

**Power Business Line**  
**Administrative Billing Procedures**  
 July 14, 2005

This Power Business Line Administrative Billing Procedures document supersedes the Power Billing Procedures that were published in October 1998. The previous Power Billing Procedures pertained to Bonneville Power Administration's 1996 Wholesale Power and Transmission Rate Schedules and the power contracts for 1981 and 1996, which expired in 2001.

These Administrative Billing Procedures apply to all Bonneville Power Administration Power Business Line (BPAP) customers. The purpose of this document is to advise the BPAP customers of the administrative billing and payment procedures used in the wholesale power billing process. If there is conflict between the language in this document and the BPAP Power Sales contract, or the 2002 Wholesale Power Rate Schedules, including the General Rate Schedule Provisions, the contract and rate schedule language shall prevail over this document.

Table of Contents

1. Billing .....	2
2. Payments .....	2
3. Net Billing of Trojan and Energy Northwest .....	3
4. Due Date .....	3
5. Computation of Bills .....	3
6. Estimated Bills .....	4
7. Late Payment .....	4
8. Revised Bills .....	4
9. Disputed Bills .....	5
10. Billing Adjustments .....	5
11. Customer's Billing Address .....	6
12. Points-of-Contact for Billing or Payment .....	6

1. Billing

The Power Business Line shall render monthly bills to the Power Customers for the wholesale power products and services purchased. The monthly bills are processed on a calendar month basis. Failure to receive a bill shall not release the Power Customer from liability for payment. If requested by the Power Customer, the BPAP shall electronically transmit the Power Customer's bill to the Power Customer on the issue date of the bill, provided the Parties have compatible electronic equipment. BPAP may elect to electronically transmit only that portion of the bill showing the amount owed. If the entire bill is not provided by electronic means, BPAP shall send the Power Customer a complete copy of its monthly bill by mail.

2. Payments

a. The Power Customer must pay by electronic payment using procedures established by Bonneville Power Administration's (BPA) Accounting Operations group, except as provided in Section 2b below. The electronic payment options available include:

- (1) Pre-Authorized Debit: an electronic payment whereby BPA is authorized to automatically withdraw a customer's payment from its bank account;
- (2) Automated Clearing House (ACH): a funds transfer system governed by the ACH rule of the National Automated Clearing House Association which provides for the interbank clearing of electronic entries for participating financial institutions;
- (3) Wire Transfer: an electronic transfer of funds via the United States Treasury's Fedwire Deposit System.

b. The Power Customer may pay its bill by alternate method, on a case-by-case basis, provided the following criteria can be met:

- (1) The Power Customer makes a request to their Account Executive to pay by an alternate method;
- (2) The Power Customer ensures that BPA receives full payment by the bill's Due Date;
- (3) The Power Customer has not previously incurred (generally within the last 24 months) late payment charges while paying its bills to BPA by the requested alternate method; and
- (4) BPAP, in coordination with BPA's Accounting Operations, approves the alternate payment method requested by the Power Customer.

- (5) If the Power Customer requests to pay its bill by mail as an alternate payment method and meets the above criteria, payment shall be mailed to:

Bonneville Power Administration  
P.O. Box 894196  
Los Angeles, CA 90189-4196

3. Net Billing of Trojan and Energy Northwest

Participants in the Trojan nuclear plant and Energy Northwest projects (WNP1, Columbia Generating Station, and WNP3) are “net billed” by BPA. Net Billing is a contractual arrangement under which each project participant assigns its share of the output of the projects to BPA. In return, BPA credits the participant’s wholesale bill (in dollars) up to the dollar value of the participant’s annual obligation for its share of the project output. The participants pay this “credited amount” directly to the Eugene Water and Electric Board (EWEB) for Trojan or to Energy Northwest for the WNP plants and Columbia Generating Station, as applicable, paying BPA for their purchases only *after* their respective project obligations for the year have been paid in full. In the month when the customer’s net billing obligation for the year is fully satisfied (transition month), the customer pays BPA any amount not paid to EWEB or Energy Northwest.

*Note to net billing customers: Although BPA has functionally separated its power and transmission business lines, the functional separation has not affected the way net billing is handled because the net billing agreements require BPA to provide net billing credits to the participants not only for the power purchased from BPA but also for use of transmission facilities.*

4. Due Date

All payment amounts shall be due by 5:00 p.m. Pacific Prevailing Time (PPT) on the Due Date specified on the Power Customer’s bill. This payment deadline requirement includes all payment methods addressed in Section 3, above.

5. Computation of Bills

Charges for products and services purchased from BPAP shall be rounded to whole dollar amounts by eliminating any amount which is less than fifty-cents (50 cents) and increasing any amount from fifty-cents (50 cents) through ninety-nine cents (99 cents) to the next higher dollar.

6. Estimated Bills

BPAP may elect to issue an estimated bill using preliminary data for the month. If an estimated bill has been issued, a final bill for that month will be issued when the required data are available. BPAP's goal is to issue final bills within 40 days of the end of the Billing Month. An estimated bill is subject to the same payment provisions as a final bill.

7. Late Payment

Unless otherwise stated in the BPAP contract, all late payments are subject to the following language from Section I.C, Payment Provisions, of the 2002 Wholesale Power Rate Schedule, General Rate Schedule Provisions, as amended, extended, or replaced. It is included here only to provide a comprehensive section on billing in this document.

“A late payment charge shall be applied each day to any unpaid balance. The late payment charge is calculated by dividing the applicable “Prime Rate” (reported in the “Money Rates” Section of the Wall Street Journal) plus 4 percent; by 365. The applicable “Prime Rate” shall be the rate reported on the first day of the month in which payment is received. The customer shall pay by electronic funds transfer using BPA's established procedures.”

8. Revised Bills

As necessary, BPAP may render revised bills. Below are five different situations that could occur:

- a. If the amount of the revised bill is more than the amount of the original bill, and the original bill has not been paid, the original bill remains due on its Due Date, and the additional amount is due on the Due Date of the revised bill. In this instance, if requested by the customer, the original bill can be canceled and reissued as a revised bill so that all charges appear on the same bill. When this process is followed, the revised bill's Issue Date and Due Date remain the same as the original bill.
- b. If the amount of the revised bill is more than the amount of the original bill, and the original bill has been paid, the additional amount is due on the Due Date of the revised bill.
- c. If the amount of the revised bill is less than the amount of the original bill, and the original bill has not been paid, the original bill will be canceled and payment is due on the Due Date of the revised bill. The revised bill's Issue Date and Due Date will remain the same as the original bill.

- d. If the amount of the revised bill is less than the amount of the original bill, and the original bill has been paid, thus creating an overpayment, BPA shall refund the amount of the overpayment on the later of (1) twenty (20) days from the revised bill Issue Date, or (2) twenty (20) days from the receipt of the payment for the original bill. Should refund not be made by BPA by the above date, interest shall accrue and be paid by BPA calculated in accordance with the following methodology. The applicable interest rate for computing interest payments on refunds not paid by the Due Date noted above is the Prime Rate for Large Banks as reported in the Wall Street Journal on the first day of the month in which the amount was received by BPA. Interest shall be calculated from the Due Date of the refund to the date that BPA makes payment.
- e. If the revised bill changes the Party to whom the customer's payment is due, and the Power Customer has not yet paid the original bill, the original bill is canceled and the Power Customer must pay the amount of the revised bill to the Party named on such bill. Payment is due on the Due Date of the revised bill.

9. Disputed Bills

- a. In the event of a billing dispute between BPAP and the Power Customer, the Power Customer must pay its bill, including the disputed amount, in full by the Due Date. Unpaid bills (including both disputed and undisputed amounts) are subject to late payment charges in Section 7, above.
- b. If it is determined that the Power Customer is entitled to a refund of any portion of the disputed amount, then BPA will make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate used to determine the interest is calculated by dividing the Prime Rate for Large Banks as reported in the Wall Street Journal; by 365. The applicable Prime Rate for Large Banks shall be the rate reported on the first day of the month in which payment is received by BPA.

10. Billing Adjustments

- a. In the event that a retroactive billing adjustment is necessary, a description of the adjustment will be included on the Power customer's bill.
- b. If metering equipment that is used to measure BPA billing quantities fails to properly record those quantities, the following process will be followed to determine the appropriate meter adjustment period.
  - (1) Meter readings are considered inaccurate if any of the following have occurred:

- (a) The meter has failed;
  - (b) The meter has been tested in accordance with the American National Standards Institute standards and is determined to be measuring energy inaccurately; or
  - (c) The meter reading was improperly recorded.
- (2) The following procedure will be used to determine the appropriate adjustment period if metering inaccuracies have been discovered:
- (a) If the actual date on which the error began can be identified, that date will be used in determining the metering adjustment.
  - (b) If the date when the problem began cannot be determined, the adjustment shall be based on the shorter of the following two periods:
    - (i) The date that is half-way between the date of the last meter test and the date that the error is identified; or
    - (ii) One year. (Note: Meters are routinely tested every two years.)

11. Customer's Billing Address

The BPAP Bill Distribution Desk maintains the customer billing address information which includes mailing addresses, customer contact names, contact phone numbers, facsimile machine phone numbers, and email addresses.

To ensure timely receipt of BPAP bills, customers should report any changes of their billing address information to the BPAP Bill Distribution Desk email address [Billst@BPAsite1.bpa.gov](mailto:Billst@BPAsite1.bpa.gov), or to the following mailing address:

Bonneville Power Administration  
ATTN: Bill Distribution Desk – PSR  
PO Box 2784  
Portland, OR 97208-2784

12. Points-of-Contact for Billing & Payment

If you have any questions or comments about your monthly bill or the Administrative Billing Procedures, you may contact the Revenue Analyst identified at the bottom of Page 1 on the itemized bill statement for your monthly bill, or call BPA's Power Billing Message Center at 503-230-4211.

If you have any questions about your payment to/from BPA you may contact BPA's Accounting Operations at 503-230-4028.