

DEPARTMENT OF ENERGY Bonneville Power Administration Notice of Interest

Joint Intra-Hourly Scheduling Pilot Program Between BPA and the California Independent System Operator Posted January 13, 2011

Bonneville Power Transmission Services (BPA) and California Independent System Operator (CAISO) are evaluating the use of intra-hour scheduling on the California-Oregon Intertie (COI). This is a joint pilot program to facilitate the export of energy from wind resources located in BPA's Balancing Authority Area into the CAISO Balancing Authority Area. If successful, the pilot program will provide better scheduling and balancing flexibility for variable energy resources such as wind.

For this joint pilot program, BPA and the CAISO are seeking one to three market participants with Northwest wind resources.

The pilot is estimated to begin on October 1, 2011 and last at least one year. During the pilot an evaluation will be conducted to determine if intra-hour scheduling between BPA and the CAISO should be extended and expanded to all customers.

The pilot will use dynamic e-Tagging and communication to facilitate intra-hour schedule changes. Participants will submit dynamic e-Tags hourly when power from their wind projects will be exported to California. BPA will use the dynamic e-Tag to create a schedule with the CAISO. During the operating hour, participants will update the second half hour of the e-Tag to reflect an intra-hour schedule change (either to increase or decrease). BPA will adjust the schedule accordingly.

Because the schedule is only changing at prescribed rates and during existing ramp periods, the intra-hour transactions will not affect Dynamic Transfer Capacity on the BPA system.

The qualifications for participation include, but are not limited, to:

- 1. A participant must have control over the output of a wind project located within the BPA's Balancing Authority Area;
- 2. A participant must be a Certified Scheduling Coordinator in the CAISO (see http://www.caiso.com/docs/2005/10/28/200510281214421255.pdf to determine eligibility);
- 3. A participant must be willing to execute a pilot participant agreement with the CAISO and with BPA.

The terms of the participant agreement with BPA have not been established yet but will generally include:

1. A good faith effort to participate for at least one year;

- 2. Agreement to schedule at least X% of the plant output to the CAISO;
- 3. Agreement to adjust the schedule every half hour when the expected output of the plant is expected to deviate from the current schedule;
- 4. Agreement to participate at least X hours per month; and
- 5. Participation will be limited to a total of 200 MW.

A Statement of Interest by qualifying companies interested in participating may send an email to <u>windoperations@bpa.gov</u>.

All Statements of Interest must be received NOT LATER THAN Monday, January 31, 2011. BPA and the CAISO will select participants from the qualifying companies that respond to the posting with further details on the pilot. For more information contact Troy Simpson at (360) 418-8659.