

Point to Point Short Distance Discount (SDD) Billing Correction

September 25, 2015

BPA offers a short distance discount (SDD) to long-term firm PTP reservations when BPA facilities are utilized for less than 75 circuit miles between the point of receipt and point of delivery. BPA's rate schedule for PTP service describes the SDD and notes that if a reservation subject to the discount is redirected, BPA will not apply the SDD for the month it is redirected. In its Redirects Business Practice, BPA clarifies that if the customer redirects any portion of the reservation for any period of time during a month, BPA will not apply the SDD for the entire month.

BPA recently determined that its automated billing system was applying the discount even when a customer redirected service from a reservation that received the SDD. Thus, BPA was providing customers a SDD when it should not have been. Given the volume of transactions, particularly after BPA eliminated the sheltering policy, it is not feasible for BPA to manually apply the SDD to customers' bills. BPA has updated its automated billing system to apply the discount correctly.

Impacted customers were taking service pursuant to BPA's rate schedule for PTP service, which was confirmed and approved by the Federal Energy Regulatory Commission pursuant section 7(a)(2) of the Pacific Northwest Electric Power Planning and Conservation Act, 16 U.S.C. § 839e(a)(2). The PTP rate schedule is incorporated into the customers' service agreements with BPA. BPA is in the process of correcting impacted customers' bills to reflect the amount of discounts they should have received spanning the period from February 2010 through June 2015.

BPA has notified the impacted customers.

For additional questions, please contact your Customer Account Executive or David Fitzsimmons (BPA) at 360-619-6005.

