



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

August 21, 2008

In reply refer to: SR-7

**SUBJECT: REQUEST FOR INFORMATION (“RFI”)
Generation Inputs and/or Load Interruption Services**

Interested Parties:

The Bonneville Power Administration (“BPA”) is a federal power marketing agency that transmits and markets the power from 31 federal dams and one nuclear power plant. BPA also purchases power from five wind farms. BPA is interested in acquiring third party supplied generation inputs and/or load interruption to be used for load following and/or regulation in the BPA Balancing Authority Area. We are issuing this Request for Information (“RFI”) to solicit information on the potential availability, structure and price range of Generation Inputs and/or Load Interruption Services that parties (“Respondents”) may be willing to offer.

This RFI is intended to initiate a broad conversation about how to best fulfill BPA’s potential need for additional load following and regulation capability. Subject to confidentiality provisions outlined in Attachment 1, BPA will not disclose information marked “Proprietary” or “Confidential.” However, it is BPA’s intent to share generalized information via a public process with respect to the potential availability of third party supplied generation inputs for load following and/or regulation. We expect to disclose a summary of the total megawatts of third party supplied services that may be available, and the general potential impact on BPA’s costs based on price expectations expressed in responses to this RFI. In addition, to the extent that general suggestions or comments are submitted to BPA pursuant to this RFI, BPA intends to summarize such suggestions or comments for use in public discussions.

Instructions for submitting responses to the RFI are included in Attachment 1. In addition, an outline of the information BPA seeks under this RFI is included in Attachment 1. BPA invites general comments or information, as well as the specific information described in the attachment.

Responses due: September 26, 2008

This RFI consists of the following Attachment 1, GENERATION INPUTS AND/OR LOAD INTERRUPTION SERVICES TO BE USED FOR LOAD FOLLOWING AND/OR REGULATION

Please call Eric King at (503) 230-5236, FAX (503) 230-3270, if you have any questions.

Sincerely,

/s/ Syd Berwager for

Eric V. King
Wind Integration Project Manager
Strategy Integration

Attachment 1 – Request for Information

GENERATION INPUTS AND/OR LOAD INTERRUPTION SERVICES

TO BE USED FOR LOAD FOLLOWING AND/OR REGULATION

AUGUST 21, 2008

Background Information

With this Request for Information (“RFI”), Bonneville Power Administration (“BPA”) is seeking specific information about the potential supply of and terms for provision of generation capacity and energy to be used for management of within-hour transmission system conditions in the BPA Balancing Authority Area. BPA is also interested in understanding any potential limitations to such capability, such as seasonal availability or frequency of change.

BPA expects to obtain information on availability of generation inputs to be used for two different purposes: load following and regulation. Load following responds to changes in system loading in the system on a 10 minute time frame, regulation responds to changes in system loading in the sub-ten minute time frame.

BPA’s planning and budgeting follows a two-year cycle. BPA is specifically seeking assessments of monthly Heavy Load Hours (“HLH”) or Light Load Hours (“LLH”) generation resource or load quantities available from Respondents for each year of BPA’s rate period in Fiscal Years 2010-2011. In addition, BPA is considering a pilot test of third party supplied generation inputs and services in Fiscal Year 2009. For Respondents interested in providing generation inputs or services in either Fiscal Year 2009, and/or Fiscal Year period 2010-11, BPA has included tables at the end of this RFI for Respondents to indicate general interest and HLH and LLH quantities. We anticipate that some Respondents would only have seasonal flexibility to offer these services and request that Respondents expressly indicate any seasonal flexibility or limitations in the information submitted to BPA.

Objective for Request for Information

To assess the availability of third party supplies of generation inputs and services for Load Following and Regulation Services for load and generation in the BPA Balancing Authority Area.

Description of Information Requested

General Requirements for Generation Inputs

1. For both load following and regulation, Respondent may offer either generation increases or generation decreases, or both (For example, load following inc, load following dec; reg up, reg down).

2. For both load following and regulation originating from generation resources located outside the BPA Balancing Authority Area, the Respondent must have a firm power contract with the hosting Balancing Authority Area and firm transmission service rights within the hosting Balancing Authority Area that will allow the offered service.
3. Both load following and regulation must provide dynamic capacity, which will be available at agreed-upon times to BPA and capable of being deployed within the scheduling hour by BPA's real-time operations. If the Load Following Service is outside BPA's Balancing Authority Area, a dynamic schedule must be used for deployment of the service.
4. Regulation must provide a set amount of capacity that ranges from zero to a positive limit (reg up) of generation provided to the BPA Transmission System or zero to a negative limit (reg down), where the negative represents the amount of generation provided from the BPA System to the Respondent. The Regulation Service would be used via a dynamic signal, constrained to the upper and lower bounds offered by Respondent, on a four second signal cycle.
5. Load following must provide a set amount of capacity ranging up or down from zero (following up or following down) that would be used via a dynamic signal, constrained to the bounds of service offered, that would represent a share of the predicted change in ten minute average by clock interval. The load following signal may be adjusted at ten minute intervals. For example, if load following up is provided, ranging from zero to 50 MW, the generator could be called on in the first ten minutes of an hour to move up 20 MW, then ten minutes later it could be asked to move down to 10 MW, then in the next ten minutes it could be asked to provide 40 MW, then perhaps to continue that amount for the next ten minutes, and then move to 50 MW for the remainder of the hour.
6. BPA will also consider other capacity arrangements that offer the same or better service.
7. BPA is also seeking load interruption as a means of load following or regulation. For load interruption, BPA must have the capability to reduce the load within an agreed-upon time interval, either within 10 minutes or on a regulation time cycle.
8. Respondent will be required to have or develop a real-time computer interface between its generator or load and the BPA System. BPA's primary real-time communication system uses Inter-Control Center Communication Protocol (ICCP) as the protocol; however, we are open to other robust, secure, communication protocols that comply with criteria set forth in North American Electric Reliability Corporation Reliability Standards.
9. BPA will work with Respondent to identify potential Points of Delivery where Available Transfer Capability exists on the BPA Transmission System to accept and deliver load following or regulation services. Respondent is encouraged to indicate the Point of Receipt / Point of Delivery options for delivery of the product.
10. Respondent must specify the contractual ramp rate of the generating equipment or load equipment that would be used to provide the load following service.

11. Respondent must provide an approximate price range or a proposed pricing methodology for load following and/or regulation.

Response development

Respondent is expected to provide the following information:

- a) Contact Person (mailing address, fax, phone, e-mail)
- b) Type of Generator Resource to provide the service
- c) Point of Delivery/Point of Receipt to/with BPA's Transmission System
- d) Intervening transmission systems and/or balancing areas
- e) Description of service or services available
- f) Ramp Rate - MW/minute
- g) Schedule of potential availability, indicating seasonal or diurnal patterns per the Tables provided at the end of this Attachment.
- h) Price range or pricing methodology for the service or services available
- i) Types of communication, hardware or software equipment to be used to deploy the services.

Non-Disclosure and Confidentiality

BPA will not disclose Respondent information submitted in response to this RFI, with the following exceptions:

- (a) Information which is incorporated into a final report, unless specifically exempt by the Respondent as "Proprietary or Confidential".
- (b) Information available under the Freedom of Information Act.
- (c) Information required by a court of law or other Federal agencies.
- (d) Information publicly available from other sources.

BPA intends to summarize information obtained from Respondents to inform the region about the availability and price of additional generation inputs for load following and regulation. This information will be used to evaluate whether opportunities exist for BPA to pursue formal agreements for generation inputs and/or load interruption services for load following and regulation.

No Contractual Obligation

This RFI is for planning and information purposes only and is NOT to be construed as a commitment by implication or otherwise of BPA to enter into a contractual agreement, nor compensate Respondents for any information provided.

How to Respond

Responses are due by package delivery, fax or e-mail on or before **September 26, 2008**. A response by fax or e-mail must be accompanied by a hard copy that must arrive via package delivery within three working days. Responses will be acknowledged via e-mail.

Contact Person: Eric King, at (503) 230-5236. E-mail: <mailto:evking@bpa.gov>

Fax to: (503) 230-3270

Deliver to:

For information delivered via USPS:
Bonneville Power Administration

For courier or hand carried information:
Bonneville Power Administration

ATTN: Eric King
RE: Load Following/Regulation RFI
ADDRESS:

ATTN: Eric King
RE: Load Following/Regulation RFI
ADDRESS:

P.O. Box 3621, SR-7
Portland, OR 97208-3621

905 NE 11th Ave., SR-7
Portland, OR 97232

TABLES

Instructions

Indicate the HLH or LLH megawatt of capacity available during each month. Indicate a “0” if load following or regulation capacity is unavailable due to seasonal restrictions or limitations.

2009	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Reg up HLH												
Reg up LLH												
Reg down HLH												
Reg down LLH												
LF inc HLH												
LF inc LLH												
LF dec HLH												
LF dec LLH												

2010	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Reg up HLH												
Reg up LLH												
Reg down HLH												
Reg down LLH												
LF inc HLH												
LF inc LLH												
LF dec HLH												
LF dec LLH												

2011	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Reg up HLH												
Reg up LLH												
Reg down HLH												
LF inc HLH												
LF inc LLH												
LF dec HLH												
LF dec LLH												