

# PTSA Reform Update

September 20, 2012



# Update on Start Date Modification Requests

- BPA received PTSA modification proposals requesting 1300 MWs of modification to start dates.
- BPA's initial analysis found a slightly positive net present value, based on assumption that all associated MW would eventually take service.
  - However, when BPA used a risk-adjusted analysis\* (running 5000 games), the net present value of modification is likely less than the net present value of no modification.
- As a result of the negative net present value when taking into account some risk of default, BPA has made a decision not to pursue modification of start dates in PTSA Reform

\* Using "At Risk" software

# Next Steps

- BPA currently has term sheets out to two customers:
  - A) Involves simple termination
  - B) Involves a two-parent redirect
- If/when those customers accept those terms sheets, we will post them for regional review.