

BPA NEWS

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BONNEVILLE POWER ADMINISTRATION
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BPA holds overall average power and transmission rates flat

Settlement with majority of rate case parties enabled stable, low rates while preserving a sound and fiscally responsible foundation for BPA to continue to meet its statutory obligations

Portland, Oregon – The Bonneville Power Administration will hold the average Tier 1 power rate and all transmission rates, including ancillary and control area service rates, flat for the next two-year period beginning Oct. 1, 2023. This determination was part of the final record of decision for the BP-24 power and transmission rate case released today.

The rate case reflects a settlement developed between BPA staff and a majority of rate case parties.

“The great collaboration with our customers and other rate case parties helped us to offer rates that are stable, predictable and low while preserving BPA’s strong financial health,” said John Hairston, BPA Administrator and CEO. “BPA is well positioned to meet our customers’ needs across our service territory, including reinforcement of our existing grid and new infrastructure to meet anticipated load growth and the further proliferation of renewable resources coming into the region.”

The settlement includes an additional \$258 million in planned net revenue for risks that helps hedge against recent increased market volatility and any other unexpected costs. BPA sets its rates to ensure the probability of repaying its annual U.S. Treasury debt is at least 95-percent, which is the last payment it makes after all other obligations are paid. BPA has made its Treasury payment on time and in full for the past 39 years. With the increased funds set aside for risk and its other sources of liquidity, the probability of making the Treasury payment over the BP-24 rate case period is more than 99-percent.

Under the Northwest Power Act, BPA is required to establish rates using sound business principles for the sale of power and transmission services that are designed to recover costs associated with the generation or conservation of electrical power as well as costs associated with the transmission of non-federal power across BPA’s bulk electric grid.

While the average Tier 1 effective power rate and all transmission and ancillary and control area service rates remain flat, the impact to individual utilities and customers of BPA are determined by



the products and amounts they select for service. Utilities must set their own rates to cover their own costs and particular set of circumstances related to serving power to their own customers.

The changes captured by the final ROD for BP-24 will be effective Oct. 1 and remain in effect until Sept. 30, 2025. Specific to rates, BPA will file the case with the Federal Energy Regulatory Commission, requesting interim approval for the rates while awaiting final FERC approval.

BPA initiated the BP-24 power and transmission rate case in November 2022. The final ROD as well as information on meetings and publications are available on the [BP-24 rate case website](#).

About BPA

The Bonneville Power Administration, headquartered in Portland, Oregon, is a nonprofit federal power marketer that sells wholesale, carbon-free hydropower from 31 federal dams in the Columbia River Basin. It also markets the output of the region's only nuclear plant. BPA delivers this power to more than 140 Northwest electric utilities, serving millions of consumers and businesses in Washington, Oregon, Idaho, western Montana and parts of California, Nevada, Utah and Wyoming. BPA also owns and operates more than 15,000 circuit miles of high-voltage power lines and 261 substations, and provides transmission service to more than 300 customers. In all, BPA provides nearly a third of the power generated in the Northwest. To mitigate the impacts of the federal dams, BPA implements a fish and wildlife program that includes working with its partners to make the federal dams safer for fish passage. It also pursues cost-effective energy savings and operational solutions that help maintain safe, affordable, reliable electric power for the Northwest. www.bpa.gov

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