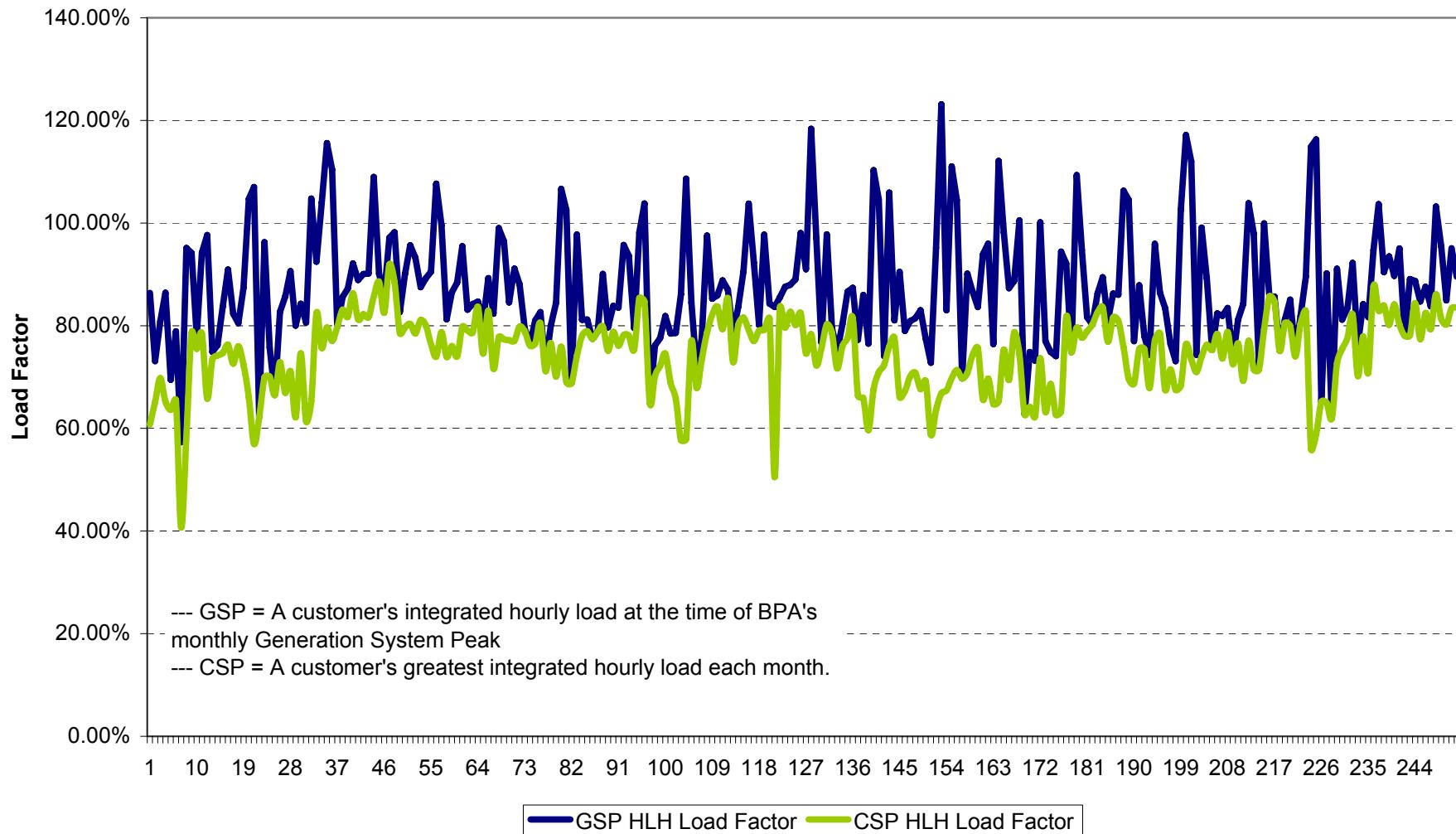


Tier 1 Rate Design Agenda for August 14th, 2007 Workshop

1. Generation System Peak v. Customer System Peak v. Firm Generation System Peak
 - a. Graph of sample FY 2006 CSP v. GSP
2. BPA's newest proposal – 90% HLH GSP Load Factor Benchmark
 - a. Block customers
3. Billing Methods: Customer Charge and Shaping Charge v. Energy Rates
 - a. Possibility of negative energy values
 - b. Diurnal sensitive Load Variance accounting
 - c. Within rate period adjustments, e.g. net requirement reasons
4. Load Variance
 - a. 90% of market credit & 110% of market purchase
 - b. Load Variance under HWM compared to above HWM
 - i. Load Variance at full market or at PF
5. Shaped Demand Charge
6. Real-time credit of secondary sales

Sample of 21 Customers
- Monthly Metered Actuals FY 2006 -
Generation System Peak HLH Load Factor v. Customer System Peak HLH Load Factor



90% HLH GSP Load Factor Benchmark @ \$8.50/kW-mo

