

Transmission Customer Impact Model Overview

The new public transmission rates impact model for BP-16 compares the effective rate change from BP-14 to BP-16.

The estimated bills shown include the revenue collection for the following transmission products: FPT, IR, NT, Long Term PTP, Long Term Southern Intertie, Utility Delivery, Scheduling, System Control and Dispatch, Operating Reserves, Regulation and Frequency Response, WECC/Peak rates, and DERBS/VERBS. Sales are based on forecasts used in the BP-16 Final Proposal. For comparison, the estimated bills are calculated using the current BP-14 rates and the rates in the BPA Administrator's Final Record of Decision (ROD); differences in the estimated billing amounts are due solely to differences between BP-14 and BP-16 rates. This model does not include any calculation for EI/GI.

Inputs for the model:

Base Rates Model: Customers will recognize tables T-1 through T-12 from the transmission rates model published as part of the Transmission Rates Study. The tables show how the BP-16 Final ROD rates were calculated.

Sales forecasts by customer: The subsequent tabs show the BP-16 Final ROD sales forecast by customer for each month during the BP-16 rate period:

- FPT – FPT sales shown in MW-months in columns E through AB.
- NT – Load forecast for monthly use during the BPA system peak (12 CP). Shown in MW-months in columns E through AB.
- PTP – PTP Long Term sales shown in MW-months in columns F through AC.
- IR – IR sales shown in MW-months in columns D through AA.
- IS – Southern Intertie Long Term sales shown in MW-months in columns D through AA.
- UD – Utility Delivery sales shown in MW-months in columns E through AB.
- OR* – Operating Reserves sales shown in MW-months in columns T through AE and AG through AR. It is assumed that half of the forecast on this tab is spinning reserves and half is supplemental reserves. The total PNGC OR forecast is allocated to specific PNGC customers on the same tab.



- **RFR*** –Regulation and Frequency Response sales shown in average MWs in columns D through AA. This is converted to kWh in columns AC through BC. This forecast is also used to calculate forecast WECC and Peak costs for each customer.
- **DERBS/VERBS*** – DERBS/VERBS sales shown in MW-months in columns E through AB

*Please note that the customer forecasts included for these products are scaled so that the total forecast matches the demand forecasts agreed upon for use in the Gen Inputs settlement.

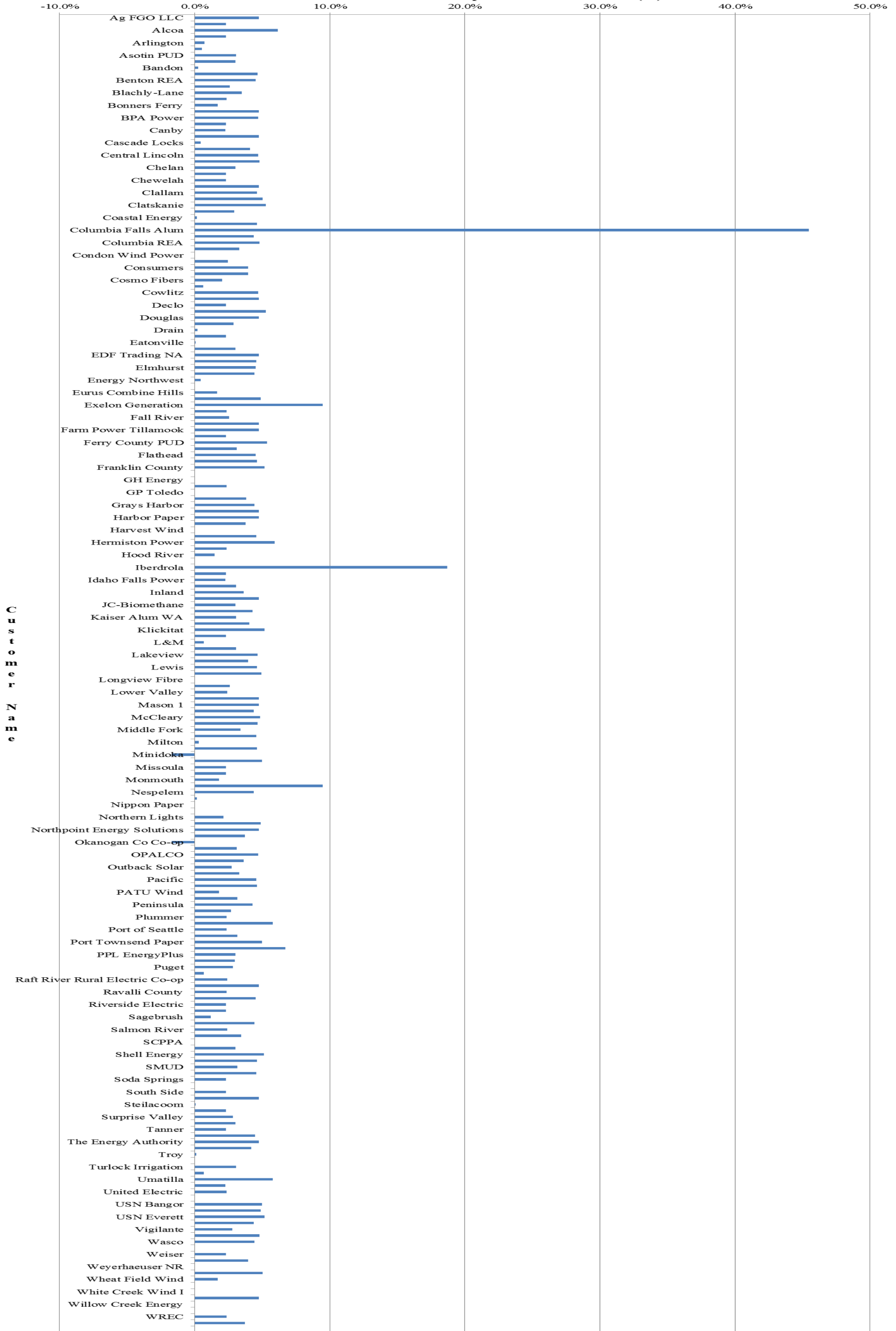
Outputs of the model: In addition to the individual rates for each transmission product that is calculated in the base rates model, with which BPA Transmission customers are already familiar, the transmission customer impact rates model calculates the following for each BPA Transmission customer:

- **Proposed Rates Tab:** Estimated bills for each month in the BP-16 rate period, calculated using forecast sales (as defined in the tabs described above) and BP-16 Final ROD rates.
- **Current Rates Tab:** Estimated bills for each month in the BP-16 rate period, calculated using forecast sales (as defined in the tabs described above) and BP-14 rates.
- **Comparison Tab:** For each customer, the monthly average revenue at current and BP-16 Final ROD rates, and the forecast difference in costs due to the proposed change in rates (Costs at BP-16 Final ROD rates minus costs at BP-14 rates)
- **Graph Tab:** Shows the projected change in costs by customer due to the proposed rate change (results shown below).



Projected Overall Transmission Rate Increase For Individual BPA Customers, FYs 2016-2017

Overall Rate Increase As Compared to FYs 2014-2015 (%)



e H A Z R E N O T U C

