

BPA NEWS

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BONNEVILLE POWERADMINISTRATION
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BPA proposes holding power and transmission rates flat

Settlement informs initial proposals for rates and tariff proceedings

Portland, Ore. – The Bonneville Power Administration proposes to leverage its strong fiscal year 2022 financial performance to buffer against market volatility while holding power and transmission rates flat overall.

“This is one of those bountiful years where all the elements and timing came together in such a manner that we can consider staving off inflation for another two years by keeping rates flat for our power and transmission customers,” said BPA Administrator John Hairston.

For transmission rates, a portion of BPA’s strong FY 2022 financial performance is being proposed to keep BPA’s 2024 and 2025 rates flat.

For power rates, that financial performance provided an opportunity to include in power rates \$129 million per year in additional risk protection without a rate increase. The additional risk protection increases the chances that BPA will see continued strong financial performance during the 2024 and 2025 rate period by building a financial buffer against the increased market volatility that the region is observing.

As a nonprofit entity, BPA is legally required to cover its costs and adjust rates accordingly. BPA establishes those rates for two-year periods through administrative proceedings called for by statute. Similarly, BPA makes adjustments to the non-rate terms and conditions of its open access tariff for transmission service through a separate administrative process.



As preparatory workshops for the BP-24 Rate Case and the TC-24 Tariff Proceeding came to a close at the end of summer, BPA proposed settlements based on stakeholder interactions that would address all of the issues in staff's initial proposals for each proceeding. The general consensus from stakeholders showed strong support in favor of proceeding with the settlements.

The terms of the settlements will be reflected in the initial proposals from staff in the BP-24 Rate Case and the TC-24 Tariff Proceeding, which will be published Dec. 2 on BPA's website. BPA's final rates, if approved by the Federal Energy Regulatory Commission, will become effective Oct. 1, 2023, through Sept. 30, 2025. The proposed tariff revisions would take effect Oct. 1, 2023.

With the publication of the Federal Register Notice today initiating the BP-24 Rate Case, the prohibition of ex parte communications begins. Similarly, when the Federal Register publishes a notice on Nov. 22 regarding the beginning of the TC-24 proceeding, ex parte will be in effect for that proceeding as well. More information on ex parte can be found at the link below:

<https://www.bpa.gov/-/media/Aep/rates-tariff/bp-24/bp24-tc24-ex-parte-rules-letter-to-parties.pdf>

About BPA

The Bonneville Power Administration, headquartered in Portland, Ore., is a nonprofit federal power marketer that sells wholesale electricity from 31 federal dams and one nuclear plant to 142 Northwest 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 259 substations to 490 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 carbon-free electric power for the Northwest. www.bpa.gov

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