LOAD GROWTH OPTIONS -- PROS AND CONS

	Option 1	Option 2	Option 3	Option 4	Option 5 – Regional Review	Option 6 - Status Quo
Load Growth One of the following Options will be selected to meet Load Growth (LG) for Full and Partial Customers	Customers purchasing a LG Product will be charged an additional charge on all BPA Purchases. This additional charge will cover all LG except NLSL.	Customers purchasing a LG Product will be charged an additional charge on their Total Retail Load. This additional charge will cover all LG except NLSL.	Customers purchasing LG from BPA will be charged the LG Rate on any amount of energy exceeding a base amount of PF' set for HLH and LLH using Two Year Historical BPA purchases.	Customers purchasing LG from BPA will be charged a LG rate on a mutually agreed to, forecasted amount of LG. Amounts will be set in the PS Contract for the 5 year time frame.	Full Service only at the PF' Rate. Partial Customers who want BPA to cover LG would be subject to the option, 1-4.	Continue to forecast LG for Full and Partial Customers. Determine the cost and risk to provide this service and incorporate LG into the PF' rate.
Regional Review Compliance	**Pro** - Meets need to manage BPA Resource Acquisitions. **Con** - Excludes Small Full Service from receiving LG at PF'.	**Pro** - Meets need to manage BPA Resource Acquisitions. **Con** - Excludes Small Full Service from receiving LG at PF'.	**Pro** - Meets need to manage BPA Resource Acquisitions. **Con** - Excludes Small Full Service from receiving LG at PF'.	**Pro** - Meets need to manage BPA Resource Acquisitions. **Con** - Excludes Small Full Service from receiving LG at PF'.	**Pro** - Meets Small Full Service receiving LG at PF'. **Con** - Creates Equity Issue with Partials.	**Pro** **Con** – Provides LG to large Full Service & Partials at PF'. Acquired Resources and charging for them is at PF', not PF". Risk is not Bilateral or targeted if we have to acquire resources or firm up non-firm.
Ease of Administration RALL - NOTE, RETAIL ACCESS LOAD LOSS NEEDS TO BE THOUGHT OUT ON HOW IT IMPACTS THESE OPTIONS!	**Pro** - Easy to bill. **Con** - Customers wanting this service pay charge non-dependent if they have LG. Non-LG Customers perceived as paying for LG Customers. May need a tracking mechanism to ensure that a utility, which has not purchased this product, is not in fact using it. **RALL** - Nets Out	**Pro** - Easy to bill. **Con** - Customers wanting this service pay charge non-dependent if they have LG. Non-LG Customers perceived as paying for LG Customers. May need a tracking mechanism to ensure that a utility, which has not purchased this product, is not in fact using it. **RALL** - Less charged at PF' and LG Rate.	**Pro** - Easy to bill. Customer only pays LG Rate when they exceed Capped Historical amount. No tracking mechanism is required **Con** - Customer could, in some cases, pay LG Rate for what was in fact weather variability **RALL** - PF' will cover LG until Cap is exceeded.	**Pro** - Easy to bill, set amount. Weather does not impact. No tracking mechanism is required **Con** - Risk on both parties if LG forecast is too high (Customer) and if too low (BPA). **RALL** - Does not impact LG charge, however less load billed at PF'.	**Pro** - Easy to bill for Full Service. Partial Customers would face same Pro in other Option, depending on which Option 1-4 BPA decides to offer. No tracking mechanism is required **Con** - Same as other Option BPA decides to offer. **RALL** - Same as other Option BPA decides to offer.	**Pro** - Easy to bill. No tracking mechanism is required **Con** - Risk is on BPA forecast of Regional LG and cost to serve. **RALL** - No Impact
Rate Implications & Complexity	For customers choosing LG: (PF' + X) * (BPA purchases) **Pro** – its simple/straightforward **Con** – Full Service customers subsidizing Partial Service customers; some LG forecasting risk on BPA	For customers choosing LG: (LG rate) * (Total Retail Load) **Pro** – simple **Con** – some LG forecasting risk on BPA; modest difficulty in getting customer data on T R Load	For customers choosing LG: (LG rate) * (BPA purchases > hi 2) **Pro** - **Con** – potential difficulty in determining the cause of deviations above hi 2 (is it weather, load growth, other factors?)	For customers choosing LG: (LG rate) * (forecasted LG) **Pro** – simple & straightforward **Con** –	Full Service customers get LG at PF'; Partials pay higher rate for LG **Pro** – simple for Full Service customers; **Con** – Partials subsidize LG of Full Service customers	Fold/meld forecasted LG costs into PF' (same way BPA has operated for years) **Pro** – Simple – continue using present methodology **Con** – All LG forecasting risk is on BPA.
Politically Sustainable	**Pro** - **Con** - Subsidy Question. Charge is only on BPA purchases. Customer may be experiencing large amount of LG, placing it on BPA, however only buys small amount of power from BPA.	**Pro** -Charge is on Total Retail Load, therefore is capturing all LG. **Con** -	**Pro** - Charge normally will capture LG as it occurs. **Con** - Charged LG Rate for weather fluctuations.	**Pro** - Customer & BPA certainty on monthly cost/revenue for LG. **Con** - Risk associated with Forecasting LG.	**Pro** - Meets Regional Review.. **Con** - Partial Customers opposed to this Option.	**Pro** - For Full and Partial Customers, LG becomes less of an issue. BPA has operated in this mode for several years. **Con** - Cost shifting will be a concern if LG is covered within PF' for Customers.
Equability Issues	**Pros** - No favoritism to Full Service. **Cons** - Customers with growing loads are subsidized by others that are growing slow. Small load on BPA, but fast growing, subsidized by other Customers	**Pros** - No Favoritism to Full Service. **Cons** - Customers with growing loads are subsidized by others that are growing slow.	**Pros** - No Favoritism to Full Service. **Cons** -.	**Pros** - No Favoritism to Full Service. **Cons** -.	**Pros** - **Cons** - Favoritism to Full Service. Partials oppose this on grounds of equability.	**Pros** - No Favoritism to Full Service. **Cons** – Non-growing & slow growing Customers subsidize fast growing Customers. IOU's and DSI's have less power available at PF' to meet their needs.