

Final LB CRAC True-Up

October '01 - December '01

Table 1 - Incremental Revenue, Incremental Cost, Bill Adjustment Factors		
<i>Rows 1, 2 are the revenues BPA earned only from the LB CRAC part of rates.</i>		
1 - LB CRAC revenues earned from Slice	\$	\$44,077,031
2 - LB CRAC revenues earned from non-Slice products	\$	\$99,587,653
<i>Rows 3, 4 are the actual LB CRAC Revenue Requirement</i>		
3 - Revenues required from Slice to cover actual LB CRAC costs	\$	\$40,970,634
4 - Revenues required from non-Slice to cover actual LB CRAC costs	\$	\$92,021,960
<i>Bill Adjustment in Dollars (negative indicates refund to customers)</i>		
5 - Total Bill Adjustment for Slice - 120 Day Rule	\$	-\$3,106,397
6 - Bill Adjustment for non-Slice - 120 Day Rule	\$	-\$7,565,693
7 - Bill Adjustment non-Slice - 0 Day Rule	\$	-\$994,999
8 - Total Bill Adjustment for non-Slice - (Sum of 0 Day Rule + 120	\$	-\$8,560,692
9 - Total Bill Adjustment Slice + non-Slice (row 6 + row 8)	\$	-\$11,667,090
<i>Rows 10, 11 are the adjustment factors used to determine individual customer bill adjustments</i>		
10 - Adjustment factor for each Slice customer bill		(0.007503847)
11 - Adjustment factor for each non-Slice customer bill		(0.009206977)

1 - Incremental Revenues from the LB CRAC increment to the May 2000 Slice rate for Oct. '01-March '02.

2 - Incremental Revenues from the LB CRAC increment to the May 2000 non-Slice rates for Oct. '01-March '02.

3 - Incremental Augmentation Costs in LB CRAC above May 2000 rates for Slice.

4 - Incremental Augmentation Costs in LB CRAC above May 2000 rates for non-Slice.

5 - Row 3 Table 1 - row 1 Table 1.

6 - Row 4 table 1 - row 2 Table 1.

7 - Row 6 table 3 - row 6 Table 2.

10 - Applied to Slice payments from customer minus LDD minus C&R.

11 - Applied to payments from customer for products subject to LB CRAC minus LDD minus C&R.

Final LB CRAC True-Up

October '01 - December '01

Table 2 - Total Cost and Revenue Calculations - 120 Day Rule		
1 - Augmentation Pre-Purchase Costs	\$	\$152,193,858
2 - Net Short Costs	\$	\$0
3 - Load Reduction Costs	\$	\$99,406,432
4 - Total Gross Augmentation Costs in LB CRAC	\$	\$183,847,756
5 - Revenues from Resale of Augmentation Quantity	\$	\$50,855,162
6 - Actual Net Augmentation Costs in LB CRAC - 120 Day Rule (=	\$	\$132,992,593
Rows 7, 8, 9 revenue calculations are the revenues BPA earned under LB CRAC'ed rates		
7 - Total Revenues from Slice	\$	\$137,991,323
8 - Total Revenues from non-Slice products	\$	\$309,934,966
9 - Total Revenue with LB CRAC Applied (= 7+8)	\$	\$447,926,289

- 1- *Sum of augmentation pre-purchases and power buyback for rate mitigation. Cost of rate mitigation deals with Slice/Block included here. IOU power conversions costs here also. (Cost of IOU and DSI load reduction deals are contained in row 3). Rate mitigation buyback costs include both premium portion and cost of deals tied to LB CRAC.*
- 2 - *net short costs = cost of meeting BPA's net short position*
- 3 - *All costs associated with load reductions from IOU, DSIs and load following publics are bourn by Slice and non-Slice.*
- 4 - *If row 4 total is less than sum rows (1+2+3), some costs in rows 1+2 are being excluded from recovery from LB CRAC. Also, the Chase product included as a credit in the calculation of Total Gross Augmentation Costs.*
- 5 - *Revenue from the resale of the augmentation quantity using the GRSP formula*
- 7, 8, 9 - *Total revenue earned by BPA from Slice and non-Slice products at rates with LB CRAC.*

Table 3 - Total Cost and Revenue Calculations - 0 Day Rule		
1 - Augmentation Pre-Purchase Costs - 0 Day Rule	\$	\$160,266,198
2 - Net Short Costs - 0 Day Rule	\$	\$0
3 - Load Reduction Costs	\$	\$99,406,432
4 - Total Gross Augmentation Costs in LB CRAC - 0 Day Rule	\$	\$182,852,757
5 - Revenues from Resale of Augmentation Quantity	\$	\$50,855,162
6 - Actual Net Augmentation Costs in LB CRAC 0 Day Rule (= 4-5)	\$	\$131,997,594

- 1- *Sum of augmentation pre-purchases and power buyback for rate mitigation. Cost of rate mitigation deals with Slice/Block included here. IOU power conversions costs here also. (Cost of IOU and DSI load reduction deals are contained in row 3). Rate mitigation buyback costs include both premium portion and cost of deals tied to LB CRAC.*
- 2 - *net short costs = cost of meeting BPA's net short position*
- 3 - *All costs associated with load reductions from IOU, DSIs and load following publics are bourn by Slice and non-Slice.*
- 4 - *If row 4 total is less than sum rows (1+2+3), some costs in rows 1+2 are being excluded from recovery from LB CRAC. Also, the Chase product included as a credit in the calculation of Total Gross Augmentation Costs.*
- 5 - *Revenue from the resale of the augmentation quantity using the GRSP formula*

Final LB CRAC True-Up

October '01 - December '01

Table 4 - Average Net Augmentation Need and Net Short Position		
		<u>Oct to Dec</u>
1 - Net System Load	aMW	6,246
2 - System Capability	aMW	5,442
3 - Net Augmentation Need (w/losses)	aMW	819
4 - Net Short Position	aMW	0
HLH	aMW	0
LLH	aMW	0

These numbers are approximate due to the use of simple averaging.

1 - For the true up, net system load is the actual load.

2 - System Load monthly amounts were established in the rate case.

3 - Net Augmentation Need reflects gross augmentation need reduced by rate mitigation load reduction plus losses of 1.8%. It is the simple average of actual monthly net augmentation need used in the model.

4 - The net short position is the simple average of the HLH and LLH actual net short positions for the given months.

Final LB CRAC True-Up

October '01 - December '01

Table 5 - Quarterly Average Loads		units	Oct- Dec
Slice Load		aMW	1,600
PF Load Served			
	HLH	aMW	4,233
	LLH	aMW	3,735
RL Load Served			
	HLH	aMW	350
	LLH	aMW	350
IP Load Served			
	HLH	aMW	64
	LLH	aMW	63

These numbers are approximate due to the use of simple averaging of actual numbers.

Table 6 - Quarterly LDD & C&R Dollars		units	Oct-Dec
LDD Slice Costs		\$	436,838
LDD Non-Slice Costs		\$	1,164,401
C&R Slice Costs		\$	583,841
C&R Non-Slice Costs		\$	2,236,018

These numbers are approximate due to the use of simple averaging of actual numbers.

Table 7 - Average Pre-Purchase Quantities to Meet Augmentation Need		units	Oct-Dec
1 - Augmentation Market Purchases - 120 Day Rule			
	HLH	aMW	1,252
	LLH	aMW	1,303
1 - Augmentation Market Purchases - 0 Day Rule			
	HLH	aMW	1,252
	LLH	aMW	1,303
2 - Augmentation Power Buybacks - 120 Day Rule		aMW	
	HLH	aMW	167
	LLH	aMW	263
2 - Augmentation Power Buybacks - 0 Day Rule		aMW	
	HLH	aMW	264
	LLH	aMW	359

These numbers are approximate due to the use of simple averaging of actual numbers.

1 - Includes only market purchases.

2 - Includes only rate mitigation with Block/Slice customers and IOU cash for power conversion.