



Case No. PAC-E-17-10, Order No. 33896

Contact: Matt Evans

(208) 334-0339 office

(208) 520-4763 cell

www.puc.idaho.gov

BPA credit to increase for Rocky Mountain Power customers, leading to rate decrease

BOISE (Sept. 29, 2017) – Rocky Mountain Power customers will see their power bills shrink slightly due to a change in a federal rate credit.

The Residential and Small Farm Energy Credit will lower the bill of the average residential customer by \$6.60 beginning Oct. 1. That is 51 cents more than the current credit, which expires Sept. 30.

The credit is the result of an agreement between the company and the Bonneville Power Administration (BPA) that passes through to customers the benefits of the federal Columbia River hydropower system.

BPA markets and distributes the wholesale power generated through the system, which consists of 31 federal hydroelectric projects on the Columbia and Snake rivers.

While customers of publicly owned utilities (rural co-ops, for example) have preferential access to BPA power, the Northwest Power Act of 1980 requires that customers of private, investor-owned utilities also share in the benefits of the federal hydro projects through a rate credit as part of BPA's Residential Exchange Program.

The amount of the credit is determined by formulas using a number of factors, including a utility's average system cost for producing power.

If an investor-owned utility's average system-wide generation costs lead to rates higher than those offered to BPA's public-utility customers, customers of the investor-owned utility are issued a credit.

The credit is adjusted every other year, pending approval from the Idaho Public Utilities Commission.

The credit set to take effect Oct. 1 will be .8403 cents per kilowatt-hour (kWh) used, up from 0.7762 cents per kWh, and will remain in place through fall 2019.

The credit is expected to pass through \$8.5 million annually to Rocky Mountain Power customers. The company provides electric service to approximately 75,000 customers in eastern Idaho.

Documents related to the case can be found [here](#), or by visiting the PUC site, www.puc.idaho.gov. Click on “Open Cases” under the “Electric” heading and scroll down to case number PAC-E-17-10.