, there is available capacity over and above the rollover customer's 50 MW.

<sup>2</sup> For Example: Request 1 has rollover rights for 50 MW on a path that uses transformer A in which SRP has 200 MW of capacity. There are no other transmission reservations or set asides using transformer A. Request 2 is queued for 50 MW on a path that also uses transformer A, but, in addition, uses transformer B which has zero ATC. Request 2 is not a competing request because of the constraint on transformer B.

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5.4.2 Have the same POR or POD as the reservation with rollover rights.<sup>3</sup>

5.5 SRP will notify the Rollover Customer of a competing request after their submittal of a Renewal request on OASIS by:

5.5.1 Checking the 'competing flag' of the Renewal reservation.

5.5.2 Putting the Assignment Ref of the competing request in the Seller Comments field of the Renewal reservation.

## **6 Native Load Restrictions**

6.1 Rollover rights may be limited in part or in full based on the need for transmission service to serve native load.

6.2 Any such restriction of rollover rights will be in the initial service agreement with the Rollover Customer.

## **7 Existing Reservations**

7.1 A transmission reservation existing prior to the Rollover Customer's Long-Term firm 5-year or longer reservation may cause the Rollover Customer to have limited rollover rights in part or in full.

7.1.1 In order for this to occur, the prior sale must have a constrained element in common with the reservation with potential rollover rights (i.e. there is not enough ATC to accommodate both requests).

7.1.2 Such a prior sale would not necessarily have the same Path, POR or POD as the Rollover Customer's reservation.

## **8 Submitting a MATCHING request on OASIS**

8.1 The customer must exercise its right to match a competing request within 5 days of being notified by SRP via OASIS of a competing request as detailed in Section 5.5.

8.2 The customer must exercise its right to match a competing request by submitting a matching request on OASIS.

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<sup>3</sup> For Example: Request 1 has rollover rights on path A-B-C-D. A Request 2 for path B-C may be considered a competing request even though the path name is different and neither the POR nor the POD is the same as that of the Rollover Customer.

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- 8.3 The matching request will be changed to a Status of "INVALID" if, at a minimum, it does not meet the following requirements:
  - 8.3.1 The Request Type must be "MATCHING".
  - 8.3.2 The matching request must be Pre-Confirmed.
  - 8.3.3 The Related Ref must not be blank and must contain the Assignment Ref of the competing request being matched.
  - 8.3.4 The Start Time of the matching request must equal the Stop Time of the reservation being rolled over.
  - 8.3.5 The Path, POR and POD of the Matching request must be the same as the Path, POR and POD of the reservation with rollover rights.
  - 8.3.6 Capacity requested must be less than or equal to the amount of capacity eligible for rollover.
  - 8.3.7 Capacity requested may be less than the capacity of the competing request being matched.
  - 8.3.8 SRP must be the Seller and Primary Provider.

## 9 Processing of Matching Requests

- 9.1 The Rollover Customer must sequentially match earlier queued competing requests, if any, in order to retain service.<sup>4</sup>
  - 9.1.1 If the Rollover Customer matches the earliest queued request, it must then sequentially match each later-queued, longer-duration competing request(s) that are ahead of the renewal request.
  - 9.1.2 If the Rollover Customer fails to match any one of the earlier queued requests, that earlier-queued request will receive any available capacity.

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<sup>4</sup> For Example: competing request 1 is queued on October 1 for six years. Competing request 2 is queued on October 2<sup>nd</sup> for seven Years. Renewal request is queued on October 3<sup>rd</sup> for five years. Renewal request will need to match competing request 1. If Renewal request does not match, competing request 1 will get the capacity. If Renewal request does match, it will then need to match competing request 2. If Renewal request matches competing request 2, it will get the capacity. If Renewal request does not match competing request 2, competing request 2 will get the capacity.

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**10 Termination of Processing**

- 10.1 If the Rollover Customer does not match a competing request, the competition is over.
  - 10.1.1 There will be no competition among Long-Term Firm Customers without rollover rights. That is, any later-queued competing requests will be processed in queue order.