



Business Practice Process

What we will cover today

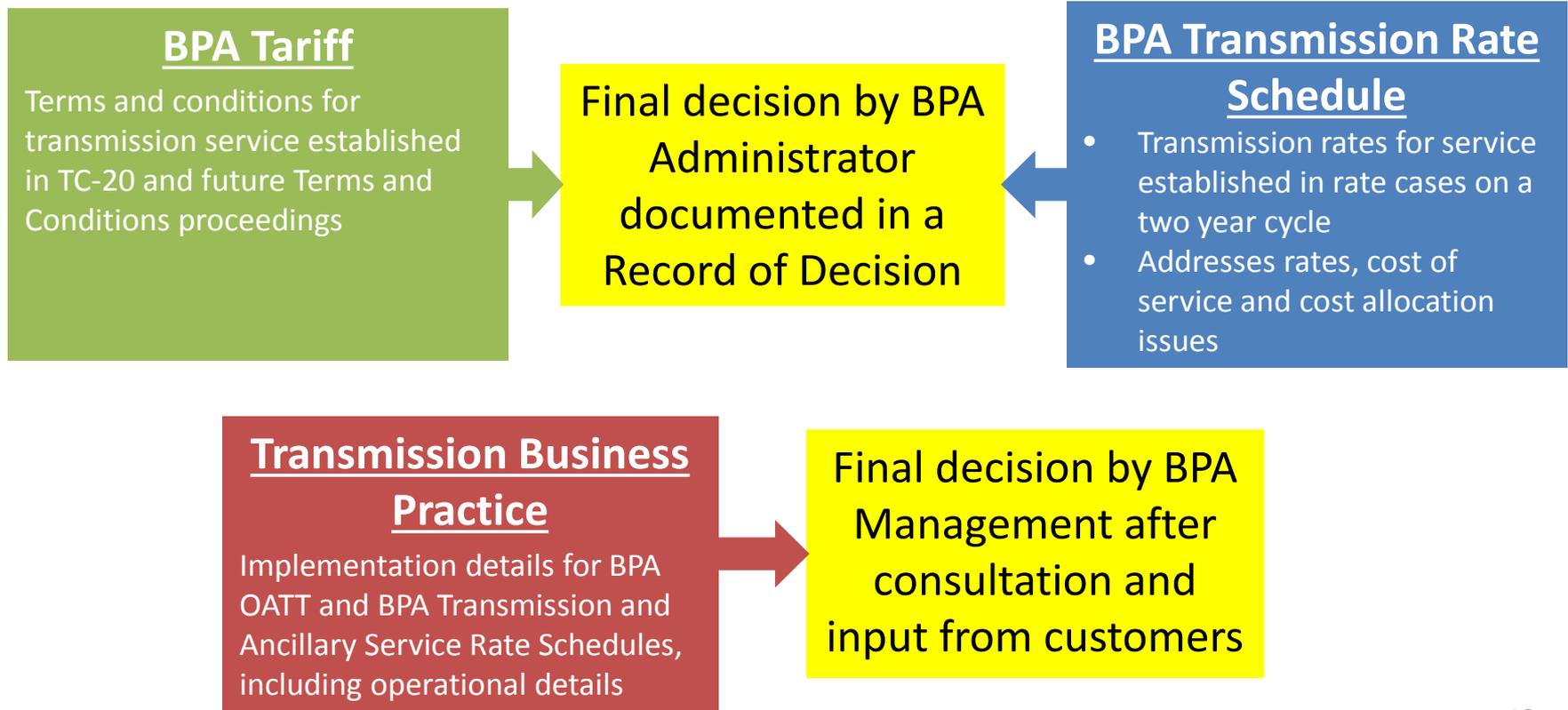
- Customer comment and concerns
- BPA's approach to Business Practices
- A scan of Transmission Provider Business Practice processes
- Business Practice process options/considerations
- Desired feedback

Customer comment themes

- Customers want to understand the distinction between what is included in the tariff, the rate schedule and Business Practices
- A Customer proposed that BPA include a definition and standard for Business Practices in the new tariff that reflects the FERC Rule of Reason
- Customers would like more certainty surrounding the Business Practice process to promote:
 - Transparency
 - Sufficient time to comment
 - Consideration of and response to comments

Tariff, Rate Schedule and Business Practices Distinctions

Customers want to understand the distinction between what is included in the tariff, the rate schedule and Business Practices.



FERC Rule of Reason ‘Standard’

A Customer proposed that BPA include a definition and standard for Business Practices in the new tariff that reflects the FERC Rule of Reason.

- BPA’s approach to business practice content is consistent with the standard FERC uses under its rule of reason test.
- Through a process scan and revision of Business Practice process, BPA is considering the practices and procedures that are common in the industry.

Business Practice process certainty

Customers would like more certainty surrounding the Business Practice process.

- The following slides document the process scan and potential revisions to the BPA Business Practice process to promote:
 - Transparency
 - Sufficient time to comment
 - Consideration of and response to comments

Business Practice Process Transmission Provider Scan

- BPA reviewed the publicly posted Business Practice processes of 12 Transmission Providers (CAISO, SPP, IDP, SCT, BCH, PAC, PGE, PSEI, LADWP, WAPA, TVA, Duke).
- Review of these processes identified opportunities to improve BPA's Business Practice process.

Business Process Scan Summary/Comparison

Process Step Summary	Findings Summary		BPA Currently	BPA Considering
Definition/Standard for Business Practices	Yes = 3	No = 9	No	X
Comment period length identified	Min = 1 week	Max = 30 cal. days	20 bd	X
Comment period extensions	Yes = 3	No = 9	No	X
Conference Calls	Yes = 1	No = 11	Approx. 2 weeks	X
Retirement process	Yes = 2	No = 10	No	
Timeline to post comments after receipt	Min = 2 bd	Max = 7 cal. days	No deadline	X
Subsequent Comment period / duration	Yes = 5*	No = 7	Yes / No duration	X
Flexibility outside standard process	Yes = 7	No = 5	Yes (+/- duration)	
Process to Expedite	Yes = 4	No = 8	No	X
Identify who can comment	Yes = 3	No = 9	No	
Required Change Request form (not comment form)	Yes = 3	No = 9	No	
Response to customer comment timeline	Yes = 4	No = 8	No	X
Immediate finalization if no comments received/no changes result from comments	Yes = 4	No = 8	No	X

Additional process options/considerations

- Set standard comment period durations based on the level of change (e.g., Minor – General – New).
- Implement automatic comment period extensions.
 - When there is a great deal of change or when multiple Business Practices are in the comment phase at once.
- Conduct recurring Business Practice conference calls.
 - Provides an opportunity to inform customers of upcoming changes and status.

Feedback Summary

- In your comments, please address the following:
 - Did we capture concerns correctly?
 - Do the Business Practice process options (two previous slides) address customer concerns sufficiently?
 - Are there additional Business Practice process options not currently identified that you would like BPA to consider?
- Comments received through Aug. 6