



**BPA Rates Hearing Room
911 NE 11th Avenue, Portland, OR**

Oversupply Rate Workshop*

May 9, 2012 (10:00 am - noon)

Agenda

- **Opening and Introduction**
- **Revised Draft Oversupply Rate Schedule (see attachment)**
- **Customer feedback on issues and discussion of issues**
- **Proposed 7(i) Rate Case Schedule (see attachment)**
- **Next Steps**

*** To participate by phone, please call the phone bridge at 503-230-5566. At any time during or after the message and the double beep, enter 4422 #.**

ACS RATE SCHEDULE: III.G. OVERSUPPLY RATE

The Oversupply Rate applies to each generator that elects to submit a facility's costs of displacement pursuant to the OATT, Attachment P, section 3.b., with respect to at least one of their generating facilities (Generator).

The Oversupply Rate will collect: 1) the amounts paid under the Open Access Transmission Tariff (OATT) Attachment P for the period March 31, 2012 through March 30, 2013; and 2) the administrative cost of the independent evaluator selected by BPA pursuant to OATT Attachment P.

This Oversupply Rate is effective upon approval by the Federal Energy Regulatory Commission and shall remain in effect until no charges remain to be billed.

1. CHARGE

a. Displacement Charge

For each month through March 30, 2013, the displacement charge for each of the Generator's facilities will be:

$$50\% \times \text{Displacement Cost} \times \frac{\text{Facility Nameplate Capacity}}{\text{Total Nameplate Capacity}}$$

Where:

Displacement Cost = the amount BPA paid during the month under OATT Attachment P to displace generating facilities, in dollars

Facility Nameplate Capacity =

- i. for each generating facility for which the Generator has submitted the facility's displacement cost and that has a Commercial Operation Date on or before the first day of the month, the nameplate capacity in kW of the generating facility; and
- ii. for each generating facility for which the Generator has submitted the facility's displacement cost and that has a Commercial Operation Date after the first day of the month,
 - (a) the nameplate capacity in kW of the eligible generating facility, multiplied by

- (b) the ratio of the number of days during the month that the facility was online to the total number of days in the month.

Total Nameplate Capacity = the sum of all Facility Nameplate Capacities in that month.

“Commercial Operation Date” shall have the same meaning as in OATT Attachment L, Standard Large Generator Interconnection Procedures.

b. Administrative Charge

The administrative charge will be:

$$\$125,000 \quad \times \quad \frac{\text{Facility Nameplate Capacity-June 2012}}{\text{Total Nameplate Capacity-June 2012}}$$

Where:

“Facility Nameplate Capacity-June 2012” and “Total Nameplate Capacity-June 2012” are the figures used for June 2012 in section 1.a., above.

2. BILLING

a. Displacement Charge

The displacement charge shall be calculated each month for the period March 31, 2012 through March 30, 2013. The displacement charge for all months before this rate schedule takes effect will be included in a bill issued within three months after the effective date of this rate schedule, subject to the billing cap (section c, below).

b. Administrative Charge

The administrative charge will be included in the bill for the first full month of service after the effective date of this rate schedule.

c. Billing Cap

Total billing to all Generators for the displacement charge may not exceed \$4,000,000 in any month. If the total displacement charges exceed \$4,000,000 in any month, the excess over \$4,000,000 will be billed in the following month, subject to this billing cap. If the billing cap is exceeded in such following month, excess charges will be billed in each subsequent month, subject to this billing cap, until all charges are billed.

Power GRSP II.W. Oversupply Rate

The Oversupply Rate applies to customers purchasing power at a Priority Firm (PF) Tier 1 rate, the Industrial Firm Power (IP) rate or the New Resource Firm Power (NR) rate (Power Customers).

The Oversupply Rate will collect: 1) the amounts paid under OATT Attachment P for the period March 31, 2012 through March 30, 2013; and 2) the administrative cost of the independent evaluator selected by BPA pursuant to OATT Attachment P.

This Oversupply Rate is effective upon approval by the Federal Energy Regulatory Commission and shall remain in effect until no charges remain to be billed.

1. CHARGE

a. Displacement Charge

For each month through March 30, 2013, the displacement charge for each Power Customer will be:

$$50\% \times \text{Displacement Cost} \times \text{Modified TOCA}$$

Where:

Displacement Cost = the amount BPA paid during the month under OATT Attachment P to displace generating facilities, in dollars

Modified TOCA = Modified Tier 1 Cost Allocator, which equals:

- i. the lesser of the customer's Rate Period High Water Mark (RHWM) and Net Requirement for PF customers (aMW), and the contract demand (MW) for IP and NR customers, divided by
- ii. the sum of the amounts calculated in section i, above, for all Power Customers.

b. Administrative Charge

The administrative charge will be \$125,000 multiplied by the Modified TOCA for June 2012 calculated in section 1.a., above.

2. BILLING

a. Displacement Charge

The displacement charge for each customer shall be calculated each month for the period March 31, 2012 through March 30, 2013. The displacement charge for months before this rate schedule takes effect will be included in a bill issued within three months after the effective date of this rate schedule, subject to the billing cap (section c, below).

b. Administrative Charge

The administrative charge shall be included in the bill for the first full month of service after the effective date of this rate schedule.

c. Billing Cap

Total billing to all Power Customers for the displacement charge may not exceed \$4,000,000 in any month. If the total displacement charges exceed \$4,000,000 in any month, the excess over \$4,000,000 will be billed in the following month, subject to this billing cap. If the billing cap is exceeded in such following month, excess charges will be billed in each subsequent month, subject to this billing cap, until all charges are billed.

Additional power rate schedule revisions:

Schedule PF-12 Priority Firm Power Rate

7 Adjustments, Charges and Special Rate Provisions

Adjustments, charges and special rate provisions are applicable to PF rates as shown in the following table.

<i>GRSP II.</i>	<i>Adjustments, Charges and Special Rate Provisions</i>	<i>Applicable to:</i>			
		<i>Firm Requirements</i>			<i>REP</i>
		<i>Load Following</i>	<i>Block only and Block Portion of Slice/Block</i>	<i>Slice Portion of Slice/Block</i>	
W	Oversupply Rate	X	X	X	

Schedule NR-12 New Resource Firm Power Rate

4 Adjustments, Charges and Special Rate Provisions

Adjustments, charges and special rate provisions are applicable as shown in the following table.

<i>Adjustments, Charges, and Special Rate Provisions</i>	<i>GRSP II.</i>
Oversupply Rate	W

Schedule IP-12 Industrial Firm Power Rate

3 Adjustments, Charges and Special Rate Provisions

Adjustments, charges and special rate provisions are applicable as shown in the following table.

<i>Adjustments, Charges, and Special Rate Provisions</i>	<i>GRSP II.</i>
Oversupply Rate	W

Proposed Oversupply Rate 7(i) Schedule

2012	
June 4	FRN is published
June 6	<ul style="list-style-type: none"> ♦ Petitions to Intervene ♦ BPA Direct Case
June 8	<ul style="list-style-type: none"> ♦ Prehearing Conference ♦ Clarification
June 13	Data Request Deadline
June 20	Data Response Deadline
July 6	Parties' Direct Case
July 10	Clarification
July 12	Data Request Deadline
July 19	Data Response Deadline
July 27	Litigants file Rebuttal
July 30	Clarification
July 31	Close of Participant Comments
July 31	Data Request Deadline
Aug 3	Data Response Deadline
Aug 10	Cross Examination
Aug 27	Initial Briefs
Sep 12	Draft ROD
Sep 19	Briefs on Exceptions
Sep 28	Final ROD – Final Studies