



B O N N E V I L L E P O W E R A D M I N I S T R A T I O N

**2010 BPA Rate Case  
Transmission & Ancillary Services  
- Comments on BPA Transmission Services'  
Formula Incremental Rate Proposal Discussion -**

**The following are comments submitted by  
Columbia Energy Partners on January 12, 2009.**

Pre-decisional.  
For Discussion Purposes Only.

**From:** Peter Blood  
**Sent:** Monday, January 12, 2009 5:10 PM  
**To:** Tech Forum  
**Subject:** comments on Formula Incremental Rate Proposal

Columbia Energy Partners prefers to have the NT incremental rate addressed in this process. It is an untenable prospect that NT rates will not be addressed in this context. In addition, the conversion of PTP rights to NT rights must be addressed if a NT customer designates a resource a Network Resource and utilizes the PTP TSAs.

For those projects subject to incremental rate treatment, 1) it is also expected that the incremental rate treatment will be handled within NOS#1 with no delay or back-seat to embedded rate projects, 2) that alternate plans of service will be explored and 3) additional TSRs will be transparently added into the cluster / plan of service for the incremental rate project with immediate feedback on the impact to incremental and embedded rate treatment.

BPA must make it more clear how the incremental rate is treated / configured in that will the entire be treated as incremental until enough TSRs for the path are received, then flipping the entire project into embedded cost. Or will certain segments of rate design be treated as incremental with others as embedded. My understanding is that the incremental rate would be treated on a sliding scale as additional TSRs are considered to pay for the project. More clarity on the impact of new TSRs vs. existing TSAs on the line / project would be very helpful to get a full sense of what BPA is proposing.

It is also expected that the project will be completely scoped as to costs and the full value of the project figured into the net benefit of the project and the resulting NPV for embedded vs. incremental rate treatment.

If this is not clear please call me.

Peter

***Peter P Blood***  
*Vice President, Origination & Portfolio Management*