Attachment 2 – BP-20 PARTIAL RATES SETTLEMENT AGREEMENT

Rate Period Terms for Generation Inputs

a. **Inter-Business Line Allocations.** Bonneville and the Parties agree for the purposes of this Agreement to the Inter-Business Line Allocations described in Attachment 3.

b. **Solar Technical Work.** As part of the workshop phase of the BP-22 rate case, and starting no later than January, 2020, Bonneville will:

   i. Present to customers and stakeholders the costs and impacts of holding reserves in a non-flat shape, such as planned shaped diurnal reserve amounts. This presentation(s) will use the BP-18 Solar Integration Study with Solar modeling updates identified and implemented during BP-20 workshops to provide:

      (a) Up to two shaped balancing reserve forecasts for all Generation Input customer classes (Wind, Solar, DERBS and Load).

      (b) Forecasts for the different thresholds of installed solar generation in order to identify any meaningful thresholds where a shaped diurnal balancing reserve forecast or other form of planned shaped reserve operation becomes impactful and cost-effective.

   ii. Analyze and present to customers any Generation Inputs variable and embedded cost allocation differences associated with a shaped balancing reserve operation, including the associated impact on Ancillary and Control Area Service rates. This analysis and presentation will:

      (a) Assume that shaped balancing reserve held on Bonneville’s system is physically possible.

      (b) Use a variation of the Generation And Reserves Dispatch (GARD) model or other balancing reserve variable cost estimation method to estimate any material change in Bonneville’s cost of providing balancing reserves associated with a planned shaped balancing reserves operation.

If, following these deliverables, Bonneville staff, customers and stakeholders agree that a shaped balancing reserve operation provides material value, Bonneville will provide customers a list highlighting the workload necessary with approximate completion timelines that would need to occur for Bonneville to be able to implement such an operation.