

Follow Up From March 4 FY 10-11 ASC Workshop

Natural Gas Price Forecast

Robert Clark

Oregon Public Utility Commission

March 10, 2009

OPUC supports BPA's use of a common natural gas commodity price forecast across all utilities with new natural gas generating resources when such resources do not have demonstrated fixed price commodity supply arrangements. This has been of foremost importance to the OPUC in these ASC review proceedings. OPUC also stresses the need to take care in verifying other natural gas costs, besides the commodity cost of natural gas. This in large part is the pipeline cost of transportation from the commodity hub, such as Sumas, to the plant gate of the new generating resource.

As for the CERA natural gas price forecast, OPUC can not provide comment as to the specific merits of this forecast other than it is not available to those without subscription, such as the OPUC. In future proceedings and in this proceeding, the forecast used should be available to parties, by BPA, through discovery, to allow the parties to consider the reasonableness of the forecast.

This concludes OPUC comments regarding BPA's use of CERA forecast for these ASC proceedings.