

DRAFT/WORK IN PROGRESS

ColumbiaGrid OASIS Functional Agreement Outline October 25, 2006

Background

OASIS provides a mechanism for the posting and sale of Available Transfer Capability (ATC) and associated Ancillary Services. It also serves as a focus point for a variety of informational postings and notices, including business practices. OASIS is intended to be the interface between Transmission Service Providers (TSP) and Transmission Customers (TCs).

As an operationally independent entity, ColumbiaGrid would be an ideal OASIS administrator or operator. As ColumbiaGrid does not have a market affiliation, it would be viewed as an impartial provider, focused on consistent and non-discriminatory treatment of all TCs.

OASIS is coupled with contracts, operations, and settlement. Transition from today's multiple OASIS presence of providers to a single OASIS presence will take careful planning and thoughtful consideration, and implementation should be done in a sequenced manner.¹

Goals

1. Better facilitate TC access and choices across participating systems
2. Provide seamless "one-stop shopping" for TCs to purchase transmission, redirect or resell transmission, and request interconnections for new resources or loads to Northwest transmission systems
 - a. TCs could purchase transmission service from multiple TSPs at the same time and in the same place

¹ A ColumbiaGrid OASIS has a lot of commonality with other potential CG functions. (Probably not necessary to mention in Functional Agreement, but important to understand relationships). For example,

1. Planning – both long and short term planning expertise
 - a. Provide TTC values
 - b. Conduct study in response to requests
2. Outage Coordination
 - a. Post outage and impact notices
 - b. Update TTCs to reflect planned outages
3. Redispatch/congestion management
 - a. Migrate redispatch bidding process into OASIS (whether it be generation & load incs & decs, or schedule cutting offers

- b. Support a secondary transmission market where TCs would have ability to sell and buy unneeded transmission rights
- c. Achieve common queues for interconnection requests and transmission service requests for all participating transmission systems
 - i. After common queue, assist in the reconciliation of differences between flow-based and contract path rights
- 3. Facilitate TSP compliance with applicable FERC standards
 - a. TSPs continue managing sales of transmission products or ColumbiaGrid manages sales of transmission products on behalf of TSPs
 - i. Track redirect and resale activities of TCs
- 4. Preserve individual TSP decision-making authority over its individual tariff
- 5. Merge individual TSP OASIS portals into the ColumbiaGrid OASIS portal

Means

- 1. Develop, implement, and administer single OASIS interface for TSPs which would
 - a. Display information common to all TSPs, e.g., business practices, both proposed and in effect
 - b. Allow individual TSPs to maintain their individual tariffs and business practices in a provider-specific portal
- 2. Establish a process and time frame for TSPs, along with TCs, to:
 - a. Provide transmission services and products with common attributes;
 - b. Develop common tariff terms and conditions to be implemented through each transmission provider's tariff;
 - c. Develop and implement a common queue for transmission service and interconnection requests; and
 - d. Implement a flow-based model for determining ATC
 - e. Evaluate options for evolving role of ColumbiaGrid
 - i. Administer regional tariffs/sell regional products on behalf of TSPs
 - ii. ColumbiaGrid as TSP
- 3. Commit ColumbiaGrid to work with the vendor, and ColumbiaGrid, the TSPs, and the vendor to work together (e.g., agreeing to share their data etc.)
- 4. Encourage TSPs to develop common West-wide features and practices with the wesTTrans OASIS members
- 5. TSPs would continue to provide service to their TCs under their existing tariffs and contracts; as TSPs agree to implement common products, attributes, and business practices, ColumbiaGrid would apply these common services the ColumbiaGrid area of the ColumbiaGrid OASIS
- 6. To the maximum extent possible, have ColumbiaGrid act as an agent of TSPs
- 7. *[Allow coordination for control areas that are not TSPs to post relevant information]*

Responsibilities of Parties

1. ColumbiaGrid

a. OASIS

- i. Establish presence on westTTrans/ColumbiaGrid portal
- ii. Coordinate ColumbiaGrid TSPs involvement in westTTrans for purposes of non-discretionary enhancements
- iii. To extent modifications are to be made only to ColumbiaGrid OASIS and ColumbiaGrid TSP parties OASIS because they were not accepted by all westTTrans parties, manage relationship with OATi to implement enhancements developed in the ColumbiaGrid process
- iv. OASIS administrator
- v. Mechanism to allow individual TSP/customer to make individual improvements/enhancements at its own expense to the extent it can be reasonably accommodated by the ColumbiaGrid OASIS
- vi. Development of common queues for interconnection requests and transmission service requests
 1. Handing off requests to appropriate TSP [*at what point does the planning process take over?*] or
 2. Processing requests involving multiple transmission systems or something else?

b. Uniform Business Practices and Products

- i. Provide neutral forum for TSP development of uniform business practices and products taking into account differences in transmission systems
 1. Public process
 - a. Input from OASIS Steering Committee comprised of subset of parties to the Functional Agreement
 - b. Open meetings 5 or 6 times a year (could be right before the westTTrans meetings)
- ii. Process to be completed in two years [*from effective date*], including implementation of uniform products/services within the two years if possible
- iii. ColumbiaGrid sponsors/facilitates (aggressively) the process
 1. Develop work plan with specific milestones/target dates
 2. Identify critical differences in business practices (e.g., high priority items that somehow interfere with commerce)
 3. Identify candidate practices and products to be made uniform
 4. Develop recommendations/technical proposals
 5. Identify impasse-breaking tools (e.g., high-level executive meeting; default positions)

2. TSPs

- a. Cooperate with ColumbiaGrid in moving common TSP information to ColumbiaGrid area
 - b. Back-end processing of transmission service requests relating to their transmission systems (request would be submitted to ColumbiaGrid OASIS; software would notify TSPs of requests (simultaneously or in very short order)
 - c. Endeavor in good faith to timely develop uniform practices and products as appropriate
 - d. Together with other parties, populate Steering Committee to provide input to ColumbiaGrid about the uniform business practices/products process
3. Other Parties
- a. Fund – already pay OASIS through tariff, but what of other activities? Studies
 - b. Participate in Steering Committee
 - c. Other?

ColumbiaGrid Tools

1. Flow-based ATC calculator
2. OASIS
3. Other software/hardware
4. Staff

Timing (calculated from Effective Date of Functional Agreement)

1. First six months
 - a. Develop and implement ColumbiaGrid OASIS
2. Process (for purposes of determining funding – ColumbiaGrid, with input from parties, will have discretion to time process as it believes most effective)

ColumbiaGrid Staffing

Tasks

- Business Practices Review/Process – Staff and Facilitator
- Flow-based ATC Development
- OASIS – get it up and running, then post and maintain
- Laying framework of common queue working with ColumbiaGrid planning
- IT component

Funding

1. ColumbiaGrid OASIS (break out timeframe, what would be required with respect to tools/personnel)
2. Uniform business practices and products process

[needs to cover vendor contract(s), a CG employee for management and coordination, employees for request processing (OASIS care and feeding)]

Remaining Work

- Get internal feedback on draft outline
- Pull together timeline (set of scenarios) and then estimate cost
 - Beginning – wesTTrans/OASIS, facilitation, IT support
 - Then – review of business practices process
- Linda Finley and Kristi Wallis will get more cost information from consulting contacts

Attachment

Suggestions for ColumbiaGrid

While ColumbiaGrid will have discretion to determine how to accomplish the above, the functional agreement will require that it develop a work plan in consultation with the parties.

1. For example, ColumbiaGrid's work plan for the first six months might include the following:

Establish a ColumbiaGrid OASIS Coordinator position to:

- √ Review ColumbiaGrid Member's OASIS for:
 - Access rules
 - Business practices
 - Informational postings
 - Others
- √ Issues comparative reports and recommendations
- √ Develop relationships with ColumbiaGrid Member's OASIS representatives
- √ Establish a relationship with wesTTrans
- √ Establish a relationship with OATI to:
 - Access options for a ColumbiaGrid OASIS
 - Develop an implementation or roll-out plan
 - Identify transition issues
 - Others
- √ Coordinate with ColumbiaGrid staff for potential OASIS support (i.e., TTC/OTC development, flow-based tool development, etc.)
- √ Conduct periodic meetings with regional stakeholders
- √ Provide OASIS Functional Agreement signatories a quarterly report
- √ Provide OASIS Functional Agreement signatories a recommendation(s) for ColumbiaGrid OASIS

2. To establish presence on wesTTrans, ColumbiaGrid could transition by:

- a. ColumbiaGrid portal
 - i. Establish direct relationship with vendor
 - ii. Logistics for ColumbiaGrid area
 - iii. Test
 - iv. Populate data bases
 - v. Decisions regarding access of different parties and their ability to modify postings/information, if any
 - vi. Go live
- b. Work with ColumbiaGrid Parties to move individual information to ColumbiaGrid area

- c. Coordinate ColumbiaGrid TSPs involvement in wesTTrans for purposes of non-discretionary enhancements
 - d. To extent modifications are to be made only to ColumbiaGrid OASIS and ColumbiaGrid TSP parties OASIS because they were not accepted by all wesTTrans parties, manage relationship with OATi to implement enhancements developed in the ColumbiaGrid process
3. As OASIS administrator, ColumbiaGrid might
- a. Post business processes
 - b. Post path capacities/maintain TTC values
 - c. Post system impact studies/miscellaneous studies
 - d. Post outages
 - e. Post business practices
 - f. Customer activation/validation on behalf of providers
 - g. Creditworthiness
4. Possible “near-term” milestones
- a. Current TSPs have different ATC methodologies (BPA is mixed contract path/flow-based; Avista and Puget is contract path) Development of interim common (not purely flow-based) ATC methodology
 - b. Begin development of flow-based, uniform ATC calculations (start with offline calculations; identify changes that would need to be made to OASIS functions and in other areas identified by TSPs and TCs to accommodate)
 - c. Identify common TSP practices and products and post in ColumbiaGrid area
 - d. Prepare and post comparison of differing TSP practices and products in the ColumbiaGrid area?
 - e. Post contact information for each TSP in ColumbiaGrid area for different activities
 - f. Post individual TSP creditworthiness criteria
 - g. Develop proposals to improve transmission user access to transmission system information, e.g., transmission availability, POR/POD naming
 - h. Post TSP scheduled maintenance information
 - i. Prior to implementation of common queue, develop and implement means to post TSP queue information (interconnection/transmission service requests) in ColumbiaGrid portal
4. Possible “mid-term” milestones
- a. Improved training opportunities for TCs, e.g., workshops and on-line tutorials to be provided by ColumbiaGrid
 - b. Address the complexity of requests for jointly-owned transmission capacity
 - c. Develop and implement common queue for interconnection and transmission service requests for sequencing of studies and award of transmission rights

5. Possible “longer-term” milestones
 - a. Develop and post common tariff terms and conditions
 - i. Includes modification of individual TSP tariffs as appropriate, including filings at FERC by TSPs
 - b. Develop and market commonly-defined transmission products and services
 - c. Develop and implement flow-based ATC methodology
 - d. Modify OASIS functions to accommodate new congestion management tools
 - e. Evaluating possible long-term roles for Columbia Grid
 - i. Regional tariff on behalf of TSPs
 - ii. ColumbiaGrid as TSP
 - f. Develop and adopt enhancements that provide an opportunity for TCs to more easily access transmission and power markets in other sub regions in the Western Interconnection