



22 August 2024

Bonneville Power Administration Staff

Submitted electronically via techforum@bpa.gov

RE: August 9, 2024 BP-26 Rate Case Workshop Comments

Dear BPA Staff;

Central Lincoln People's Utility District ("Central Lincoln") and Mason PUD 3 ("Mason 3") appreciate the opportunity to comment on BPA's Staff Proposals from the BP-26 Rate Case Workshop held on August 9th, 2024. Central Lincoln is a consumer owned utility serving several communities and rural areas on the central Oregon coast. Mason 3 is also a consumer owned utility serving several communities and rural areas in Western Washington.

BPA Staff Proposal for setting BP-26 Tier 2 Rates

Central Lincoln and Mason 3 support BPA staff's proposal as found on slide 34 of the presentation. One of the core principles of the Tiered Rate Methodology is to ensure Tier 1 rates do not include the costs to serve above-right period high water mark load to the extent possible. The BP-24 Settlement allowed some costs to shift from the Tier 2 Rate into Tier 1 to mitigate the effects of rising market prices. While this may have been acceptable due to the Tier 1 Rate not increasing over BP-22, BPA has indicated a potential large increase in the Tier 1 Rate for BP-26. With that said, Central Lincoln and Mason 3 support the stated proposal but would be concerned if it were to evolve into one that produced even a higher subsidy than this would already provide.

Thank you for your consideration. Central Lincoln and Mason 3 look forward to further participation in BP-26 Workshops.

Sincerely,

Brandon Hignite
Brandon Hignite (Aug 23, 2024 10:06 PDT)

Brandon Hignite
Director of Shared Services
Central Lincoln PUD

Annette Creekpaum
Annette Creekpaum (Aug 22, 2024 17:49 PDT)

Annette Creekpaum
General Manager / CEO
Mason PUD 3