



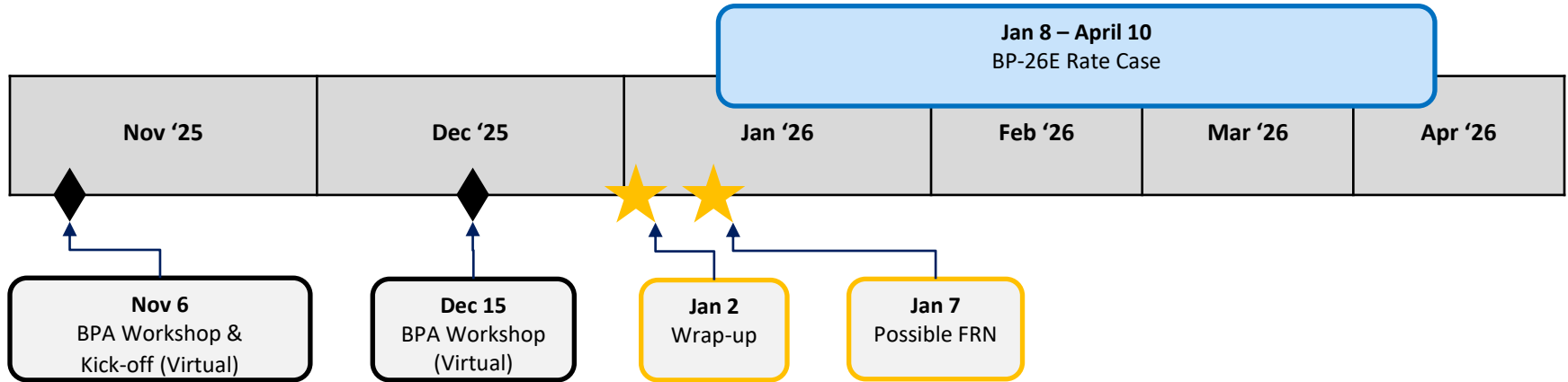
BP-26E Rate Case Proceeding Workshop

November 6, 2025



BP-26E Schedule

◆	Pre-Proceeding Workshop
★	Deadline/Decision



Procedural schedule dates are draft only

Approach to Customer Engagement

Norms for Engaging the Region on Issues

- Most issues are presented according to the following process at workshops (multiple steps might be addressed in a single workshop):
 - Step 1: Introduction and education
 - Step 2: Description of the issue
 - Step 3: Data and/or analysis that supports the issue
 - Step 4: Discussions on possible alternatives to solve issue
 - Step 5: Discussion of customer feedback to alternatives and BPA's response
 - Step 6: Staff proposal for solution



CAISO's Market Operator Tariff Updates

Nov 6, 2025



Issue Summary

- In preparation for the Extended Day Ahead Market (EDAM) go-live in May 2026, the CAISO updated its Tariff, including EIM Charge Codes.
- BPA's billing process (and revenue collection) will be impacted by the CAISO's changes to neutrality market settlements.
- BPA evaluated other tariff revisions made by the CAISO but determined they required no adjustment to BPA's rate schedules.



Neutrality Market Settlements



Neutrality Market Settlement

- BPA currently suballocates all neutrality market settlements based on EIM Measured Demand.
- Neutrality market settlements are addressed in section 29.11(e) of the market operator tariff and section IV.D in BPA's ACS-26 transmission rate schedule.

Neutrality Market Settlement

- The CAISO tariff change splits a current category:
 - 29.11(e)(3) Real Time Imbalance Energy Offset Allocation
- Adding two new categories
 - 29.11(e)(5) Marginal Greenhouse Gas Cost Offset
 - 29.11(e)(6) EIM Transfer Revenue
- Total settlement is the same, but some costs are shifted from (e)(3) into the new (e)(5) and (e)(6).
- BPA's rate schedule only provides for suballocation of charges under (e)(3) and would not allow suballocation of the charges moving into the new (e)(5) and (e)(6).

Neutrality Market Settlement

- BPA proposes adding the new categories into the ACS rate schedule to provide for suballocation of the additional charge codes.
- Without the proposed addition to the ACS rate schedule, the CAISO changes would result in approximately \$37M per year in charges BPA could not suballocate and would not otherwise recover through BP-26 transmission rates.
- BPA proposes another addition to the ACS rate schedule to suballocate any future changes to the EIM charge codes under section 29.11(e) of the MO Tariff based on EIM Measured Demand. If CAISO adopted any new charges during a rate period, Staff would examine before the start of the next rate proceeding whether to continue to suballocate the new charges based on EIM measured demand.

Current CAISO Tariff 29.11 (e)

e) Neutrality Accounts

- 1) **In General.** The CAISO will collect neutrality amounts from EIM Market Participants to recover differences in Real-Time Market payments made and Real-Time Market payments received.
- 2) **Real-Time congestion Offset.** The CAISO will assess EIM Entity Scheduling Coordinators a Real-Time Congestion Offset allocation calculated pursuant to Section 11.5.4.1.1.
- 3) **Real-Time Imbalance Energy Offset Allocation.** The CAISO will assess EIM Entity Scheduling Coordinators a Real-Time Energy Offset allocation calculated pursuant to Section 11.5.4.1.
- 4) **Real-Time Marginal Cost of Losses Offset.** The CAISO will allocate the Real-Time Marginal Cost of Losses Offset to EIM Entity Scheduling Coordinators pursuant to Section 11.5.4.1.2.
- 5) **Other Neutrality Adjustments.** The CAISO will levy additional charges on or make additional payments to EIM Market Participants as adjustments in accordance with Section 11.14.

Revised CAISO Tariff 29.11 (e)

e) Neutrality Accounts

- 1) **In General.** The CAISO will collect neutrality amounts from EIM Market Participants to recover differences in Real-Time Market payments made and Real-Time Market payments received.
- 2) **Real-Time congestion Offset.** The CAISO will assess EIM Entity Scheduling Coordinators a Real-Time Congestion Offset allocation calculated pursuant to Section 11.5.4.1.2.
- 3) **Real-Time Imbalance Energy Offset Allocation.** The CAISO will assess EIM Entity Scheduling Coordinators a Real-Time Energy Offset allocation calculated pursuant to Section 11.5.4.1.1.
- 4) **Real-Time Marginal Cost of Losses Offset.** The CAISO will allocate the Real-Time Marginal Cost of Losses Offset to EIM Entity Scheduling Coordinators pursuant to Section 11.5.4.1.3.
- 5) **Marginal Greenhouse Gas Cost Offset.** The CAISO will allocate the Marginal Greenhouse Gas Cost Offset to a GHG Regulation Area's metered Demand pursuant to Section 11.5.4.1.4.
- 6) **EIM Transfer Revenue.** The CAISO will allocate EIM Transfer Revenue to EIM Entity Scheduling Coordinators pursuant to Section 11.5.4.1.5.
- 7) **Other Neutrality Adjustments.** The CAISO will levy additional charges on or make additional payments to EIM Market Participants as adjustments in accordance with Section 11.14.

Current BP-26 ACS Section IV.D

D. EIM Neutrality And Uplift Charges And Credits

1. **EIM BAA Real-Time Market Neutrality (Real-Time Imbalance Energy Offset EIM)** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(3) of the MO Tariff for EIM BAA real-time market neutrality will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
2. **EIM Entity BAA Real-Time Congestion Offset** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(2) of the MO Tariff for the EIM real-time congestion offset will be allocated to Transmission Customers on the basis of EIM Measured Demand.
3. **EIM Entity Real-time Marginal Cost of Losses Offset** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(4) of the MO Tariff for real-time marginal cost of losses offset will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
4. **EIM Neutrality Settlement (Real-Time System Imbalance Energy Offset)** Any charges to the BPA EIM Entity pursuant to Section 29.11(e)(5) of the MO Tariff for EIM neutrality settlement will be sub-allocated as follows:

Description	Allocation
Neutrality Adjustment (monthly and daily)	EIM Measured Demand
Rounding Adjustment (monthly and daily)	EIM Measured Demand

5. **Real-Time Unaccounted For EIM Energy Settlement (UFE)** Any charges to the BPA EIM entity pursuant to Section 29.11(c) of the MO Tariff for UFE will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand

Proposed BP-26E ACS Section IV.D

D. EIM Neutrality And Uplift Charges And Credits

1. **EIM BAA Real-Time Market Neutrality (Real-Time Imbalance Energy Offset EIM)** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(3) of the MO Tariff for EIM BAA real-time market neutrality will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
2. **EIM Entity BAA Real-Time Congestion Offset** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(2) of the MO Tariff for the EIM real-time congestion offset will be allocated to Transmission Customers on the basis of EIM Measured Demand.
3. **EIM Entity Real-time Marginal Cost of Losses Offset** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(4) of the MO Tariff for real-time marginal cost of losses offset will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
4. **EIM Entity Real-Time Greenhouse Gas Cost Offset** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(5) of the MO Tariff for real-time greenhouse gas cost offset will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
5. **EIM Transfer Revenue** Any charges to the BPA EIM entity pursuant to Section 29.11(e)(6) of the MO Tariff for EIM Transfer Revenue will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
6. **EIM Neutrality Settlement (Other Neutrality Adjustments)** Any charges to the BPA EIM Entity pursuant to Section 29.11(e)(7) of the MO Tariff for EIM neutrality settlement will be sub-allocated as follows:

Description	Allocation
Neutrality Adjustment (monthly and daily)	EIM Measured Demand
Rounding Adjustment (monthly and daily)	EIM Measured Demand

7. **Real-Time Unaccounted For EIM Energy Settlement (UFE)** Any charges to the BPA EIM entity pursuant to Section 29.11(c) of the MO Tariff for UFE will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.
8. **Other EIM Neutrality and Uplift Charges** Any charges to the BPA EIM entity pursuant to section 29.11(e) of the MO Tariff other than those provided in sections IV.D.1-7 of this rate schedule will be suballocated to Transmission Customers on the basis of EIM Measured Demand.

Next Steps

- Upcoming Workshops
 - December 15, 2025 (Virtual)
- Comments can be submitted at:
 - techforum@bpa.gov
 - Subject line: BP-26E Workshops
 - Please CC your Transmission Account Executive
 - **Comments due by Friday, November 21, 2025**