## Public Power Council



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## PUBLIC POWER COUNCIL ON BPA RATES DECISION

PORTLAND, OR — Today, the Bonneville Power Administration (BPA) is releasing its Final Record of Decision (ROD) in the BP-18 rate case that sets rates for power and transmission sold by BPA for the two year period starting October 1, 2017.

While the impact varies for each utility, BPA is setting an average power rate increase of 5.4% and an average transmission rate decrease of 0.7%. The main drivers for the power rate increase include declining value of secondary sales due to low natural gas prices, embedded program costs, and declining estimates of demand.

In order for BPA to offer a competitive power product before the current contracts expire in 2028, there will be a lot of additional work needed with BPA, its customers, various federal and state agencies, and the Congressional delegation on the underlying issues driving BPA's costs and rates.

"We know about the many cost drivers and appreciate the work toward progress in some areas over the past two years. But, this increase on the heels of successive rate increases in recent years is another hit to local communities," said **PPC Executive Director, Scott Corwin**. "We look forward to redoubling efforts with BPA staff and their partners at the Bureau of Reclamation and Army Corps of Engineers to continue to turn the corner on long-term cost control."

The increase in power rates is not as high as it could have been if BPA and preference customers had not worked together to identify significant reductions to the original cost estimates. Leading up to this rate case, BPA was projecting an increase to power rates of up to 9% if bad market conditions persisted as they have. But, the bottom line is that any increase in the cost of power can have significant impacts to businesses and residents in the region.

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**About PPC**—The Public Power Council is a not for profit association that represents about 100 consumer-owned electric utilities in the Pacific Northwest on issues regarding the Federal Columbia River Power System, and is a forum to discuss and build consensus around energy and utility issues. For more information, please see: <a href="https://www.ppcpdx.org">www.ppcpdx.org</a>