

# Montana Intertie Workshop

December 5, 2011



# Agenda

- Overview
  - Settlement language
  - ROD language
  - Status
- Next Steps -- Discussion

# BP-12 Partial Transmission Settlement Agreement

- BP-12 Final ROD (BP-12-A-02A), Section 2.b
  - In addition, during the Rate Period BPA will hold a public process to discuss with all interested parties the future of the IM, IE, and TGT rates. The workshops will include discussion of the then-existing rate treatment and potential alternative rate treatments of the costs of BPA's share of Montana Intertie transmission capacity and the costs of the Eastern Intertie. BPA will include in its initial proposal in the 2014 rate case a proposal for the rate treatment of the above costs, including proposals regarding the existence and level of the IM, IE, and TGT rates.

## Status

- Rolling in rolling in *BPA's share* has *de minimus* rate impact on the Network.
- No new information that impacts the rate discussion.
- BPA is concerned about setting a precedent for rolling in the Southern Intertie.

# BP-12 Final ROD

- BP-12 Final ROD (BP-12-A-02), Issue 4.3.1.9.

Administrator's Decision:

- *Whether roll-in of BPA's share of the Eastern Intertie costs would be precedential depends on the relevant facts, which have not been adequately developed in this proceeding. Regardless of the other distinguishing features between the Eastern and Southern Interties, a significant, and perhaps deciding, distinguishing factor between the two is that Eastern Intertie roll-in may have a de minimis impact on Network rates, while roll-in of the Southern Intertie would have a much greater impact. However, BPA encourages customers to come to an explicit agreement that they will not argue in future rate cases that rolling in the Eastern Intertie would create a precedent for rolling in the Southern Intertie.*

## Next Steps

- Is there any interest in forming a sub-group to discuss Southern Intertie concern?
  - Other issues?
  - Who would like to lead and who would like to be part of the discussion?
- Next BPA transmission rate meeting on Jan 11.