

From: [Russell, James](#)
To: [Tech Forum](#)
Subject: [EXTERNAL] Future BP-20 Pre-rate csase Workshops
Date: Friday, May 04, 2018 3:16:24 PM

Tacoma Power appreciates the opportunity to comment on BPA's proposed BP-20 pre-rate case workshops. Tacoma Power looks forward to participating in these workshops. We request BPA address two additional issues in future pre-rate case workshops:

Load Balancing Reserves (Regulation and Frequency Response Rate)

Tacoma Power believes BPA should adopt its proposed alternative to the regulation and frequency response rate based upon the information presented at the April 24th workshop. We currently believe this alternative should be adopted based upon revenue requirement, cost of service, and rate design principles and consistent with the principles laid out in the Tiered Rates Methodology. We request BPA, in a subsequent workshop, to walk through the BP-18 calculations to better understand the derivation of the current RFR rate and proposed alternative.

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Unauthorized Increase Charge

The second pre-rate case workshop topic that Tacoma Power requests is related to BPA's Unauthorized Increase Charge (UIC). We believe the current \$1,000 per MWh penalty rate is excessively punitive. We would like BPA to discuss the reasons behind such a punitive penalty when originally adopted and whether current circumstances justify such a rate. Also, knowing the amount of UIC penalties charged by BPA over the last several years would be helpful to understand their magnitude.

Thank you for considering thee requests.

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