

BPA Focus 2028

Scoping Discussion

Nov. 18, 2015

8:30-10:30 a.m.

Phone Bridge: 1-713-353-7024 PASSCODE:
6337708#

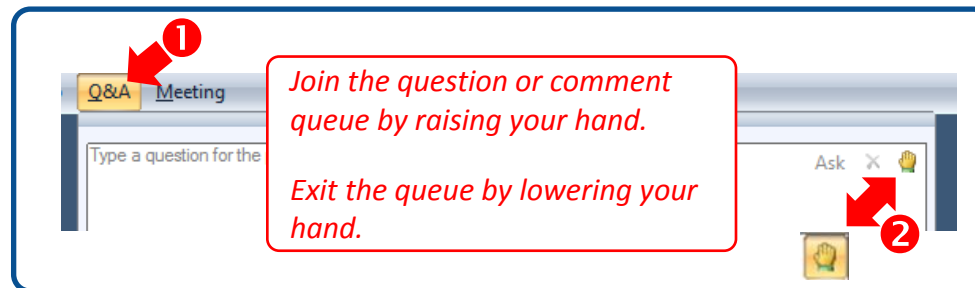
[Live Meeting](#)

Agenda

Time	Topic
8:30 – 8:50	BPA Focus 2028 <ul style="list-style-type: none">• Overview and Objectives• Kickoff Meeting Recap• Draft topics for February Forum
8:50 – 10:15	Open Discussion: <ul style="list-style-type: none">• Topics nominations for February Forum• Scenarios to analyze or integrate
10:15 – 10:30	Recap and Next Steps

Call Logistics

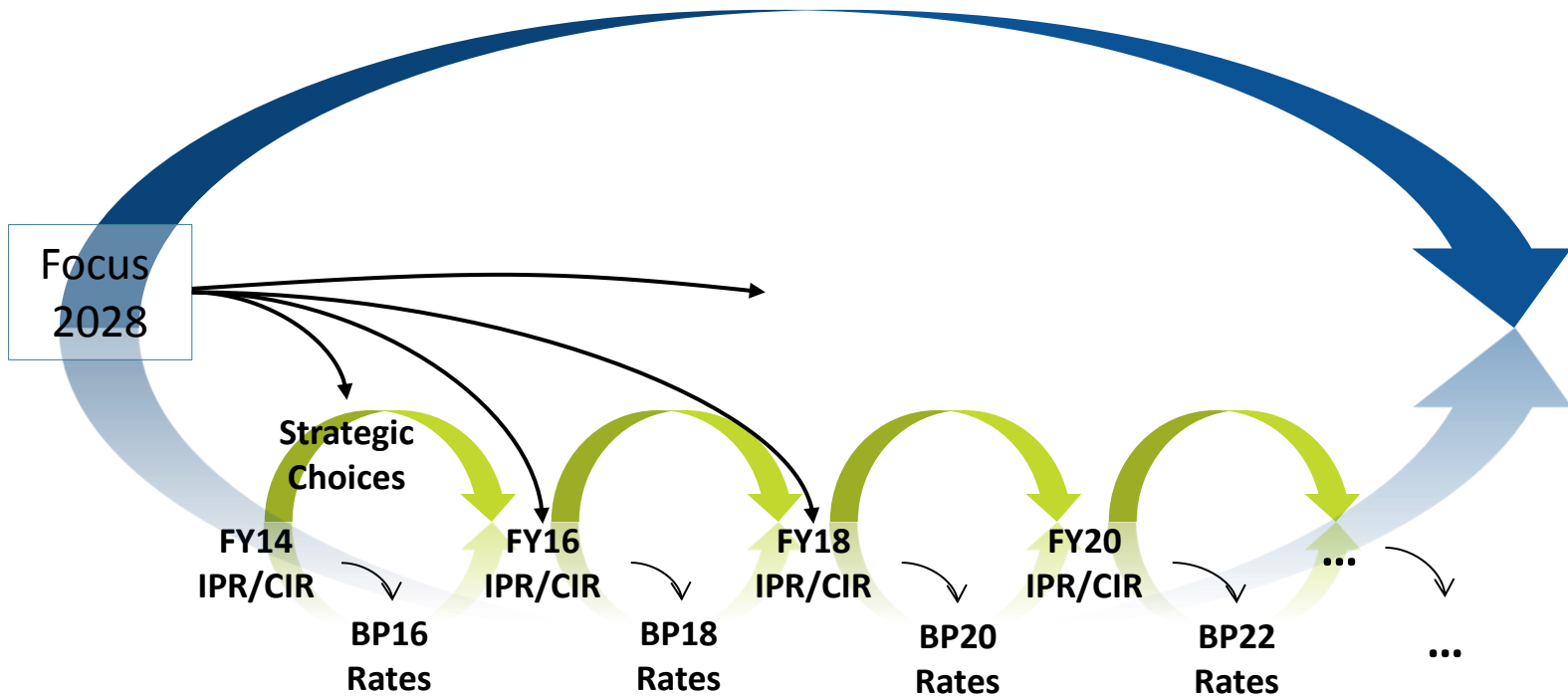
- Please do *not* place your phone on hold during this call.
- When not contributing, please mute your phone. To mute or unmute, press *6
- We will use LiveMeeting to manage the queue of questions, comments, and suggestions.



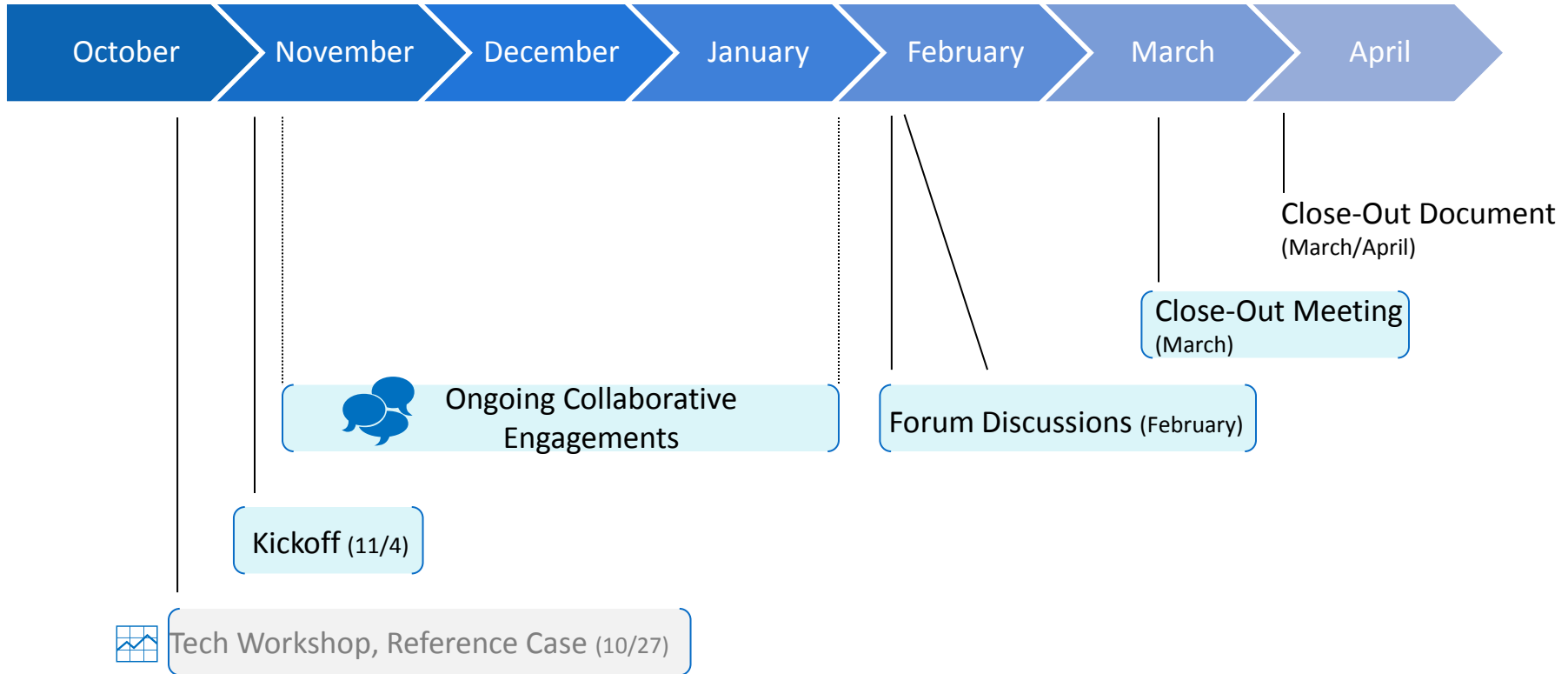
BPA Focus 2028

- BPA is focused on being the low-cost energy provider of choice when new power sales contracts are offered in the next decade.
- There are many factors that are placing upward pressure on BPA's long-term costs structure that could call into question BPA's long-term cost competitiveness and financial health.
- Through Focus 2028, stakeholders will develop a shared understanding of the interplay between industry changes, program management, costs and long-term rates that BPA must balance.
- BPA Focus 2028 will identify opportunities, timing, and forums for future policy, program, and funding decisions.

BPA Focus 2028



Focus 2028 Process



Kick-off Recap

- Meeting Flow:
 - Administrator opening remarks
 - BPA Executive presentations on financial health and power/transmission cost structures
 - Industry panel exploration of future trends, opportunities, and threats BPA may face in the future

Kick-off Recap

- BPA's vision of being an engine of economic prosperity and environmental sustainability remains strong.
- BPA's goal is to be low cost provider to customers beyond 2028.
- There are a significant risks and uncertainties.
- Significant choices to be made investing in programs and physical assets. BPA wants to ensure investments are made wisely.
- We need to think of the long-term when making decisions.
- Reference Case is a strong tool. Offers a basis for comparing alternatives. The Reference Case is not a forecast of 2030 rates.

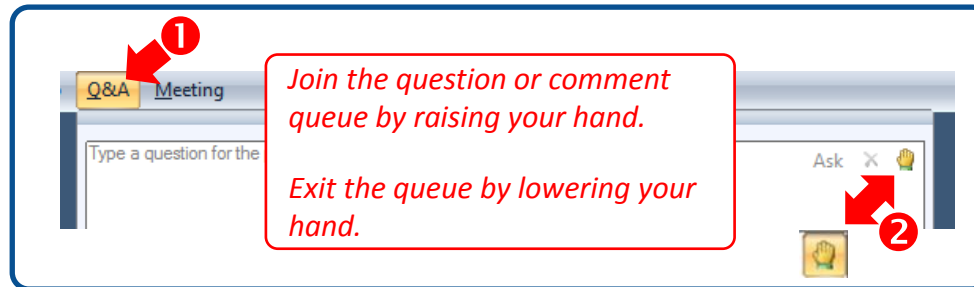
What We Heard

- Speed and agility are critical to competitiveness in fast changing landscape.
- Competitiveness is a nuanced concept. BPA should consider differences among customers as it considers competitiveness.
- Implications of low load-growth projections.
- BPA should demonstrate rigorous cost control, careful prioritization, and sequencing of investments.
- Diversity of stakeholders is challenging. Will not agree on everything, but there is common ground.
- BPA's view of success must go beyond financial health and encompass the environmental health of the Basin.
- Big changes are coming including market evolution, technology advancements, climate change regulations, and physical changes to the climate.
 - Consumers want renewables, low cost, and high reliability.
 - BPA needs to manage resources to meet the evolving environment.
 - The PNW needs to adjust to the world around us.

Draft Themes for February Forum

- Financial Health metrics and policies
- Cost Management practices
- Fish and Wildlife – performance-based environmental stewardship
- Energy Efficiency – optimizing program design for scale and flexibility
- Fed Hydro Investments – value and viability: a long-view approach to fed hydro stewardship
- Transmission – finding balance in business and builds

Discussion and Input



- Themes for February Forum
 - Additions? Subtractions? Alterations?
- Scenarios for context and discussion
 - Key landscape trends, opportunities, or threats to integrate into topics

What's Next: Prepare for February

- Refine scope topics discussed today.
- Collaborative engagement for planning and implementation (incl. specific topics).
- Design February forum agenda and session approaches.
- Develop information and materials.
- Publish February meeting logistics and materials.
- Host forum.