

## **Fiscal Year 2020 Net Requirements Public Notice**

Consistent with section 17.7 of the Regional Dialogue CHWM contract and section 1.1 of Exhibit A thereof, BPA is providing an opportunity for comment on Slice/Block and Block customers' FY2020 forecast of their Total Retail Load and Dedicated Resource Amounts. BPA will use the data regarding customers' actual loads and other metrics to calculate each Slice/Block and Block customers' planned Net Requirements loads for FY 2020. Comments received by the close of comment period will be reviewed and considered by BPA. BPA will publish its final determinations of each customer's Total Retail Load and Dedicated Resource data no later than Sept. 30, 2019. BPA will describe any changes made from these initially published data.

In the FY 2019 Net Requirements Process Cowlitz PUD and BPA again agreed to use the liquidated damages provision that had been developed in the FY 2018 Net Requirements process. The amount of the affected retail load included in the Cowlitz PUD net requirement forecast has increased. However, BPA recognizes that the continuing market uncertainty for the load that makes an accurate point forecast difficult. BPA and Cowlitz PUD are proposing to again apply a liquidated damages provision in FY 2020. The provision will be the same as in the previous two years, except that the rate applied to the liquidated damages calculation this upcoming year will be based on actual Mid-Columbia Index prices each month rather than the Load Shaping True Up rate for FY 2020. This change in rate will better align with the actual financial impacts and market conditions, which the parties are likely to experience during the year. BPA feels this change is necessary given the current operating levels for the load for the outcome to be balanced and the forecast to be reasonable. Given the positive outcome for both Cowlitz PUD and BPA of the prior arrangements, if the uncertainty around the retail load continues, then it is likely that BPA will offer the liquidated damages provision in future years. At its discretion, BPA may offer the liquidated damages approach to other customers with similarly situated retail loads.

Each FY2020 Slice-Block and Block Customer's Total Retail Load and Dedicated Resources energy and peak forecasts are available at:

[https://www.bpa.gov/p/Power-Contracts/Regional-Dialogue/rdi/FY20\\_SliceBlock\\_NetRequirements\\_Transparency\\_2019.07.30.xlsx](https://www.bpa.gov/p/Power-Contracts/Regional-Dialogue/rdi/FY20_SliceBlock_NetRequirements_Transparency_2019.07.30.xlsx)

Customers may submit comments on the FY2020 Slice/Block and Block Customer Total Retail Load and Dedicated Resources energy and peak forecasts via BPA.gov at

<https://publiccomments.bpa.gov/OpenCommentListing.aspx>

All comments should be received by BPA by the following date. Close of comments: 8/15/19, 5:00 PM.