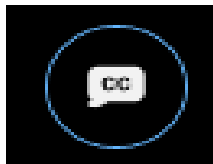


Webex Accessibility tools

To enable Closed Captions

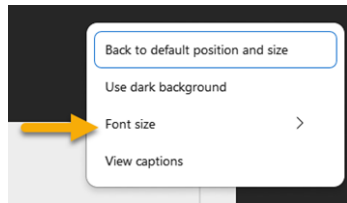
Select the **CC icon** in the lower-left of the WebEx screen



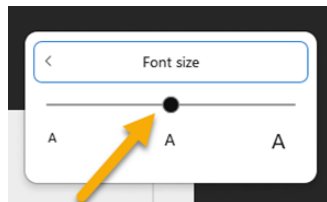
Note: CC is set individually by each person who wants to enable them.

Change font size

Select the **ellipsis** in the lower right



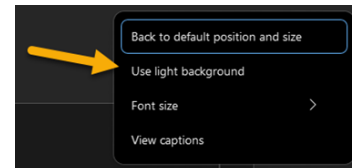
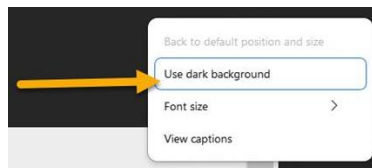
Select **font size**



Use the slider to select the desired size

Change background contrast

1. Select the **ellipsis** in the lower right
2. Select the **dark or light background**



Safety Moment

- The Rates Hearing Room has two exits.
- In the event an alarm sounds, please meet at Holladay Park across the street.





BP-26 INTEGRATED PROGRAM REVIEW

Columbia Generating Station
Decommissioning Trust Fund

June 27, 2024





INTRODUCTIONS

Dylan Normington, CFA
Financial Analyst



Agenda

Topic	Minutes	Presenter
Objective	5	Dylan Normington
Review BP-24 Settlement	5	Dylan Normington
CGS Decommissioning Trust Fund Background	5	Dylan Normington
Site Specific Study Results	5	Dylan Normington
BP-26 Contribution Level Analysis	5	Dylan Normington



COLUMBIA GENERATING STATION DECOMMISSIONING TRUST FUND

Dylan Normington, CFA
Financial Analyst



Objective

As part of the IPR process for BP-26, BPA is providing an update on the forecast contribution levels for the Columbia Generating Station (CGS) Decommissioning Trust Fund

BP-24 Rates Settlement

- As part of the BP-24 Rates Settlement, BPA agreed to hold a public workshop in 2023 to inform on future contribution levels and provide additional background information
- BPA's actions per the settlement requirements:
 - In August 2023, BPA met with customers and gave updates on the Trust Funds and contribution levels for FY24 and F25. We are here today to inform on forecast contribution levels for BP-26

CGS Trust Fund Background

- The sponsor of each U.S. nuclear reactor is required to provide for the funding of its eventual decommissioning and site restoration under rules set by the Nuclear Regulatory Commission (NRC).
- BPA and EN agreed in 1996 that BPA would assume and manage the Decommissioning and Site Restoration Funds.
- The long-term investment approach for the CGS Decommissioning and Site Restoration Fund is to hold a well-diversified, low-cost, buy-and-hold portfolio.
- The investment policy statement for the Trusts states that the funds are invested 85/15 equity/fixed income ratio.

Site Specific Study Results

- Every 5 years BPA commissions an updated site study to estimate CGS restoration costs
- In 2023/24 BPA commissioned the most recent study and used the information to inform forecast contribution levels for BP-26
- Estimated cost to fully restore CGS site is \$1.8 billion in 2023 dollars
- Costs are growing at a rate of 5.1% per year from last study in 2019
- Forecasted cost of \$4.1 billion in 2044 dollars, when restoration begins

BP-26 Contribution Level Analysis

- BPA commissioned study to estimate the decommissioning costs
 - Future cost in 2044 was forecasted by inflating 2023 cost by historical decommissioning growth rate
- Monte Carlo analysis of portfolio values in 2044 was conducted with following inputs
 - Forecasted 2044 decommissioning cost
 - Historic stock and bond market returns
 - Gradual change in investment mix from 85/15 equity/bonds in 2024 to 10/90 equity/bonds in 2044
- Optimal scenario from analysis is to increase contributions by 4% per year in BP-26

FY24	FY25	FY26	FY27	FY28
\$15.1 mil	\$15.1 mil	\$15.7 mil	\$16.3 mil	\$17.0 mil



QUESTION AND ANSWER



Submitting Comments

- Comment Period: July 2nd – August 5th
- Comments can be submitted through:
 - Online: www.bpa.gov/comment
 - Mail: BPA Public Involvement, P.O. Box 14428, Portland, OR 97293
- Webpages:
 - IPR: <https://www.bpa.gov/about/finance/bp-26-ipr>
 - SAMPs: <https://www.bpa.gov/about/finance/strategic-asset-management-plans>

Publication

The BP-26 Initial Publication and other materials are available at:
<https://www.bpa.gov/about/finance/bp-26-ipr>

Strategic Asset Management Plans (SAMPs) are available at:
<https://www.bpa.gov/about/finance/strategic-asset-management-plans>

Questions can be submitted to BPAFinance@BPA.gov

FINANCIAL DISCLOSURE

This information was publicly available on June 25, 2024, and contains information not sourced directly from BPA financial statements.

