



Seattle City Light

## POWER RESOURCE OFFERING

### EXCHANGE AND SALE OF SURPLUS OUTPUT OF THE LUCKY PEAK HYDROELECTRIC PLANT

**PROJECT DESCRIPTION:** The Lucky Peak hydroelectric generating plant is a three-unit, 101 MW capacity hydroelectric irrigation project (Lucky Peak). A historical record of project performance is available by request. Lucky Peak is interconnected with Idaho Power Company (IPCO) and geographically located near Boise, Idaho, with access to all major western trading hubs (Mid-C, COB, PV, Mead, Four Corners) under current Open Access Transmission Tariff (OATT) service.

**TERM:** Bidders may choose to bid on either a one-year term: January 1, 2014, through December 31, 2014, or a two-year term: January 1, 2014, through December 31, 2015. Bidders may submit two separate bids, one for each of these terms.

**EXCHANGE AND SALE PRODUCT:** The Buyer will receive the total output of the Lucky Peak.<sup>1</sup> Buyer will also be assigned transmission as described in the Transmission Section below for the term of the Exchange Agreement. In exchange for Lucky Peak output, SCL will receive a fixed amount of firm energy from the Buyer at Mid-Columbia (MidC) in the amounts specified by the Bidder in the table below. The exchange quantity must be a minimum of 236,814 MWh per year.<sup>2</sup> In order that the SCL Lucky Peak Exchange meets BPA Firm resource definition, Buyer must supply a minimum of 177,416 MWh in the January-March period. The Buyer will also pay SCL twelve equal monthly payments as defined in the Exchange Agreement.

**EXCHANGE and SALE AGREEMENT:** To effect the exchange, SCL and the Buyer will enter into two concurrent WSPP transactions: one for the exchange of the Firm Output of Lucky Peak, and a second for the sale of electrical energy in excess of the Firm Output. An example of the Exchange and Sale transaction confirmations is attached.

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<sup>1</sup> Plant output net of plant load and is not dispatchable outside of irrigation requirements. The historical record of project performance does not guarantee future project output, and specifically does not guarantee any minimum level of project output for calendar years 2014 or 2015

**DELIVERY POINTS:**

**To Buyer:** Lucky Peak Service Point on the IPCO Transmission System (LYPK).

**To SCL:** Mid-Columbia (COLUMBIAMKT) or as may be mutually agreed by both parties in preschedule.

**DELIVERY RATE:**

**To Buyer:** Various, as decided by local irrigation requirements. The Buyer will take all megawatt hours produced by the project for calendar year 2014 and/or 2015.

**To SCL: Average MW during the Term in the amounts described below:**

SCL prefers that the exchange energy delivered to SCL be shaped predominantly into the months of Jan – Feb and Nov –Dec. Bidders shall provide the shaped quantities of the exchange energy delivered to SCL in the table below.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
HLH				0	0	0	0	0	0			
LLH				0	0	0	0	0	0			

Heavy Load Hours (HLH) defined as Hours Ending 0700 through 2200 Monday through Saturday excluding NERC Holidays. Light Load Hours (LLH) defined as Hours Ending 0100 through 0600 and Hours Ending 2300 and 2400 Monday through Saturday and all day Sundays and NERC Holidays.

**SCHEDULING:** Buyer shall assume all obligations for scheduling the output of the Lucky Peak generation and scheduling of transmission. Buyer shall schedule the Lucky Peak generation and transmission in accordance with Idaho Power Company’s Open Access Transmission Tariff (OATT) and Business Practices.

**DESIRED PRICE STRUCTURE:** Bids should be expressed as a fixed annual payment that will be made in equal monthly payments to SCL for each month during the Term.

**TRANSMISSION SECTION**

SCL has reserved 101 MW of yearly firm Point-to-Point (PTP) transmission service from Idaho Power with a Point of Receipt at Lucky Peak (LYPK) and a Point of Delivery at LaGrande substation (AREF=77065697). Concurrent with the Exchange and Sale transactions, SCL intends to reassign this reservation as

a Resale TSR on the IPCO OASIS as described in the IPCO business practices.<sup>2</sup> Buyer will be responsible for any necessary redirects to alternate PORs and PODs. SCL expects to assign this transmission reservation at the IPCO tariff rate during the Term of the Exchange and Sale.

As the Assignee, Buyer will be responsible for compliance with all applicable terms of the Idaho Tariff and the Idaho Business Practices that arise from SCL's reassignment of the Idaho Power firm Point-to-Point (PTP) transmission service to the Buyer and arise out of Buyer's use of the reassigned Idaho Power firm Point-to-Point (PTP) transmission service. Buyer will be responsible for: (1) acquiring and/or returning and/or payment of real power losses, and (2) acquisition and payment for all ancillary services associated with generation from the Lucky Peak project and Buyer's use of the reassigned Idaho Power firm PTP Transmission capacity, This includes but is not limited to: (1) Regulation and Frequency response, (2) Operating Reserve – Spinning Reserve Service, (3) Operating Reserve – Supplemental Reserve Service, and (4) Generation Imbalance Service.

**Environmental Attributes:** All Environmental attributes associated with Lucky Peak are included in this transaction, only for the term of this transaction. Buyer assumes full responsibility for all application of these attributes, Seattle will provide generation metering data, however, it will only be given to Buyer upon written request. Seattle will not warrant the economic viability of these attributes.

**Specified Resource Attributes:** This Agreement includes specified resource attributes currently associated with Lucky Peak by way of registration with the California Air Resources Board (CARB), as CARB facility #5000046, and generated during the term of this Agreement. Buyer assumes full responsibility for application or transfer of specified resource attributes. Seller will respond to any reasonable verification requests from Buyer to prove Buyer's right to specified resource attributes, including generation metering data. Seller will not warrant the economic viability of specified resource attributes associated with this Agreement.

**DUE DATE:** Bids are due by 12:00 noon PPT on December 9, 2013 and must be valid through 12:00 noon PPT December 13, 2013. Proposals should be sent via e-mail to Seattle power marketing team ([SCL\\_PowerMarketing@seattle.gov](mailto:SCL_PowerMarketing@seattle.gov)) An executed hard copy must be received by December 17, 2013 at 5:00 PM also.

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<sup>2</sup> [Section 11 – Resale or Transfer of Transmission Reservations](#) dated February 23, 2010. Please see the specific requirements of this business practice at 11.2: “The Assignee must have a valid resale service agreement (Idaho Power Tariff Attachment A-1) prior to scheduling the purchased transmission rights.”

# Bidders Worksheet

Due Date: December 9, 2013; 12:00 noon PDT

Bidder Company Name: \_\_\_\_\_

Bidder NAESB EIR Code: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Contact email: \_\_\_\_\_

Contact phone: \_\_\_\_\_

Term (12 or 24 months): \_\_\_\_\_

Bid Price (\$/month): \_\_\_\_\_

Total Payment to SCL (total \$ for term): \_\_\_\_\_

Bidders shall state the shaped quantities of the exchange energy delivered to SCL in the table below.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
HLH				0	0	0	0	0	0			
LLH				0	0	0	0	0	0			

Bidder certifies that this bid is effective through December 13, 2013, 12:00 noon, PPT.

Bidder certifies that if bid is awarded to Bidder Company, Bidder Company will take and pay for IPCO transmission service under the terms and conditions of the IPCO OATT Attachment A-1 and the Transmission Assignment Agreement with SCL for the duration of this Exchange Agreement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

