

# FCPD's Short Distance Discount example

# Short Distance Discount Rule

- Based on current SDD rules FCPD **loses its entire monthly discount** under any of the scenarios below:
  - FCPD redirects SDD PTP to a monthly firm service on SDD path
  - FCPD redirects SDD PTP away from SDD path for some hours in a month

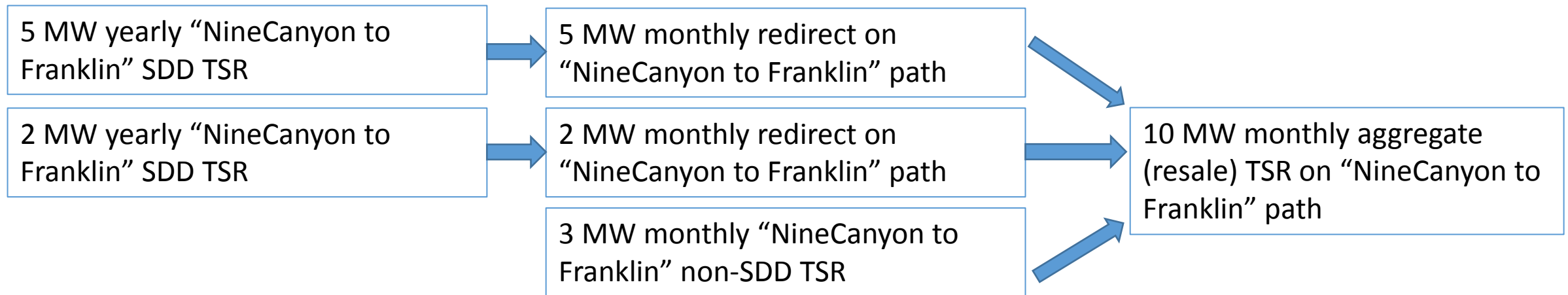
# Short Distance Discount Proposal

- Step 1 of SDD proposal:
  - If SDD TSR is redirected or resold on the same SDD path as was the parent TSR, then there is no loss of discount
- Step 2 of SDD proposal:
  - If SDD TSR or its resale is redirected on a path different from SDD path, then reduce monthly SDD by the amount of MWh of redirects that are on non-SDD path, but no more than the full monthly SDD.

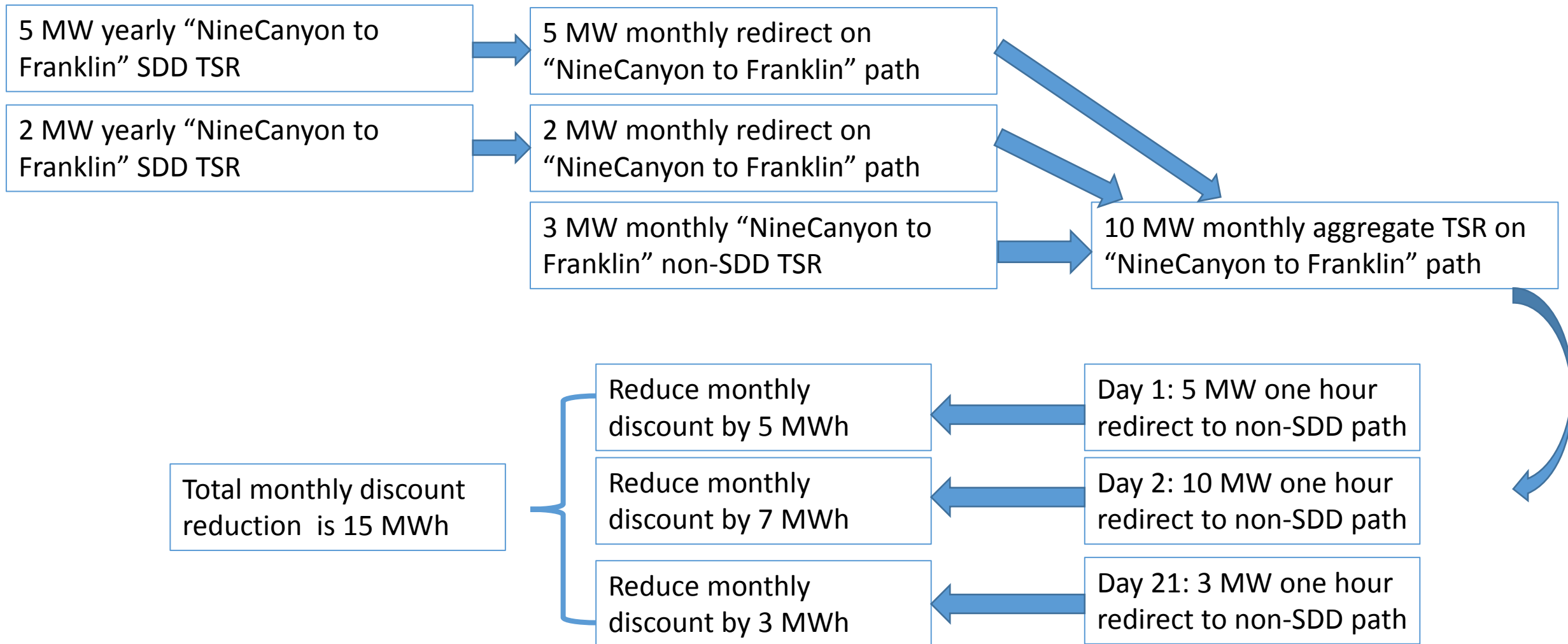
# Short Distance Discount rights vs Scheduling needs

- FCPD has two SDD LTF PTP transmission service requests (TSRs) of 7 MW (5 MW + 2 MW) from a single wind source (Nine Canyon) to its load (Franklin)
- FCPD's capacity from that resource is 10 MW
- To schedule the full FCPD's capacity from the resource, FCPD redirects additional 3 MW to "NineCanyon to Franklin" path on a monthly firm basis
- To optimize scheduling and use of PTP transmission FCPD aggregated all three TSRs (5+2+3 MW) into single TSR by redirecting 7 MW of SDD TSRs from yearly to monthly firm PTP service and reassigning to itself all 10 MW.
- Whenever 10 MW capacity was not utilized by wind schedules, FCPD could redirect it to a different path for other needs

# Step 1 of SDD proposal: Keep the discount when redirects are on the SDD path



# Step 2 of SDD proposal: Prorate the SDD based on MWh of redirects on non-SDD path



- In the previous example, there were 15 MWh of redirected transmission
- FCPD's SDD per month is \$2,835 for 7 MW or 5,040 MWh  
(30 day month)
- The SDD discount would be prorated to \$2,827
  - $[(5040-15)/5040]*2835$