BP-20 Rate Case Kickoff for Power and Transmission

April 24, 2018
Agenda

• BP-20 Rate Principles
• Topics
  – Power Topics
  – Transmission Topics
  – Agency Topics
  – Generation Inputs Topics
• Proposed Workshop Dates
• Proposed 7(i) Schedule
• Next Steps
BP-20 Rate Principles

- Full and timely cost recovery.
- Lowest possible rates consistent with sound business principles.
- Cost causation – fairly allocate costs to customers based on proportionate use.
- Statutory requirement of equitable allocation.
- Simplicity, understandability, public acceptance, and feasibility of application.
- Avoid rate shock and maintain rate stability from rate period to rate period (e.g., magnitude of rates and rate design).
Power Topics for BP-20

- Tier 2 rates
- Transmission Scheduling Service

Standard workshop topics
- Loads & Resources
- Gas & Market Price Forecast
- Secondary Revenue Forecast
- Transfer Service
Transmission Topics for BP-20

- Standard workshop topics:
  - Rate Schedules
  - Segmentation
  - Sales
  - LGIA
  - Rate Modeling

- New workshop topics:
  - Reliability Charges (Name Change)
  - Scheduling, System Control, and Dispatch (SCD) charge for one leg
Agency Topics for BP-20

• Revenue Requirements
  • Implementation of Leverage policy

• Risk
  – Financial Reserves Policy Implementation: Rate mechanism to phase-in lower threshold for Power and incorporate a parallel mechanism into Transmission rates
  – NFB Mechanisms review
Generation Inputs Topics for BP-20

• Cost Allocation Method
• Load Balancing Reserves
• Scheduling election options

[Please see BP-20 Generation Inputs presentation for discussion of these topics.]
## Proposed Workshop Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>BP-20 Rate Case Workshops</th>
<th>Other Meetings</th>
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<tbody>
<tr>
<td>May 9 (W)</td>
<td>• Transmission Rates</td>
<td>• RHWM Process</td>
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<td>May 16 (W)</td>
<td>• Transmission Rates</td>
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<td>• Segmentation</td>
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<td>• SCD</td>
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<td>• Reliability Charges (name change)</td>
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<tr>
<td>May 29 (T)</td>
<td>• Transmission Rates</td>
<td>• Tariff Development</td>
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<td>May 30 (W)</td>
<td>• Transmission Rates</td>
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<td>• Rate Schedule changes</td>
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<td>• Gen Inputs</td>
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<td></td>
<td>• Variable Cost Methodology &amp; GARD model (BP-18 Settlement)</td>
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<td>• Preliminary balancing reserve levels</td>
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<td>June 14 (Th)</td>
<td>• Transmission Rates</td>
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<td>• Segmentation</td>
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<td>• SCD</td>
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<tr>
<td>June 18-22</td>
<td>• Transmission Rates</td>
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<td>• Segmentation</td>
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<tr>
<td>June 26 (T)</td>
<td>• Tariff Development</td>
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</table>
| June 27 (W)| • Transmission Rates  
  o Reliability Charges (name change)  
  o Rate Schedule changes  
• Power Rates  
  o Tier 2 rates  
  o Transmission Scheduling Service | • RHWM Process (if needed)               |
| Jul 18 (W) | • Transmission Rates  
  o Load Forecasting  
  o LGIA  
  o Sales  
  o Rate Schedule changes |                                        |
| Jul 24 (T) | • Tariff Development                                          |                                        |
| July 25 (W)| • Revenue Requirements  
• Transmission Rates  
  o Rates Model  
  o SCD  
  o Rate Schedules changes |                                        |
## Proposed Workshop Dates, cont.

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<tr>
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<tr>
<td>Aug 1 (W)</td>
<td>• RHWM Process</td>
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<td>Aug 8 (W)</td>
<td>• Risk</td>
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<td>o Financial Reserves Policy Implementation</td>
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<td>Aug 21 (T)</td>
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<td>Sept (TBD)</td>
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Meeting and workshop dates are subject to change. Please check the [BPA Event Calendar](#) for the most up-to-date information.
BP-20 Proposed 7(i) Schedule

- November 8 – Federal Register Notice Published
- November 15 – Prehearing Conference/BPA Direct Case

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- Dec 4-5 – Clarification of BPA’s Direct Case
- Jan 29 – Parties File Direct Cases
- Mar 12 – Litigants File Rebuttal Cases
- Apr 8-9 – Cross-exam
- April 30 – Initial Briefs
- May 7 – Oral Argument
- Jun 11 – Draft ROD
- Jun 28 – Briefs on Exceptions
- Jul 25 – Final ROD
Next Steps

By Friday, May 4:

• Please send any comments regarding the proposed BP-20 Rate Case workshop dates, other topics you would like to see addressed, and the proposed 7(i) schedule to BPA’s Tech Forum at techforum@bpa.gov with the subject line: “BP-20 Workshops.”