

DEPARTMENT OF ENERGY

Bonneville Power Administration

Proposed Wholesale Power Rate Adjustment, Public Hearing, and Opportunities for Public Review and Comment

AGENCY: Bonneville Power Administration (BPA), DOE.

ACTION: Notice and Opportunities for Review and Comment.

SUMMARY: *BPA File No:* WP-95. BPA requests that all comments and documents intended to become part of the Official Record in this process contain the file number designation WP-95.

The Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act) provides that BPA must establish and periodically review and revise its rates so that they are adequate to recover, in accordance with sound business principles, the costs associated with the acquisition, conservation, and transmission of electric power, and to recover the Federal investment in the Federal Columbia River Power System (FCRPS) and other costs incurred by BPA. BPA is proposing wholesale power rate schedules to be effective October 1, 1995, so that the wholesale power rates in total produce revenues that best enable BPA to meet its costs.

The proposal BPA is making at this time is preliminary. While BPA was in the late stages of putting together its proposal, it determined that the proposal as prepared could send an erroneous signal of BPA's commitment to rate stability. Competitive forces are causing fundamental and significant changes in the Pacific Northwest wholesale electric power market on a weekly, and sometimes a daily, basis. The competition is relentless, and BPA can not issue a final rate proposal that does not allow it to meet and beat the competition. Nothing other than that will allow BPA to sustain its statutory responsibilities. As a consequence, BPA has determined that its initial proposal should include a stable, 5-year rate for most, if not all, of its requirements service. BPA anticipates that the work necessary to assemble such a proposal will take until late March or early April of 1995. Since such a rate would cover the bulk of BPA's firm sales, its impact on BPA's overall proposal is fundamental. Thus, the information BPA is releasing now should be considered preliminary. Information in BPA's preliminary proposal concerning rate design, product definition and

pricing, revenue requirement, and other matters should provide parties valuable information that will enable them to better assess BPA's initial proposal when it is released in late March or early April. BPA will propose a rate hearing schedule at the prehearing conference that will take into account changes in the markets and allow review of BPA's initial proposal that it intends to make in late March or early April of 1995. The rate hearing schedule will be published in the **Federal Register** immediately following the prehearing conference.

Opportunities will be available for interested persons to review BPA's rate proposal, to participate in the rate hearing, and to submit oral and written comments. During the development of the final rate proposal, BPA will evaluate all written and oral comments received in the rate proceeding. Consideration of comments and more current data may result in the final rate proposal differing from the rates proposed in this Notice.

DATES: Persons wishing to become a formal "party" to the proceedings must notify BPA in writing of their intention to do so in accordance with requirements stated in this Notice. Petitions to intervene must be received by 9 a.m. February 13, 1995, and should be addressed as follows: Hearing Officer, c/o Francis (Jamie) Troy, Hearing Clerk-LQ, Bonneville Power Administration, 905 NE. 11th Ave., P.O. Box 12999, Portland, Oregon 97212.

In addition, a copy of the petition must be served concurrently on BPA's Office of Legal Services, Janet L. Prewitt, Office of Legal Services-LQ, 905 NE. 11th Ave., P.O. Box 3621, Portland, Oregon 97208.

Persons who have been denied party status in any past BPA rate proceeding shall continue to be denied party status unless they establish a significant change of circumstances.

A prehearing conference will be held before the Hearing Officer at 9:00 a.m. on February 13, 1995, in the BPA Rates Hearing Room, 3rd Level, 2032 Lloyd Center; Portland, Oregon. Registration for the prehearing conference will begin at 8:30 a.m. BPA will prefile preliminary proposal studies at the prehearing conference. The Hearing Officer will act on all intervention petitions and oppositions to intervention petitions, rule on any motions, establish additional procedures, establish a service list, establish a procedural schedule, and consolidate parties with similar interests for purposes of filing jointly sponsored testimony and briefs, and for

expediting any necessary cross-examination. A notice of the dates and times of any hearings will be mailed to all parties of record. Objections to orders made by the Hearing Officer at the prehearing conference must be made in person or through a representative at the prehearing conference.

The following schedule information is provided for informational purposes. A final schedule will be established by the Hearing Officer at the prehearing conference.

On or about February 9, 1995—Rate Schedules and General Rate Schedule Provisions, mailed to customers and 1993 rate case parties and available from BPA's Public Information Center; 905 NE. 11th, 1st Floor, Portland, Oregon.

February 13, 1995—Deadline for interventions to be filed with Hearing Clerk at above address.

On or about February 13, 1995—Preliminary proposal studies available at BPA's Rates Hearing Room; 2032 Lloyd Center; Portland, Oregon and BPA's Public Information Center; 905 NE. 11th, 1st Floor, Portland, Oregon.

February 13, 1995—Prehearing conference to set schedule and act on petitions to intervene.

On or about April 5, 1995—BPA Initial Proposal filed.

October 29, 1995—Final Record of Decision published.

BPA also will be conducting public field hearings. A field hearing schedule will be announced at the prehearing conference. A notice of the dates, times, and locations of the field hearings will be made later through mailings and public advertising.

When BPA holds public field hearings, written transcripts are made and included in the official record. A notice of the dates and times of the field hearings also will be published in the **Federal Register**.

ADDRESSES: The date for written comments by participants must be received by May 15, 1995, to be considered in the Draft Record of Decision (ROD). Written comments should be submitted to the Manager, Corporate Communications-CK; Bonneville Power Administration; P.O. Box 12999; Portland, Oregon 97212.

FOR FURTHER INFORMATION CONTACT: Mr. Michael Hansen, Public Involvement and Information Specialist, at the address listed above, (503) 230-4328 or call toll-free 1-800-622-4519.

Information may also be obtained from: Mr. Steve Hickok; Group Vice President, Sales and Customer Service; P.O. Box