



**Department of Energy**  
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November 25, 2025

In reply refer to: PSR-6

BPA Staff would like to thank those that responded to the "Settlement Concept" on the Residential Exchange Program (REP) we released for your consideration on November 4, 2025. BPA Staff was encouraged by the positive responses from public customers and IOUs voicing support for continued discussions. However, there were also substantially differing views on what those discussions would look like with Public power appearing to be supportive of pausing existing REP processes to focus on settlement efforts, while the IOUs requested that BPA continue forward with the RPSA contract process. Separately, the Washington Utilities and Transportation Commission objected to the Settlement Concept, though it also expressed a desire for more time to analyze the concept. Several customers also requested additional time to analyze the concept.

Given the requests for additional time, BPA will allow additional time for parties to analyze models and the Settlement Concept. At the same time, BPA will continue with the Residential Purchase and Sale Agreement (RPSA) and Average System Cost Methodology (ASCM) processes. The updated schedules for the RPSA and ASCM process are provided below. As noted earlier, BPA has a responsibility to assure that the RPSA and ASCM processes come to a conclusion in the event settlement is unsuccessful and therefore must be prepared for the traditional implementation of the REP.

While BPA intends to restart its REP processes, BPA Staff believe there is a near-term opportunity to resolve the REP on a regional basis before BPA reaches the decision-making phase of its REP processes. BPA Staff appreciate that the Settlement Concept is complex and multifaceted and understand the need for respondents to have additional time to review its terms. Consequently, BPA Staff remain available to answer questions about the models and analysis underlying the Settlement Concept. To ensure parties have a reasonable opportunity to consider the Settlement Concept, along with any due diligence that may be needed, BPA Staff will extend the timeline for responding to the Settlement Concept until Thursday, December 18, 2025. That extension should give parties sufficient time to complete any additional due diligence needed on the Settlement Concept.

BPA Staff's support for the Settlement Concept, however, is time-bound. The Settlement Concept is based on a particular vintage of data, inputs, and methodological assumptions. As

parties have seen over the various iterations of the models, new inputs and assumptions can both increase and decrease the resulting benefit levels. Additionally, BPA Staff cannot indefinitely provide support for settlement while simultaneously committing resources to resolving the multiple policy, analytic, and legal issues associated with the REP. To that end, BPA Staff request parties provide their final perspective to the Settlement Concept by Thursday, December 18, 2025. BPA Staff encourages parties, both together and separately, to meet during this time to determine whether the Settlement Concept – or some variation thereof – is workable.

If the responses BPA Staff receive on Thursday, December 18, 2025, indicate broad support from all interested parties for the Settlement Concept (or some other broadly supported proposal), BPA will pause further development of the RPSA and ASCM and provide space for parties beginning in January 2026 to formalize those concepts into applicable proposals and terms (with facilitation from BPA Staff as needed).

If the responses on Thursday, December 18, 2025, are not broadly supportive of the Settlement Concept (or does not propose another broadly supported proposal), then BPA will proceed with its REP processes consistent with the schedule described below. BPA staff will remain available to review settlement proposals development by the parties.

BPA Rates Staff

## ATTACHMENT 1

## UPDATED RPSA AND ASCM PHASE 2 SCHEDULE

| Date           | RPSA    |                                                                                                                                                           | ASCM      |                                                                                                                                                                                                                                               |
|----------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| *Nov. 25, 2025 | Parties | <ul style="list-style-type: none"> <li>Parties' informal comments on preliminary full RPSA draft due.</li> </ul>                                          |           |                                                                                                                                                                                                                                               |
| Dec. 3, 2025   |         |                                                                                                                                                           | ASCM WS 2 | <ul style="list-style-type: none"> <li>Transmission in ASC</li> <li>Injuries and Damages</li> <li>Energy Storage</li> <li>NLSLs, others</li> <li>Source of Escalation Data</li> <li>Proposed Purchase &amp; Resale Price Weighting</li> </ul> |
| *Dec. 9, 2025  | BPA     | <ul style="list-style-type: none"> <li>BPA releases full RPSA draft for formal public comment.</li> </ul> <p><b>Formal comments due Jan. 21, 2026</b></p> |           |                                                                                                                                                                                                                                               |
| *Dec. 10, 2025 |         |                                                                                                                                                           | BPA       | <ul style="list-style-type: none"> <li>BPA releases full preliminary ASCM draft for informal comment.</li> </ul> <p><b>Informal comments due Jan. 21, 2026</b></p>                                                                            |
| Dec. 16, 2025  |         |                                                                                                                                                           | ASCM WS 3 | <ul style="list-style-type: none"> <li>Questions on WS 1 and 2 Content</li> <li>Walkthrough Entire ASCM</li> <li>Walkthrough Appendix 1 Template and Forecast Model</li> <li>Customer-led Topics</li> </ul>                                   |
| *Jan. 21, 2026 | Parties | <ul style="list-style-type: none"> <li>Parties' formal comments on full RPSA draft due.</li> </ul>                                                        | Parties   | <ul style="list-style-type: none"> <li>Parties' informal comments on preliminary full RPSA draft due.</li> </ul>                                                                                                                              |
| *Feb. 3, 2026  |         |                                                                                                                                                           | BPA       | <ul style="list-style-type: none"> <li>BPA releases full ASCM draft for formal public comment.</li> </ul> <p><b>Formal comments due Mar. 9, 2026</b></p>                                                                                      |
| *Mar. 6, 2026  | BPA     | <ul style="list-style-type: none"> <li>BPA releases RPSA Record of Decision.</li> </ul>                                                                   |           |                                                                                                                                                                                                                                               |
| *Mar. 9, 2026  |         |                                                                                                                                                           | Parties   | <ul style="list-style-type: none"> <li>Parties' formal comments on full ASCM draft due.</li> </ul>                                                                                                                                            |
| *Apr. 24, 2026 |         |                                                                                                                                                           | BPA       | <ul style="list-style-type: none"> <li>BPA releases ASCM Record of Decision.</li> </ul>                                                                                                                                                       |