

**Financial Plan Refresh
Public Comment Summary
March 9, 2022**

Row #	Stakeholder	Comment	BPA Response
1	NRU	NRU supports the concepts presented at the March 9 workshop in both the BPA presentation and the Public Power Council and Snohomish Public Utility District presentation to increase budget and project execution. NRU lauds BPA's commitment to improving its execution compared to rate case forecasts.	Thank you for your feedback.
2	NRU	<p>NRU is interested in exploring parameters that would apply to years in which customers may receive refunds associated with surplus financial reserves. Currently BPA's proposal focuses on limiting the amount of revenue financing to less than a 1% rate increase, considering years in which the Cost Recovery Adjustment Clause may be triggered to collect additional funds from customers.</p> <p>NRU recommends that, in years in which customers may receive a refund associated with surplus financial reserves through the Reserve Distribution Clause, the Administrator retain discretion to allocate the surplus reserves to pay down debt up to a certain dollar amount, and anything exceeding that point to partially be allocated to debt and partially allocated to a customer refund.</p>	<p>To clarify, this is not precisely what BPA proposed. The 1% incremental rate impact limitation is when a business unit is revenue financing at 20% of its total capital program. The incremental rate impact limitation is designed to moderate the impact from the capital financing policy of a large increase in revenue financing. The 1% incremental rate impact limitation does not apply when a business unit is at the base level of revenue financing, which is 10% of its total capital program, and would call for the same amount of revenue financing without regard to any risk adjustments mechanisms that might trigger for application to rates in that rate period.</p> <p>BPA will take NRU's RDC concept under consideration. We note that the administrator currently has flexibility to apply a portion of an RDC Amount to debt repayment and another portion to rate reduction, and it may be prudent to continue to allow this flexibility to respond to current circumstances.</p>
3	NRU	NRU is interested in hearing from BPA whether the metric enhancements proposed by the Public Power Council and Snohomish appear to provide a good start to achieving its commitment.	BPA appreciates their input and is reviewing and considering the PPC and Snohomish feedback, especially regarding budget execution.

