

BP-16 Rate Case Workshop

January 20, 2015



Agenda

- Repayment
- Environmental Redispatch Settlement Costs
- Wrap up

Environmental Redispatch Settlements

- BPA curtailed wind generators pursuant to BPA's Environmental Redispatch Record of Decision to solve oversupply conditions during May through July of 2011.
- In December 2014, BPA finalized settlements with eight litigants that had claims against BPA for curtailments under Environmental Redispatch.
- BPA paid the settlement amounts in December, amounting to \$9,033,741.

Settlement Cost Recovery

- BPA intends to file a supplemental proposal in the BP-16 docket proposing a new rate to recover the settlement costs.
- The proposal will allocate costs to generators within BPA's balancing authority area that scheduled generation during ER hours; this is the same allocation methodology used for the OS-14 Oversupply rate.
- Generators that were exempted from paying OS costs in 2012 would not be exempted from paying ER costs, since no tariff exemption was in effect in 2011.

Settlement Cost Recovery

Our analysis is still preliminary; the data shows:

- Federal generation is allocated 84.5%
- Wind generation 9.2%
- Other generation (hydro, thermal) 6.4%

- Power customers would pay \$7.63 M
- Wind generation \$0.83 M
- Other generation \$0.58 M

Cost Allocation Issues and Details

- We remove one leg of two-legged schedules from the cost allocation computations.
- Unlike the allocation of oversupply costs in FY 2012-2015, no TOCAs are available for FY 2011; we will propose to use 2011 net requirements plus DSI contract energy as the allocator for Federal generation costs to power customers.

Proposed Supplemental Schedule

New dates in red, existing dates in black

- Jan 30 (F) –BPA files Supplemental Case
- Feb 4 (W) – Parties file Supplemental Direct Cases
- Feb 6 (F) – Data Request deadline for Supplemental Case
- Feb 13 (F) – Data Response deadline for Supplemental Case
- Feb 17 (T) – Data Request deadline for Parties' Cases
- Feb 20 (F) – Parties file Supplemental Direct Cases
- Feb 24 (T) – Data Response deadline for Parties' Cases
- Feb 27 (F) – Data Request deadline for Parties' Cases
- Mar 6 (F) – Data Response deadline for Parties' Case
- Mar 16 (M) – Litigants File Rebuttal Cases
- Apr 1-3 and 6-7 – Cross-examination