**Summary of Changes**

Edits proposed to section 14, Delivery reflect current practices. BPA anticipates that updates will being needed in some areas if BPA enters into a day ahead market (DAM) and will be addressed in the future. Those areas have been highlighted in gray. BPA is proposing to add a section 14.6.8 that addresses when long term firm transmission is unavailable, and BPA also proposes a new section 14.6.9 that addresses when customers’ Third-Party Transmission needs change. BPA is also proposing a complete rewrite of section 14.7 (known under Regional Dialogue as Proportional Scheduling), which is language included for customers served over multiple transmission systems, to simplify the contract language and add administrative efficiency.

**Edits of Particular Note**

Areas highlighted in gray reflect language that may need to be modified if BPA enters into a Day Ahead Market.

**14. DELIVERY*(XX/XX/XX Version)***

14.1 **Definitions**

14.1.1 “Primary Points of Receipt” means the points on the Region’s transmission system where Firm Requirements Power is forecasted to be made available by Power Services to «Customer Name» for purposes of obtaining a long-term firm transmission contract.

*Include in* ***LOAD FOLLOWING*** *and* ***BLOCK*** *templates:*

14.1.2 “Scheduling Points of Receipt” means the points on the Region’s transmission system where Firm Requirements Power is made available by Power Services to «Customer Name» for purposes of acquiring transmission service and transmission scheduling.

*END* ***LOAD FOLLOWING*** *and* ***BLOCK*** *templates.*

*Include in* ***SLICE/BLOCK*** *template:*

14.1.2 “Scheduling Points of Receipt” means the points on the Region’s transmission system where Slice Output Energy and the Block Product are made available by Power Services to «Customer Name» for purposes of acquiring transmission service and transmission scheduling.

*END* ***SLICE/BLOCK*** *template.*

14.2 **Transmission Service**

*Option 1: Include the following for customers who are NOT served by transfer.*

14.2.1 «Customer Name» is responsible for acquiring transmission service to deliver power from the Scheduling Points of Receipt.

*End option 1*

*Option 2: Include the following for customers who ARE served by transfer.*

14.2.1 «Customer Name» is responsible for acquiring transmission service to deliver power from the Scheduling Points of Receipt, subject to the provisions included in section 14.6.

*End option 2*

14.2.2 «Customer Name» shall provide at least 60 days’ notice to Power Services prior to changing Balancing Authority Areas.

14.2.3 At «Customer Name»’s request, Power Services shall provide «Customer Name» with Primary Points of Receipt and other information needed to enable «Customer Name» to acquire long-term firm transmission for delivery of power sold under this Agreement. If required by a transmission provider for purposes of transmission scheduling, then Power Services shall provide «Customer Name» with Scheduling Points of Receipt. Power Services has the right to provide power to «Customer Name» at Scheduling Points of Receipt that are different than the Primary Points of Receipt. If BPA does provide power to «Customer Name» at Scheduling Points of Receipt that are different than the Primary Points of Receipt, then BPA shall reimburse «Customer Name» for any incremental, direct, non-administrative costs incurred by «Customer Name» to comply with delivering Firm Requirements Power from such Scheduling Points of Receipt to «Customer Name»’s load if the following conditions, as outlined in (1) or (2) below, have been met:

(1) If «Customer Name» has long-term Point to Point (PTP) transmission service (as defined in BPA’s Open Access Transmission Tariff or its successor) for delivery of Firm Requirements Power to its load:

(A) «Customer Name» has requested long-term firm transmission service to deliver its Firm Requirements Power using the Primary Points of Receipt and other information provided by Power Services; and

(B) «Customer Name» has submitted a request to redirect its long-term firm PTP transmission service to deliver Firm Requirements Power from the Scheduling Point of Receipt on a firm basis, but that request was not granted; and

(C) «Customer Name»’s transmission schedule was curtailed due to non-firm status under PTP transmission service or «Customer Name» can provide proof of the reimbursable costs incurred to replace the curtailed schedule.

(2) If «Customer Name» has long-term Network Integration Transmission Service (as defined in BPA’s Open Access Transmission Tariff or its successor) for delivery of Firm Requirements Power to its load:

(A) «Customer Name» has requested long-term firm transmission service to deliver its Firm Requirements Power using the Primary Points of Receipt and other information provided by Power Services; and

(B) «Customer Name»’s transmission schedule was curtailed due to non-firm status under its secondary service status and «Customer Name» can provide proof of the reimbursable costs incurred to replace the curtailed schedule.

14.2.4 [Placeholder for future language addressing DAM for delivery]

14.3 **Liability for Delivery**

«Customer Name» waives any claims against BPA arising under this Agreement for non-delivery of power to any points beyond the applicable Scheduling Points of Receipt, except for reimbursement of costs as described in section 14.2.3. BPA shall not be liable under this Agreement for any third-party claims related to the delivery of power after it leaves the Scheduling Points of Receipt. Neither Party shall be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for Transfer Service.

*Include in* ***LOAD FOLLOWING*** *and* ***BLOCK*** *templates:*

14.4 **Real Power Losses**

BPA is responsible for the real power losses necessary to deliver Firm Requirements Power to «Customer Name»’s PODs listed in Exhibit E.

*END* ***LOAD FOLLOWING*** *and* ***BLOCK*** *templates.*

*Include in* ***SLICE/BLOCK*** *template:*

*Option 1:**Include the following if customer purchases the Slice/Block product and is NOT served by Transfer Service.*

14.4 **Real Power Losses**

BPA is responsible for the real power losses necessary to deliver Tier 1 Block Amounts and Tier 2 Block Amounts to «Customer Name»’s PODs listed in Exhibit E.

«Customer Name» shall be responsible for all real power losses associated with the delivery of its Slice Output Energy.

*End Option 1*

*Option 2:**Include the following if customer purchases the Slice/Block product and IS served by Transfer Service.*

14.4 **Real Power Losses**

BPA is responsible for the real power losses necessary to deliver Tier 1 Block Amounts and Tier 2 Block Amounts to «Customer Name»’s PODs listed in Exhibit E.

«Customer Name» shall be responsible for all real power losses associated with the delivery of its Slice Output Energy except BPA shall be responsible for real power losses associated with the delivery of Slice Output Energy across the Third-Party Transmission Provider’s system to «Customer Name»’s PODs listed in Exhibit E.

*End Option 2*

*END* ***SLICE/BLOCK*** *template.*

14.5 **Metering Losses**

BPA shall adjust measured amounts of power to account for metering losses, if any, that occur between «Customer Name»’s PODs and the respective POMs, as specified in Exhibit E.

*Option: Include section 14.6 for customers served by Transfer Service.*

14.6 **Delivery by Transfer**

Subject to the limitations in this section, BPA agrees to acquire and pay for Transfer Service to deliver Firm Requirements Power and Surplus Firm Power to «Customer Name»’s PODs, as listed in Exhibit E, in an amount not to exceed «Customer Name»’s Total Retail Load on an hourly basis.

BPA shall pass through to «Customer Name» the cost of Transfer Service for power sold at the NR Rate, including ancillary services and real power losses, in accordance with any applicable BPA Wholesale Power Rate Schedules and GRSPs.

14.6.1 **Ancillary Services**

BPA shall acquire and pay for ancillary services needed to deliver Firm Requirements Power to «Customer Name»’s Transfer Service PODs listed in Exhibit E, subject to the following limitations:

(1) «Customer Name» shall reimburse BPA for load regulation service or its replacement at the applicable Transmission Services rate, or its successor.

(2) BPA shall pay for the ancillary service(s) charged by a Third-Party Transmission Provider to deliver Firm Requirements Power to the PODs listed in Exhibit E, only if «Customer Name» is also purchasing such ancillary service(s) from Transmission Services to deliver Firm Requirements Power to the PODs in Exhibit E. If at any time «Customer Name» is not purchasing a specific ancillary service from Transmission Services to deliver Firm Requirements Power to one or more of the PODs listed in Exhibit E, then «Customer Name» shall pay Power Services a charge for such ancillary service to deliver power to the POD(s) in accordance with the applicable BPA Wholesale Power Rate Schedules and GRSPs.

*Include in* ***SLICE/BLOCK*** *and* ***BLOCK*** *templates:*

«Customer Name» agrees to pay any charges related to the Western Energy Imbalance Market for «Customer Name»’s load served by Transfer Service including «Customer Name»’s Transfer Service load served with Dedicated Resources and Consumer-Owned Resources, consistent with the terms of the applicable BPA Wholesale Power Rate Schedules and GRSPs.

The Parties shall negotiate the terms and conditions necessary to implement this section 14.6.1 and pass through any energy imbalance market charges. The Parties will include such terms and conditions in Exhibit D.

*END* ***SLICE/BLOCK*** *and* ***BLOCK*** *templates.*

14.6.2 **Low Voltage Delivery**

Low voltage delivery is transmission service over the Low Voltage Segment by any Third-Party Transmission Provider’s system. “Low Voltage Segment” means the facilities of a Third-Party Transmission Provider that are below 34.5 kV. For low voltage delivery, «Customer Name» shall pay Power Services the applicable Transfer Service Delivery Charge rate, or its successor, consistent with the applicable BPA Wholesale Power Rate Schedules and GRSPs. BPA shall pass through to «Customer Name» any costs associated with delivery to a POD over a Low Voltage Segment that is not subject to the Transfer Service Delivery Charge. The Parties shall specify «Customer Name»’s PODs that are subject to the Transfer Service Delivery Charge and Low Voltage Segment pass through charge in Exhibit E.

14.6.3 **Direct Assignment Costs**

«Customer Name» shall pay BPA for all directly assigned costs, consistent with Transmission Services’ “BPA Facility Ownership and Cost Assignment Guidelines” and the “Final Supplemental Guidelines for Direct Assignment of Facilities Costs Incurred Under Transfer Agreements”, or their successors. Such costs include, but not limited to: facility, system and generation interconnection study costs, construction costs, upgrade costs, and expansion costs, or other capital costs for facilities directly associated with service to any «Customer Name» PODs assessed by the Third-Party Transmission Provider to BPA.

14.6.4 **Penalties Assessed By the Third-Party Transmission Provider**

BPA has the right to pass through to «Customer Name» any penalty charges assessed by the Third-Party Transmission Provider that are associated with BPA’s acquisition of Transfer Service to the PODs identified in Exhibit E. Such charges may include, but are not limited to, power factor penalties or excessive energy imbalance penalties.

14.6.5 **Removal of PODs**

BPA may terminate deliveries at a POD if «Customer Name» consents to the termination or if the Parties determine that «Customer Name»’s requirements for power at such point may be adequately supplied under reasonable conditions and circumstances at different POD(s): (1) directly from the Federal Columbia River Transmission System, (2) indirectly from the facilities of another transmission owner/operator, or (3) both.

14.6.6 **Annexed Loads**

BPA shall arrange and pay for Transfer Service to serve «Customer Name»’s Annexed Load subject to the limitations in this section 14.6. «Customer Name» shall provide BPA written notice of any Annexed Load acquired greater than one Average Megawatt as soon as possible, but no later than 180 days prior to the commencement of service to the Annexed Load. However, BPA’s obligation to provide Transfer Service to «Customer Name»’s Annexed Load shall be limited by the megawatt caps and process for Annexed Load and new public customers set forth in BPA’s Provider of Choice Final Policy, March 2024, or any revision of that policy.

14.6.7 **Non-Federal Deliveries**

If «Customer Name» has or is acquiring a Dedicated Resource necessary to serve its Above‑CHWM Load, its Tier 1 Allowance Amount per section 3.5.2, or a Consumer‑Owned Resource serving On-Site Consumer Load, and «Customer Name» has requested that BPA assist in the acquisition of transmission services for such resource, then the Parties shall revise Exhibit G to include specific terms and conditions under which BPA will obtain Transfer Service on a Third-Party Transmission Provider’s system for delivery of that resource to «Customer Name»’s system. The terms of the agreement BPA offers to «Customer Name» shall not be subject to section 22, Governing Law and Dispute Resolution. BPA shall develop the terms and conditions consistent with the principles of service specified in section XX of Exhibit G.

BPA shall pass through to «Customer Name» the cost of Transfer Service for any Dedicated Resources or Consumer‑Owned Resources serving an NLSL.

14.6.8 **Unavailability of Firm Transmission Service**

14.6.8.1 BPA shall acquire and pay for «Customer Name»’s firm Transfer Service when firm transmission is available. If a Third-Party Transmission Provider: (1) has indicated that long-term firm transmission service necessary to deliver power to any portion of «Customer Name»’s load served by Transfer Service is unavailable and (2) identifies upgrades are necessary to deliver power to «Customer Name» on firm transmission to such load on a long-term basis, then BPA shall attempt to acquire non-firm transmission from the Third‑Party Transmission Provider to serve «Customer Name»’s load on an interim basis until the identified upgrades are completed and firm transmission is available.

(1) If a Third-Party Transmission Provider has indicated that neither firm nor non-firm transmission service necessary to deliver power to any portion of «Customer Name»’s load served by Transfer Service is available, then (A) BPA shall have no obligation to deliver power under this Agreement to serve such load until that Third-Party Transmission Provider is able to provide transmission service, and (B) «Customer Name» shall not continue forward and serve the load in excess of available transmission service from that Third-Party Transmission Provider.

(2) If a Third-Party Transmission Provider identifies upgrades necessary to deliver power on firm transmission to any portion of «Customer Name»’s load served by Transfer Service on a long‑term basis and «Customer Name» declines to pay any costs or deposits that the Third‑Party Transmission Provider requires to proceed with the upgrades consistent with section 14.6.3, then (A) BPA shall have no obligation to deliver power under this Agreement to serve such load, and (B) «Customer Name» shall not continue forward and serve the load in excess of available transmission service from that Third‑Party Transmission Provider.

(3) Notwithstanding the above, if a Third-Party Transmission Provider has determined transmission service is unavailable and «Customer Name» continues forward and serves the load in excess of the available transmission service, then BPA shall pass through to «Customer Name» any charges related to transmission service to «Customer Name»’s load that the Third‑Party Transmission Provider has indicated is unavailable.

14.6.8.2 Prior to any deliveries using non-firm transmission to any portion of «Customer Name»’s load served by Transfer Service, BPA will inform «Customer Name» of the terms of service associated with such non-firm transmission arrangements and the Parties shall include such terms in Exhibit D.

14.6.8.3 BPA shall not be liable for any damages incurred by «Customer Name» associated with the Third‑Party Transmission Provider’s inability to provide firm or non-firm transmission, BPA’s inability to acquire transmission service, curtailment of non‑firm transmission service, or unserved load.

14.6.9 **Changes to «Customer Name»’s Third-Party Transmission Provider Transmission Needs**

As soon as possible, «Customer Name» shall notify and coordinate with BPA for any anticipated load changes that would require «Customer Name» needing additional transmission from a Third‑Party Transmission Provider. In the event that multiple customers require and request capacity on the same Third-Party Transmission Provider system, BPA shall address requests on a first come first served basis.

If «Customer Name» fails to notify and coordinate with BPA for any transmission needs greater than one Average Megawatt, then BPA, in its sole discretion, may pass through any Third-Party Transmission Provider costs, including the cost of Transfer Service, related to the transmission needs that «Customer Name» failed to communicate.

14.6.10 [Placeholder for future language addressing DAM for delivery specific to transfer]

*END Option 14.6 for Transfer Service Customers.*

*Drafter’s Note: Include section 14.7 for customers served by Transfer Service with load interconnected to multiple transmission systems:*

14.7 **Delivery of Non-Federal Resources Over Multiple Transmission Systems**

14.7.1 **Notice of Transmission System Delivery Plan**

If «Customer Name» is applying Dedicated Resources to serve its Above‑CHWM Load or Consumer-Owned Resources serving On-Site Consumer Load and the load is located on multiple transmission systems, then by September 1, 2027, «Customer Name» shall provide written notice to BPA of its Transmission System Delivery Plan(s) for service beginning October 1, 2028.

Beginning September 1, 2028, and by September 1 every year thereafter, «Customer Name» shall provide written notice to BPA of: (1) its Transmission System Delivery Plan for any new Dedicated Resources serving «Customer Name»’s load or any new Consumer-Owned Resources serving On-Site Consumer Load or (2) any changes to its Transmission System Delivery Plan for its current Dedicated Resources serving «Customer Name»’s load or current Consumer-Owned Resources serving On-Site Consumer Load. Such updated Transmission System Delivery Plans shall be for service to load beginning October 1 of the following calendar year.

«Customer Name»’s Transmission System Delivery Plan(s) under this section 14.7 shall adhere to the following requirements:

(1) the maximum potential output of all «Customer Name»’s Dedicated Resources (nameplate for a Generating Resource, if applicable) or Consumer-Owned Resources serving load on a transmission system shall not exceed «Customer Name»’s minimum load on that transmission system in any given hour.

(2) «Customer Name»’s Dedicated Resources for a specific load, such as an NLSL or On-Site Consumer Load, shall be delivered over the transmission system where the load is located.

If «Customer Name»’s updated Transmission System Delivery Plan(s) is not acceptable to BPA, then BPA shall provide notice to «Customer Name» and the Parties shall attempt to negotiate a revised Transmission System Delivery Plan(s). If the Parties cannot agree upon an acceptable Transmission System Delivery Plan(s), then the resource cannot be used to serve «Customer Name»’s load.

14.7.2 **Delivery of Non-Federal Resources According to Delivery Plan**

By March 31, 2028 BPA shall update Exhibit A with «Customer Name»’s accepted Transmission System Delivery Plan for each Dedicated Resource serving «Customer Name»’s load and each Consumer-Owned Resource serving On-Site Consumer Load. By March 31 every year thereafter, if «Customer Name» notifies BPA of any changes to «Customer Name»’s Transmission System Delivery Plan(s) according to section 14.7.1 above, then BPA shall update Exhibit A with «Customer Name»’s accepted new Transmission System Delivery Plan(s).

«Customer Name» shall apply its Dedicated Resources and Consumer-Owned Resources to serve its load consistent with the Transmission System Delivery Plans.

*End Option 14.7 for customers served by Transfer Service interconnected to multiple transmission systems.*