

**Evaluation of Positions**

The Commissions’ proposal, adopted by BPA, included a mechanism for allocating Settlement Agreement benefits among states served by multi-state utilities. *See Power Subscription Strategy, Administrator’s Supplemental ROD, at 28.* This mechanism provides that the allocation would be made among states based on the forecasts of the respective states’ residential and small farm loads at the time the IOU signs its Settlement Agreement, except for PacifiCorp’s Idaho benefits. BPA has reviewed the utilities’ FERC Form 1’s, the utilities’ websites, the utilities’ annual reports, the Energy Information Agency’s annual forecasts, the Energy Information Agency’s monthly forecasts, the Edison Electric Institute Utility Catalog, and the Commissions’ websites. None of these sources provided forecasts of the residential and small farm loads by state for the multi-state utilities.

Given the absence of forecasts of residential and small farm loads by state, BPA was forced to consider other alternative approaches. BPA canvassed the utilities and the Commissions for suggested sources of information to allocate the benefits among the states. Several utilities suggested using 1999 actual residential and small farm loads as the best proxy of residential and small farm load forecasts. These actual numbers are the most recent available and reflect accurate residential and small farm loads for a very recent year. Each of the utilities has provided BPA their 1999 actual residential and small farm loads by state as part of the negotiation process. The following allocation resulted for the multi-state utilities:

<b>Utility</b>	<b>1999 Actual Energy Use (as provided by utility)</b>	<b>Percentage of Total Residential Load</b>	<b>Share of 1900 aMW Total Benefits FY ‘02-‘06</b>	<b>Share of 2200 aMW Total Benefits FY ‘07-‘11</b>
<b><u>Avista</u></b>				
<i>Washington</i>	254.34 aMW	68.4%	62 aMW	102 aMW
<i>Oregon</i>	117.64 aMW	31.6%	28 aMW	47 aMW
<b>Total:</b>	372 aMW	100%	90 aMW	149 aMW
<b><u>IPC</u></b>				
<i>Idaho</i>	646.33 aMW	95.74%	115 aMW	215 aMW
<i>Oregon</i>	27.11 aMW	4.02%	5 aMW	9 aMW
<i>Nevada</i>	1.63 aMW	0.24%	0 aMW	1 aMW
<b>Total:</b>	675 aMW	100%	120 aMW	225 aMW
<b><u>PacifiCorp</u></b>				
<b><u>1/</u></b>				
<i>Washington</i>	199.03 aMW	23.92%	80 aMW	108 aMW
<i>Oregon</i>	633.27 aMW	76.08%	256 aMW	342 aMW
<b>Total:</b>	832.30 aMW	100%	336 aMW	450 aMW

1/ The Commissions’ proposal adopted by BPA did not reallocate benefits for PacifiCorp’s Utah loads.