

BPA Rate Case Process Modifications for Consideration

BPA has suggested that the BPA rate case process can benefit from broad regional participation in settlement efforts in advance of commencement of the formal rate process. The PTP Parties¹ appreciate BPA taking the lead to initiate a discussion on ways to streamline its rate case process. The PTP Parties strongly support any effort to discuss and resolve issues prior to the initiation of the upcoming BP-14 rate case. Providing BPA and the parties a greater opportunity to explore solutions and settlement of issues can minimize the time and effort required by all parties in the formal rate process, promoting more efficient use of BPA's and the parties' time and resources. Although the status quo process can, at times, be cumbersome, most of the steps in that process serve important purposes. The PTP Parties note that there is historical precedent for the parties to waive procedural steps (such as clarification and even cross-examination) during the course of a rate case when such steps are unnecessary, based on knowledge of the issues at the time. However, it is premature to eliminate such procedural steps in advance of the rate case when the scope and potential impact of the proceeding is still unknown. Accordingly, with all of this in mind, the PTP Parties support any efforts to resolve issues through an open process prior to the initiation of the rate case and, to the extent any issues cannot be resolved through that process, the retention of the current rate case process for those remaining unresolved issues.

The PTP Parties propose that BPA conduct the formal BP 2014-15 rate case based on the "status quo" schedule, but begin preliminary issue identification, discussion and workshops immediately, to enable resolution of as many issues as possible prior to the November 2012 Initial Proposal. During the preliminary discussion phase, parties would have an opportunity to ask questions, gain understanding of rate case issues and BPA's approaches (historic and contemplated), exchange interests and views, and brainstorm possible solutions. These preliminary discussions could identify possible issues for settlement and could structure approaches for immediate resolution of issues or to minimize issues in the formal evidentiary phase. At an appropriate point during the preliminary discussions, after the parties have had an opportunity to discuss and explore issues, there would be an opportunity for a public "Administrator check-in," at which point in time BPA staff and the parties would explain their interests and views of the issues under discussion.

To the extent BPA and the parties resolve issues in the preliminary discussions, the terms of any settlement could be incorporated into the Initial Proposal. For issues that remain unresolved, BPA would commence the formal rate case process in November 2012. BPA would conduct the formal section 7(i) rate case process based on the "status quo" schedule set forth below. To the extent any process modifications are required to conduct the rate case as proposed by the PTP Parties, these modifications must be proposed for consideration as special rules of procedure for the BP 2014-15 rate case. It is assumed that the process for the BP 2016-17 rate case will revert back to BPA's Rules of Procedure Governing Rate Hearings, 51 FR 7611 (March 5, 1986), unless otherwise agreed by BPA and the BP 2016-17 rate case parties.

¹ Avista, Idaho Power Company, Snohomish County PUD, Iberdrola Renewables, Powerex, Benton County PUD, Tacoma Power, M-S-R Public Power Agency, Seattle City Light, and Franklin County PUD.

	Status Quo
Preliminary Issue Identification, Discussion and Workshops	June through October (as appropriate)
Rate case quality numbers	Initial Proposal: mid-Nov
Identify Issues	in Direct Case
Negotiating Sessions	none planned
Initial Proposal	mid-Nov
Parties' Direct Case	end-Jan
Cross Exam	early Apr
Party Briefs	late May
Draft ROD	late June
Final ROD and Rates	late July