

## **BPA Proposed Failure to Comply Rate**

### **B. FAILURE TO COMPLY PENALTY CHARGE AND ASSESSMENT OF OTHER COSTS RESULTING FROM THE FAILURE TO COMPLY**

#### **1. RATE FOR FAILURE TO COMPLY PENALTY CHARGE**

If a party fails to comply with the BPA Transmission Services' dispatch, curtailment, redispatch, or load shedding orders, the party will be assessed the Failure to Comply Penalty Charge. The Failure to Comply Penalty Charge shall be 1000 mills per kilowatt hour.

Parties who are unable to comply with a dispatch, curtailment, load shedding, or redispatch order due to a force majeure on their system will not be subject to the Failure to Comply Penalty Charge provided that they immediately notify BPA Transmission Services of the situation upon occurrence of the force majeure.

#### **2. BILLING FACTORS**

The Billing Factor for the Failure to Comply Penalty Charge shall be the kilowatt hours that were not curtailed, redispatched, shed, changed, or limited in any of the following situations:

- a.** Failure to shed load when directed to do so by BPA Transmission Services in accordance with the Load Shedding provisions of the Open Access Transmission Tariff or any other applicable agreement between the parties. This includes failure to shed load pursuant to such orders within the time period specified by the North American Electric Reliability Council (NERC), Western Electric Coordinating Council (WECC), or Northwest Power Pool (NWPP) criteria.
- b.** Failure of a generator in the BPA Control Area or which directly interconnect to the FCRTS to change or limit generation levels when directed to do so by BPA Transmission Services. This includes failure to change generation levels pursuant to such orders within the time period specified by NERC, WECC, or NWPP criteria.
- c.** Failure to curtail or redispatch a reservation or schedule or failure to curtail or redispatch actual transmission use of the Contract or Service Agreement when directed to do so by the BPA

Transmission Services in accordance with the curtailment or redispatch provisions of the Open Access Transmission Tariff or any other applicable agreement between the parties. This includes failure to curtail or redispatch pursuant to such scheduling protocols or orders within the time period specified by NERC, WECC, or NWPP criteria.

**3. ASSESSMENT OF OTHER COSTS RESULTING FROM THE FAILURE TO COMPLY**

In addition to the Failure to Comply Penalty Charge, the party will be assessed any costs incurred by BPA Transmission Services in order to manage the reliability of the FCRTS that are caused by the failure to comply, including, but not limited to, monetary penalties imposed on BPA by a Regional Reliability Organization, Electric Reliability Organization, or FERC, for a violation of a Reliability Standard authorized under Section 215 of the of the Energy Policy Act of 2005.

**4. INAPPLICABILITY OF GENERATION IMBALANCE CREDIT**

Generation Imbalance credits under Section III.B of the Ancillary Services and Control Area Services Rate Schedule will not be given for negative deviations (actual generation greater than schedules) for any hour(s) that the imbalance is a result of a party's failure to reduce generation under this Section.