

## Steps for Running the Rate Analysis Model (RAM)

1. The five RAM models (RAM\_Prog\_Initial\_W.xls, RAM\_7b2\_Initial\_W.xls, ResexRAM02\_Initial\_W.xls, EAF01\_05\_Initial\_W.xls, and Input\_Initial\_Web.xls) that perform the calculations necessary to develop BPA's wholesale power rates are EXCEL97 spreadsheets. They are linked and therefore must all be active at the same time to run properly. Download each spreadsheet from the web into a dedicated subdirectory, taking care to use the same names as indicated above. The five spreadsheets take up about 3,500 KB of memory and run best on an "NT" machine with a faster processor.
2. After opening the five spreadsheets, in ResexRAM02\_Initial\_W.xls look at worksheet "Start Here." In column "F" the current cost relationship between the assumed "In Lieu" resource cost and the calculated PF Residential Exchange Program rate is indicated. If there is a non-zero percent of "In Lieu" in column "H" and column "F" reads "**Resource<PFex**", the corresponding box in column "G" must be empty. Otherwise the boxes will be filled with a check. This adjustment assumes that if BPA were to in lieu part of the exchangeable load of an exchanging utility and the in lieu resource was cheaper than BPA's PF Residential Exchange Program rate, the exchanging utility would withdraw that part of their exchangeable load.
3. In RAM\_Prog\_Initial\_W.xls, run the "grosno7b2" macro to convergence as follows (Tools\Macro\grosno7b2\run). This macro iterates between RAM\_Prog\_Initial\_W.xls and ResexRAM02\_Initial\_W.xls to adjust the gross cost of the Residential Exchange Program for changes in the unbifurcated PF rate.
4. In RAM\_Prog\_Initial\_W.xls, worksheet "Start Here", click on the "9yr&5yr" button. This will activate a macro that calculates Section 7(b)(2) program case rates for the nine individual rate test years and then collects data for the five rate period years in preparation to calculate average rate period posted rates.
5. In RAM\_7b2\_Initial\_W.xls, worksheet "Start Here", click on the "9yr&5yr" button. This will activate a macro that calculates Section 7(b)(2) 7b2 case rates for the nine individual rate test years and sends the results to RAM\_Prog\_Initial\_W.xls to calculate the 7(b)(2) rate test trigger.
6. In RAM\_Prog\_Initial\_W.xls, worksheet "Rate Test", read the 7(b)(2) trigger value in cell "E41."
7. In RAM\_Prog\_Initial\_W.xls, run the "gros7b2" macro to convergence as follows (Tools\Macro\gros7b2\run). At the prompt, type in the 7(b)(2) trigger value from above. This macro iterates between RAM\_Prog\_Initial\_W.xls and ResexRAM02\_Initial\_W.xls to adjust the gross cost of the Residential Exchange Program for changes in the BPA's PF Residential Exchange Program rate. This macro also iterates between RAM\_Prog\_Initial\_W.xls and Input\_Initial\_Web.xls

to adjust the cost of the Residential Exchange Program settlement costs for changes in the Subscription Step RL rate.

8. In RAM\_Prog\_Initial\_W.xls, worksheet "Subscription", check that the IP rate in cell "E2" is equal to or greater than the DSI floor rate in cell "E4." If not, use Tools\Goalseek to make the value in "E2" equal the DSI floor rate by changing the value in "C4." This is the final adjustment needed.
9. In RAM\_Prog\_Initial\_W.xls, check results in worksheets "Subscription Revenue Check" (the values in the like colored cells should be very close to being equal), "Stepped Rates", and "Slice Costs."