



TC-20 Tariff Development

Feedback from April 21st TC-20 Workshop

- Focus on *pro forma* is good, but TC-20 principles and evaluation criteria are too broad
- Provide specific examples of how the criteria applies
- Explain the connections between Customer workshops that focus on rates, tariff and business practices
- More information on BPA's process getting to recommendations such as other alternatives considered and underlying analysis

BPA's *pro forma* strategic guidance as principles for the new tariff

Consistent with the BPA 2018-2023 Strategic Plan and Transmission Business Model, BPA plans to propose a tariff that is consistent with the FERC *pro forma* tariff to the extent possible. BPA will consider differences from the FERC *pro forma* tariff if the difference is necessary to:

1. Implement BPA's statutory and legal obligations, authorities, or responsibilities;
2. Maintain the reliable and efficient operation of the federal system;
3. Prevent significant harm or provide significant benefit to BPA's mission or the region, including BPA's customers and stakeholders; or
4. Align with industry best practice when the FERC *pro forma* tariff is lagging behind industry best practice, including instances of BPA setting the industry best practice.

Tariff v. Rates v. Business Practice

TC-20 Tariff Proceedings (<https://www.bpa.gov/Finance/RateCases/Tariff%20Proceedings/Pages/default.aspx>)

- BPA will follow the procedural requirements of Section 212(i)(2)(A) of the Federal Power Act (Section 212) to establish a new open access transmission tariff for transmission service across the Federal Columbia River Transmission System. The Section 212 proceeding, which largely follows rate case procedures, will run concurrently with the BP-20 rate proceeding.

BP-20 Rate Cases (<https://www.bpa.gov/Finance/RateCases/Pages/default.aspx>)

- BPA establishes rates for power and transmission services in a rate proceeding, a formal evidentiary hearing process under Section 7(i) of the Northwest Power Act. Prior to the initiation of the rate case, workshops are held to review and discuss upcoming rate case issues.

Transmission Business Practices (<https://www.bpa.gov/transmission/Doing%20Business/bp/Pages/Business-Practices.aspx>)

- BPA's Transmission Business Practices provide customers with the information on how to conduct business with BPA. They are derived from the application of BPA's Open Access Transmission Tariff (OATT) and the Transmission and Ancillary Service Rate Schedules. The Business Practices inform BPA's customers about policies and procedures related to obtaining BPA's products and services.

Tariff v. Rates v. Business Practice

TC-20 Tariff Proceeding

A process to establish terms and conditions of general applicability of transmission service for a new open access transmission tariff. The TC-20 (Terms and Conditions) Tariff Proceeding, which largely follows rate case procedures, will run concurrently with the BP-20 rate proceeding. BPA will hold workshops beginning in the spring/summer of 2018, prior to the commencement of the TC-20 proceeding in the fall of 2018.

BP-20 Rate Proceeding

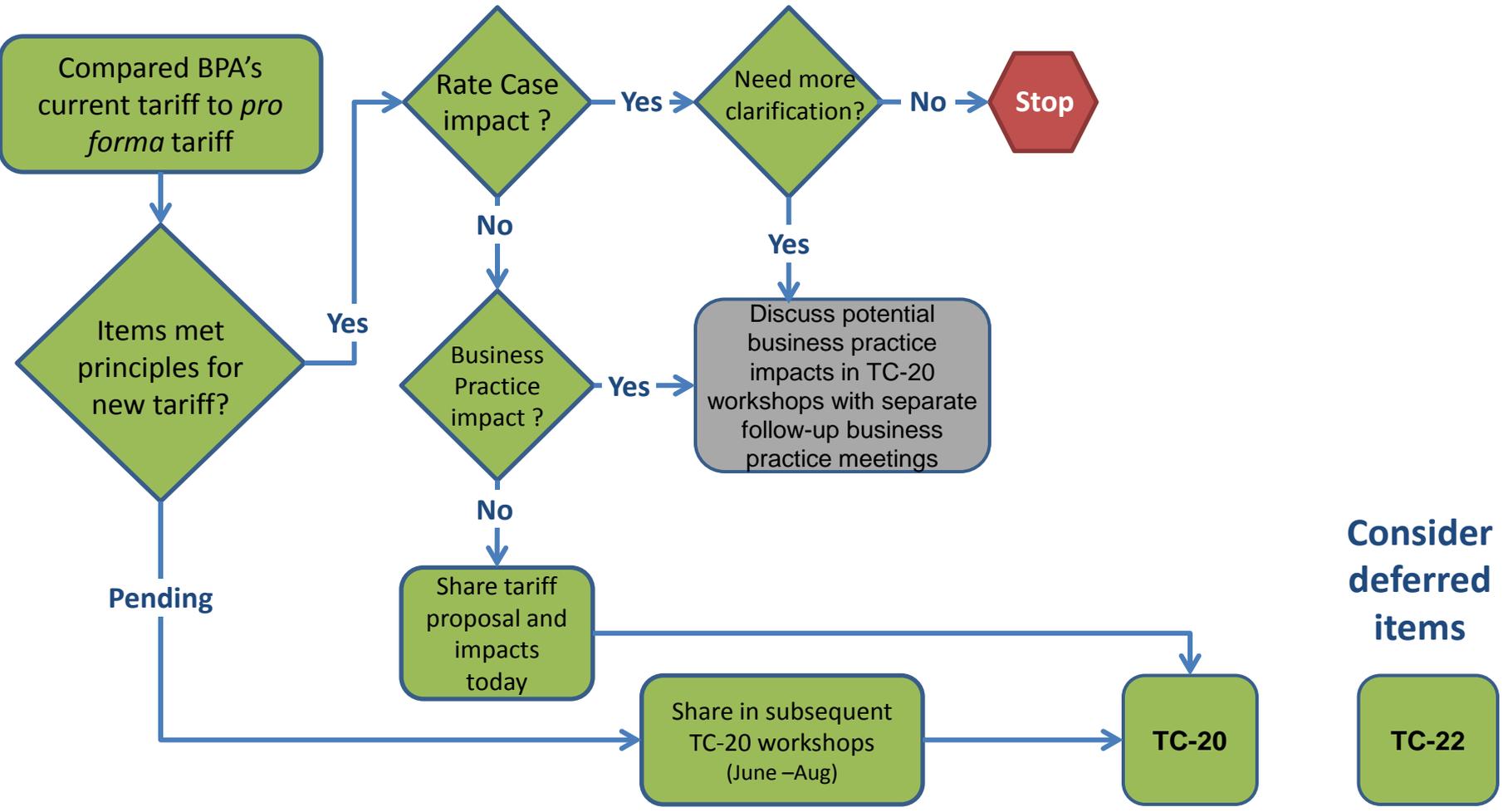
A process to set power and transmission rates for FYs 2020-2021 (Oct 2019 – Sep 2021) and will commence in fall 2018. Pre-rate case workshops will be held in the spring/summer of 2018.

Transmission Business Practice

Are separate process from TC-20 and BP-20 Proceedings. Business practices are derived from the application of BPA's Open Access Transmission Tariff (OATT) as well as the Transmission and Ancillary Service Rate Schedules.

Tariff Workshops

FY 2018	FY 2019	FY 2020	FY 2021
---------	---------	---------	---------



Address tariff language for certain topics in a future TC-22 Tariff Proceeding

- Deferred tariff language topics for sections related to:
 - Study Process
 - Excluding undesignations for firm market sales less than one year
 - Attachment C (ATC Methodology)
 - Attachment K (Regional Planning)
 - PTP and NT agreement templates
 - Simultaneous Submission Window (SSW)
 - Creditworthiness
- Identified deviations will be addressed in TC-22
- For TC-20, BPA is proposing to use current tariff language for the new tariff, which has been included in the draft tariff proposal we have posted
 - Specific sections for each topic are also posted

TC-20 Workshop Topics

Today

- **TC-20 Procedural Schedule**
- **Losses**

Subsequent
workshops
(June –Aug)

- Hourly Firm
- Ancillary Services
- Attachment G (NOA)
- Elimination of NT Conditional Firm
- Attachment M and NT Redispatch
- Generator Interconnections (Attachments L and N)
- Losses
- Price Cap and Financial Middleman
- Applicability of new tariff
- Opt-in opportunities
- Two tariff administration
- TC-20 Procedural issues

Pre TC-20 Workshop Timeline

APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	November
-------	-----	------	------	--------	-----------	---------	----------

BPA develops proposed tariff language

Customers review proposed tariff language & provide feedback

BPA prepares for TC-20 Initial Proposal



TC-20 begins
November
2018