

From: Russ dorrان [mailto:rdorrان@hermiston.or.us]
Sent: Tuesday, August 28, 2012 2:35 PM
To: Tech Forum
Cc: ghcarr@nru-nw.com
Subject: "BPA14 Transmission Rate Case-NT Customers' UDC Proposal".

Relative to comments solicited by BPA on the delivery charges paid by Hermiston Energy Services and several other electric utilities to BPA we are stuck in a dilemma as to the future proposed payments for this service as we are unable to purchase these low voltage facilities as proposed by BPA that serves our utility as they are owned by Umatilla Electric Co-op and part of their system. Hopefully BPA will adopt a policy as proposed by NRU, PNGC, and WPAG of fixing the Utility Delivery charge at an established rate for three rate periods so we hopefully can find some solution to our dilemma without triggering a huge huge rate increase to our customers. It seems that the cost to BPA. as I understand it, is very small within the range of \$2.5 million which has an impact on the Network rates of only .3%. It seems to me that this could be melded into the rates to alleviate the huge increases to the remaining utilities, somewhat akin to the Low Density Discount to benefit those utilities that serve sparsely served service areas to provide a level playing field.

Russell Dorrان
Electric Utility Superintendent
Hermiston Energy Services
215 E. Gladys Avenue
Hermiston, OR,97838
Phone: 541-667-5035