

Bundled Product Proposal

- **General Concept:** For post-2011 power service, BPA offers a “bundled” service option resembling “business as usual” for the Load Following customers that elect the service.
- The bundled product is a rate pool. Customers electing the service agree to contribute their net requirements Tier 1 purchases and revenues to the rate pool and agree to cover the costs of resources dedicated to serve the combined load growth of the group.
- Tier 1 net requirements power available to customers under the bundled product along with the costs of the resource dedicated to the bundled group will be shared among themselves during the applicable rate period. Any Tier 1 power available in excess of the loads of the bundled group will be sold by BPA like all excess Tier 1 power, and the revenues from such sales will be credited to the Tier 1 revenue requirement to the benefit of all customers in Tier 1.
- BPA charges the bundled customers a melded power rate for the service. The melded rate would equal the Tier 1 rate times the group’s combined net requirement Tier 1 load plus the cost of the other (Tier 2) resources BPA dedicates to serving the load growth of the group. Having a melded rate would not preclude BPA from separately stating on any bill the cost of the Tier 1 and Tier 2 power used by the bundled customer(s) if requested.
- BPA manages all aspects of the power supply needs of the bundled customer group. BPA may use the load diversity of the group so as to serve the group at the lowest possible total cost.
- Customers have a one-time opportunity to elect service from the bundled rate pool at the time of initial contract execution. The opportunity to join the pool must be exercised by the time the utility is required to make its choice for the mix of federal or non federal service to serve loads above their High Water Mark for the post 2011 period. Customers may leave the rate pool at the end of a rate period, with sufficient advanced notice (for initial discussion 18 months) during the duration of the regional dialogue contracts, but cannot thereafter return to the pool.
- Transmission remains a separate service and will be billed separately.