



- . . . LF Load
 - Block Load
 - - - Block Shaping Capacity
 - Block PLVS
 - - - Market (Energy)
 - PF LF Revenue
- Load (Expected Power)
 Load (Expected Peak P50)
 Load (Peak P10)

X = LF Product draw from shared BPA Financial Reserves

Y = LF Product add to shared BPA Financial Reserves

Z = Marketable LF Capacity w/high-confidence forecast. Benefit add to shared BPA Financial Reserves.

Summary & Conclusion: If the value of $Y + Z = X$ over time, then the design is balanced.

If $Y + Z < X$ over time, then, all else equal, the LF product should receive an additional charge relative to other non-Slice products.

If $Y + Z > X$ over time, then, all else equal, the LF product should receive an additional credit relative to other non-Slice products.

Other Considerations:

The Load Following product is charged capacity on a non-coincidental peak that does not reflect the diversity benefit of aggregate loads.

The Loads Following product is limited to the load needs regardless of what the actual market is doing (high or low).

The Block product amount is a function of the contract and any flexibility provided through shaping capacity should be shaped to the most economically advantageous times mostly regardless of load. This value stays with the customer and does not flow back to shared BPA Financial Reserves.

		A		B		C		D	
		Power (capacity & energy)		Shaping Capacity		Peak Capacity		Unplanned Capacity	
		LF	BWS	LF	BWS	LF	BWS	LF	BWS
Element	Planned	Power + RICc		Actual Demand Contract Demand		PLVS		n/a	
	Actual	Power + RICc		Actual Demand Contract Demand		Demand + Energy Energy		Demand + Energy n/a	
Determinant	Planned	MWh		MW		Fixed PLVS		n/a	
	Actual	MWh		MW		MW & MWh MWh		MW & MWh n/a	
Rate	Planned	Tier 1 shaped to Mkt Forecast		Marginal		Embedded		n/a	
	Actual	Tier 1 shaped to Mkt Forecast		Marginal		Marginal Capacity + Market Forecast Energy Actual Market Energy		Marginal Capacity + Mkt Forecast Energy n/a	
Access		restricted to actual load	restricted to contract amount	"	"	restricted to actual load	restricted to defined amounts and events	restricted to actual load	n/a
NF Resources		contract amounts applies to load + RSS	unrestricted	"	"	"	"	"	"