RE: Comments on BPA's BP-20 Rate Case Workshops

May 4, 2018

Powerex appreciates BPA's efforts to begin the rate case workshop process and offers the following comments and suggestions.

At the April 24, 2018 workshop, BPA announced the proposed schedule for the BP-20 rate case. Powerex understands that BPA also will be conducting a proceeding pursuant to Section 212(i) of the Federal Power Act to adopt a new tariff (TC-20 proceeding) and that this proceeding, which incorporates many of the procedural steps of rate case, will be conducted in parallel with the rate case.

While there are efficiencies in conducting the two proceedings in parallel, Powerex is concerned with the possibility that procedural milestones for both the rate case and the tariff proceeding could place undue burdens on parties. For example, having direct testimony or initial briefs for both the BP-20 rate case and the TC-20 tariff proceeding due on the same day or in the same week could present unnecessary hardships on both the parties and BPA by requiring parties and BPA to divide limited resources between two proceedings to meet simultaneous or contemporaneous deadlines. As BPA is considering the schedules for the rate case and the parallel tariff proceeding, Powerex suggests that the key procedural milestones (with party obligations) in the BP-20 and TC-20 proceedings be offset by at least 5 to 7 business days to allow parties adequate time to prepare.

Regarding the proposed workshop schedule, BPA has announced dates for both the rate case workshops and tariff proceeding, usually having the workshops on back-to-back days. Powerex appreciates the consolidated nature of these workshops, and to the extent possible suggests they be consolidated further. For instance, where the workshops will be only several hours, Powerex suggests having the BP-20 and TC-20 workshops on the same day, perhaps with one workshop in the morning and a second in the afternoon. This will greatly cut down on participants' scarce travel and time resources.

At the April 24, 2018 workshop, BPA indicated that implementation of both the new leverage policy and the financial reserves policy will be agency topics within the scope of the rate case. These policies could have substantial rate implications, and Powerex suggests that BPA's pre-rate case workshops include further discussion concerning how BPA intends to implement the policies and the potential rate implications from such implementation.

Thank you for consideration of our comments and we look forward to continued engagement leading up to the proceedings.

Sincerely,

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