

BP-18 Rate Case Kickoff for Power and Transmission

April 20, 2016



Agenda

- BP-18 Rate Principles
- Issues
 - Power Issues
 - Transmission Issues
 - Agency Issues
- Proposed Future Workshop Dates
- Proposed 7(i) Schedule
- Next Steps

BP-18 Rate Principles

- Full and timely cost recovery.
- Lowest possible rates consistent with sound business principles.
- Cost causation – fairly allocate costs to customers based on proportionate use.
- Statutory requirement of equitable allocation.
- Simplicity, understandability, public acceptance, and feasibility of application.
- Avoid rate shock and maintain rate stability from rate period to rate period (e.g., magnitude of rates and rate design).

Power Issues: Customer Feedback

- Customers requested the following power rate issues be discussed at workshops:
 - New services for Load Following customers serving New Large Single Loads that were added to the New Resources rate in BP-16 (ICNU)
 - Energy Efficiency--EE target and self-funding percentage (ICNU)
 - Tier 2 Overhead Cost Adder (NRU)

Transmission Issues: Customer Feedback

- Customers requested the following transmission rate issues be discussed at workshops:
 - SDD credits
 - Language in the rates schedules currently state:
If the customer requests secondary PORs or PODs that use SDD-adjusted capacity reservations for any period of time during a month, the SDD shall not be applied that month.
 - UIC
 - Currently, there is a penalty rate for the UIC. A customer would like to discuss the UIC and the rate design.

Agency Issues: Customer Feedback

Customers requested the following Agency issues be discussed at workshops:

- Generation Inputs (DERBS rate)
- Financial reserves
- DDC and CRAC for Transmission
- Repayment model

Other

- Error Correction Process

Future Customer Meetings

Date	BP-18 Rate Case	Other Workshops
May 6 (F)	<ul style="list-style-type: none"> • Transmission Rates <ul style="list-style-type: none"> ○ Load and Planning ○ Segmentation • Error Correction Process (or May 24) 	
May 10 (T)		<ul style="list-style-type: none"> • Financial Reserves Policy • RHWM Process
May 24 (T)	<ul style="list-style-type: none"> • Transmission Rates <ul style="list-style-type: none"> ○ Short Distance Discount ○ Southern Intertie HNF • Gen Inputs 	
June 7 (T)		<ul style="list-style-type: none"> • Financial Reserves Policy
June 8 (W)	<ul style="list-style-type: none"> • Transmission Rates <ul style="list-style-type: none"> ○ Loads and Planning ○ Segmentation 	

Future Customer Meetings, cntd.

Date	BP-18 Rate Case	Other Workshops
June 28 (T)		<ul style="list-style-type: none"> • RHWB Process (if needed) • Small Generation Integration
June 29 (W)	<ul style="list-style-type: none"> • Transmission Rates <ul style="list-style-type: none"> ○ Southern Intertie HNF • Gen Inputs 	
Jul 13 (W)	<ul style="list-style-type: none"> • Transmission Rates <ul style="list-style-type: none"> ○ Load Forecasting ○ LGIA ○ Sales 	
Jul 27 (W)	<ul style="list-style-type: none"> • Revenue Requirement • Transmission Rates <ul style="list-style-type: none"> ○ Southern Intertie HNF ○ SDD • Gen Inputs 	

Future Customer Meetings, cntd.

Date	BP-18 Rate Case	Other Workshops
Aug 9 (T)	<ul style="list-style-type: none"> • Power Rates <ul style="list-style-type: none"> ○ Overviews: Market Prices/Loads & Resources ○ TCMS for NT Secondary ○ Other 	<ul style="list-style-type: none"> • RHWM Process
Aug 10 (W)	<ul style="list-style-type: none"> • Risk • Transmission Rates <ul style="list-style-type: none"> ○ Rates Models ○ Wrap-up 	
Aug 24 (W)	<ul style="list-style-type: none"> • Transmission Rates • Power Rates 	
Sept 14 (W)	<ul style="list-style-type: none"> • Transmission Rates 	

BP-18 Proposed 7(i) Schedule

- November 10 – Federal Register Notice Published
- November 17 – Prehearing Conference/BPA Direct Case

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- Nov 30-Dec 1 – Clarification of BPA's Direct Case
 - Jan 31 – Parties File Direct Cases
 - Mar 14 – Litigants File Rebuttal Cases
 - Apr 3-7 – Cross-exam
 - May 2 – Initial Briefs
 - May 9 – Oral Argument
 - Jun 13 – Draft ROD
 - Jun 30 – Briefs on Exceptions
 - Jul 26 – Final ROD

Next Steps

By Friday, April 29:

- We request customers send any concerns with the proposed BP-18 Rate Case workshop dates and/or topics.
- Please send all feedback to BPA's Tech Forum at techforum@bpa.gov with the subject line: "BP-18 Workshops." Please clearly state the topic and/or the specific date you have concerns about in the body of the email.