

SLICE OF THE SYSTEM
November 18, 1998 Meeting
Portland, Oregon

Highlights/Decisions

Defining the Slice Product

(Originally described as “Contract Negotiations” on the 11/18/98 Agenda)

The participants will work with Bonneville Power Administration (“BPA”) to fully define the Slice product by the end of January, 1999.¹ BPA will prepare and distribute a “strawman” proposal which takes the general framework of the product as described in BPA’s Final Record of Decision (“Final ROD”) and completes the details of the product in a manner that is acceptable to BPA. One of BPA’s overriding goals in developing the strawman has been to keep the product as straightforward and uncomplicated as possible. The strawman will be distributed no earlier than the publication of the Final ROD but, hopefully, prior to the next Slice meeting. After its distribution, the strawman will form the basis of the negotiations between BPA and interested customers.

The customers will be asked to identify areas of the strawman that they believe need improvement, if any, and to provide alternative proposals (hopefully, the alternatives will be as straightforward and uncomplicated as possible). The customers and BPA will then work to see what modifications to the strawman, if any, are mutually agreeable. The strawman will be continually updated to reflect the results of the negotiations (updates will be posted on the Slice website).

It is anticipated that the majority of the negotiations will take place at technical meetings. While all interested parties are welcome to attend these sessions, because of the technical nature of the discussions and the frequency of the meetings, it is anticipated that some parties who are interested in Slice will not participate in the sessions. As such, a number of large group meetings have been scheduled for the primary purpose of updating and receiving input from those parties who do not attend the technical meetings. Specifically, in mid-January there will be a presentation of the Slice product as it then exists followed by a meeting the next week where all customers will have an opportunity to raise and attempt to resolve issues.

¹ This timeline is required given (1) the stated need of the majority of the parties to conclude this matter and (2) BPA’s need for consistency with the timelines established for other subscription products and the rate case.

The meeting schedule is reflected in the *Calendar of "Slice of the System" Meetings/December 1998 and January 1999* which is currently posted on the Slice website and which will be updated periodically. Additional meetings will be added to the schedule as necessary (for example, Slice Implementation Group or Legal Meetings).

In order to assist the negotiations, the parties will establish a critical path that will identify the issues to be discussed and the time allotted to resolving those issues. Kristi Wallis has prepared a preliminary list of issues, which was modified slightly at the November 18th meeting. (This list (*Facilitator's List of Outstanding Issues and Areas to be Clarified – 11/25/98*) is also posted on the Slice website). The list will be finalized after the release of the strawman and the finalized list will be used to establish the critical path for the remaining meetings.

At the next meeting on December 9th, the group will review the strawman, clarify certain subjects covered by the Final ROD (*see Facilitator's List of Outstanding Issues and Areas to be Clarified – 11/25/98*), and prepare the critical path. In order to expedite negotiations, although the critical path has not yet been established, it was decided that on December 10th the technical group will address the issue of mapping, with buy-back as a backup subject (in case the parties are satisfied with BPA's treatment of mapping in the strawman).

It is anticipated that the final Slice product will be within the parameters of the Slice product description contained in the Final ROD; however, if necessary, a supplemental ROD will be prepared.

Implementation

It was agreed that the parties should approach implementation issues from a "one-step at a time" perspective. The first step will be to analyze BPA's existing tools to see if they can be used to implement Slice and, assuming they can be, what modifications, if any, in the programs or the data input will be necessary. It will also be necessary to identify what additional personnel (for example, schedulers), if any, will be required. Although the ultimate goal will be to determine the maximum capability of the Slice System on every hour, for purposes of this initial evaluation, the Slice System capability will be determined on a weekly basis (or as fine of a resolution as possible given existing tools).

It is recognized that as the Slice Customers will be responsible for paying for implementation costs, the Slice Customers should have a significant voice in deciding implementation details (with the caveat that Bonneville must be confident that the implementation mechanisms result in reliable information (supportable numbers) and fall within the parameters of the final Slice product). It was suggested that interested customers meet separately to discuss implementation, in particular, how to accomplish the first steps described above. That meeting will take place on December 3, 1998 in Portland, as reflected on the Slice Calendar.

As the parties work through implementation issues, the following items will need to be addressed:

Tools

Procedures (scheduling/deadlines/information to be communicated between BPA and Slice Customers)

Interactions between Slice and other BPA products (e.g., PNCA transactions, partial requirements products)

Testing

Training

Dynamic signaling will also be addressed later if requested by potential Slice Customers.

Kristi Wallis

11/25/98