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Bonneville Power Administration  
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Submitted via email: [post2028@bpa.gov](mailto:post2028@bpa.gov)

Provider of Choice Team at BPA,

Idaho Falls Power appreciates the thoughtful work and delicate balance required by the BPA team working on this process. We would like to submit a few thoughts for consideration and comments after the latest workshop on February 9.

**New resources added that reduced tier one load:**

We agree and acknowledge that very few new resources were developed since the start of the RD Contracts, even though this was the desired intent and structure of the current contracts. However, Idaho Falls Power is one of the few utilities that did develop and brought back resources to serve our tier one load. We've invested heavily and continue to pursue supply side resources instead of just relying on market or tier two power purchases.

Also included in the latest proposal is to no longer pay for non-federal transfer service for market purchases. It appears there is still consideration for actual generation resource ownership/development, which is good.

We ask that BPA give a CHWM adjustment credit to resources that were developed under the RD contract that reduced tier one load for those few customers that did. In the current proposal, Idaho Falls feels like we are being punished for resource development of our own. If you consider our proposed net-requirement reduction, it seems like an unintended consequence.

These resources we have brought to serve our load, reduce transfer costs and should be encouraged and given equitable treatment. We should not have our access to tier one power reduced for the next contract, especially since this energy is needed to serve unprecedented load growth in our area, post the COVID migration. Adding costs and access for transfer service on top of this appears overly punitive when you stack it all up. It would seem like there was no right choice for a transfer utility.

## Product design and offerings:

Idaho Falls Power is a slice/block customer, transfer customer, hydro owner/operator, wind owner/operator and is currently working on developing dispatchable peaking generation along with advanced nuclear. The main reason we are slice/block in the current contract is the integration cost of resources. Not all resources are created equal, like our run-of-river hydro units vs. intermittent resources like wind or solar. I appreciate thoughtful consideration of cost causation for resource integration rates post 2028.

We also are looking strongly at going to load following or block with shaping capacity. The current slice product, while it is the complexity that customers requested at the time, it is overly complex and costly to manage. BPA has expressed a desire to not have schedules moving around from slice customers as much as they do in order to take advantage of opportunities in EIM and better manage their portfolio. Organized market development offers opportunities for customers to dispatch/optimize their hourly load balance most economically. I encourage you to work with customers to design a block product that has the shaping needed, product simplification and gives BPA on behalf of its customers access to generation that is best optimized in bulk.

For example, I know the block with shaping was close to being a simpler and better fit for Idaho Falls if there was some shaping on light load hours. Locking in our schedules on day-ahead and allowing BPA to optimize and monetize this post day-ahead value for us is worth exploring, pending we have access to a market/source to balance our loads in real time.

I think there is a simpler approach that meets the needs of BPA and the customers, that also provides more value to everyone involved.

Regards,



Bear Prairie  
General Manager

cc. Chase Morgan, Power Supply – IFP  
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