



## Transmission Services

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### Suggested Framework for Developing Termination Proposals (DRAFT)

Updated December 27, 2011

If you are interested in terminating one or more PTSAs, you may make a proposal to BPA. BPA believes that it is in the ratepayer's best interest to remain flexible regarding how it will assess whether a termination proposal results in an impact that is at least neutral to ratepayers so that the specific circumstances of each Transmission Service Request (TSR) for which we receive a termination proposal can be considered. However, below is a suggested framework for developing termination proposals to BPA and the regional stakeholders:

**Billing Determinants** – PTP rate plus Scheduling, Control, and Dispatch Ancillary Services rate.

**Rate Increases** – Consistent with the Commercial Infrastructure Financial Analysis (CIFA) - 1% network rate increase per year.

**Discount Rate** – 9%

**Start Date** – the last officially communicated projected energization date of the final infrastructure project needed to enable the TSR or the TSR's start date, whichever is later unless circumstances of the specific TSR suggest otherwise.

**Deferral assumption** - from 0 – 5 years, depending on the specific circumstances of the TSR.

**Term** - contract term without any assumption of rollover.

**Credits** – Consistent with the CIFA analysis - no credits.

**LGIA Relationship, if any** – To be defined in negotiation process - likely dependent upon avoided costs that would otherwise be incurred.

**Other Elements of a TSR's Value Proposition** – Valuation to be determined during the assessment and negotiation process

For further information, please contact Lauren Nichols-Kinas at 360-619-6416.