

Slice True-Up 101 Outline

Date: Wednesday, July 24 10:00 – 12:00

Audience: Slice and Non-Slice Customers, AE's, Slice Operations group, Special Guests

Special Guest: Mary Hawken, Janice Johnson

Content Organized and Presented by: Craig Larson

Format: Net meeting with in-house room reservation for HQ AE's

Note: Agenda subject to change.

Phone bridge and Live Meeting information will be posted to BPA's event calendar prior to the meeting.

See URL Link <http://www.bpa.gov/PublicInvolvement/Cal/Pages/CalendarList.aspx>

Training Outline/Presentation

I. Introduction

- A. Names and Introductions – in-house and on the phone**
- B. Ex Parte in effect: Can't talk about active Rate Case Issues**
- C. Scope**

II. Slice History – review of Subscription and RD Slice constructs.

III. What is the Slice True-up?

- A. Three Cost Pools and TRM orientation**
 - 1. Slice Cost Pool (relevant to Slice True-up)**
 - 2. Non Slice Cost Pool**
 - 3. Composite Cost Pool (relevant to Slice True-up)**

B. Discussion of the Slice True-Up and Foundational Documentation

1. TRM Section 2.7, URL link:
<https://www.bpa.gov/secure/Ratecase/Documents.aspx?ID=20> and search for BP-12-A-03.pdf
2. TRM Attachment A, URL link: Same as TRM above
3. 2012 Power Rates Scheduled and General Rate Schedule Provisions (FY 2012-2013). URL link:
<http://www.bpa.gov/power/psp/rates/current.shtml> and select 2012 Power Rates Schedules and General Rate Schedule Provisions
4. BP-12 Power Rates Study, BP-12-FS-BPA-01, Section 7 URL link:
<https://www.bpa.gov/secure/Ratecase/Documents.aspx?ID=20> and search for BP-12-FS-BPA_01.pdf
5. Study of financial statements in the Annual Report link: URL link:
<http://www.bpa.gov/Finance/FinancialInformation/AnnualReports/Pages/default.aspx> and click on Audited Financial Statements

C. Review of the Annual Process of following the Slice True-Up

1. SOY, Q1, Q2, Q3, Q4, Notice, Billing, CVP
2. Conclusion: Slice True-up process attempts to forecast actual end of year Composite Cost Pool and Slice Cost Pool costs.

IV. QBR Format

Outline of Q2 Slice True-up discussion. These line-items have been of high interest to customers, are complex, and are of variable magnitude. For below discussion see the information presented at the Q2 QBR Slides 18-24, and Appendix Slides 78-84: URL link:
<http://www.bpa.gov/Finance/FinancialInformation/FinancialOverview/Pages/default.aspx> and click on April 2013 Quarterly Business Review.

1. Summary of Differences - From Q2 Forecast to FY 2013 (BPA12)
2. Lower Level Differences - From Q2 Forecast to FY 2013 (BPA12)
3. Contra Expense and Reinvestments of Green Energy Premiums
4. Composite Cost Pool Interest Credit
5. Net Interest Expense in Slice True-Up Forecast

6. 4h10c Credit Appendix
7. Composite Cost Pool Appendix

B. Other information that varies by Quarter (FY13 Q1 had a review of the FY12 CVP)

V. Cost Verification Process Review

A. Attachment A. Review of Sequence

1. Q4
2. Final Annual
3. Notice & Billing
4. Customer Comments & Additional Issues for AUP Tasks
5. AUP Work
6. Workshops
7. BPA Draft Response
8. BPA Final Response

VI. Conclusions, Questions and Further Study

A. Questions

B. Invitation for involvement in QBR's

C. Rates Details

1. Risk Analysis Model. URL Link:
<http://www.bpa.gov/Finance/RateCases/InactiveRateCases/Pages/BP-12-Final-Models-Datasets.aspx> and click on RAM model REP2012 Final