

BPA NEWS

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BONNEVILLE POWER ADMINISTRATION
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BPA adopts settlement agreement with customers on its open access transmission tariff

*The new terms and conditions in the tariff empower BPA
to achieve its strategic goals and deliver greater value to region, customers*

Portland, Ore. – BPA and its long-term transmission customers successfully negotiated a settlement agreement to implement a new open access transmission tariff that will go into effect on Oct. 1 of this year. The tariff defines the terms and conditions of services, products and network integration offered by BPA.

“This settlement resulted from a collaborative effort and provides BPA the ability to align its business processes with current and emerging industry standards,” said BPA Administrator Elliot Mainzer, who signed the record of decision that adopted both the settlement and new tariff. “Our customers’ willingness to partner with us and negotiate solutions to complex issues has resulted in a sustainable path forward for BPA to the benefit of our customers and the region.”

One of the key changes in the new tariff is the removal of the requirement to submit all changes to the Federal Energy Regulatory Commission for review and approval. Due to differences between a typical FERC-jurisdictional utility and the unique nature and mission of the federal power marketing agency, BPA was unable to get needed changes and updates to its tariff approved through FERC. In the fall of 2016, BPA notified the region that the process to change its existing tariff was no longer a tenable approach. Additionally, achieving the goals of the BPA 2018-2023 Strategic Plan requires tariff modernization.

BPA announced its decision to conduct a hearing under Section 212 of the Federal Power Act to develop a new tariff and launched a series of workshops in April 2018 to solicit customer feedback on its proposed tariff changes. From September to November, BPA and its long-term transmission customers met 22 times to negotiate the terms of a settlement agreement on the tariff.

Under the terms of the settlement, all of BPA’s long-term transmission customers have agreed to transition their existing contracts to the new tariff as of Oct. 1. While not generally under the jurisdiction of FERC, BPA remains committed to aligning its tariff with FERC’s pro forma tariff and the



best practices of the utility industry. BPA and its customers plan to conduct regular proceedings, concurrent with BPA rate cases, to continue to amend and modernize the agency's tariff.

About BPA

The Bonneville Power Administration, headquartered in Portland, Oregon, is a nonprofit federal power marketer that sells wholesale electricity from 31 federal dams and one nuclear plant to 142 electric utilities, serving millions of consumers and businesses in Washington, Oregon, Idaho, western Montana and parts of California, Nevada, Utah and Wyoming. BPA delivers power via more than 15,000 circuit miles of lines and 260 substations to 511 transmission customers. In all, BPA markets about a third of the electricity consumed in the Northwest and operates three-quarters of the region's high-voltage transmission grid. BPA also funds one of the largest fish and wildlife programs in the world, and, with its partners, pursues cost-effective energy savings and operational solutions that help maintain affordable, reliable and clean electric power for the Northwest. www.bpa.gov

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