



Provider of Choice Workshop

August 26, 2024

PROVIDER OF CHOICE

**POST
2028**



Agenda: Mon. August 26, 1- 4pm

Topic	Presenter(s)	Est'd Time
Welcome	Michelle Lichtenfels, Provider of Choice	1pm – 1:05pm
Slice Updates	Kim Thompson, Vice President, Northwest Requirements Marketing	1:05pm – 2:15pm
Peak Load Variance Service Updates	Kate Patton, Power Account Executive	2:30pm – 3:30pm
Upcoming Deadlines	Sarah Burczak, Provider of Choice	3:30pm – 3:45pm
Contract Development: Next Up	Michelle Lichtenfels, Provider of Choice	3:45pm – 4pm

Note: Times are approximate. There will be a mid-afternoon break about 2:30pm.

Workshop Norms & Expectations

- **Bonneville:** Provide open and inclusive opportunities for discussion and feedback.
- **Participants:** Provide feedback and share perspectives during workshops.
- **All:** Respect one another and assume good intentions. Bring a constructive mentality. Be solution-oriented. Identify “parking lot” items for distracting or off-topic issues.





Slice Update

Product Design

Product design:

- BPA will offer a Day-Ahead Slice product.
- See the core product design outlined in the July 8 workshop.



Threshold for Offer

Threshold for offer:

- No minimum threshold of participation required to offer a Slice product contract.
- Maximum threshold remains 25% of power sold at a Tier 1 rate.

Cost Assignment

Cost assignment:

- With no minimum threshold, BPA cannot be assured that offering the Slice product benefits all customers. Therefore, BPA intends to recover Slice-related costs from Slice customers.
- BPA is evaluating appropriate cost assignment approaches.



Changing Purchase Obligation

Changing purchase obligation (product switch):

- BPA is evaluating costs associated with product switches; the goal is to insulate customers from cost exposure as a result of others' choices.
- If participation goes to zero, then BPA will retire product.

Day-Ahead Market Settlement Methodology

Day-ahead market settlement methodology:

- BPA will develop contract language committing to revisit day-ahead market financial settlement methodology.



Next Steps



BPA will develop contract language and bring to workshops to discuss implementation specifics associated with these topics.



PLVS
(Posted separately)



Next Up

Progress + Planning

- Almost **20%** of the contract has been workshopped to-date on a section-by-section basis.
 - ★ Milestone: First informal “Draft Contract Template” release by end of October that incorporates all contract sections workshopped through that point in time.
- BPA is on track to release final contract templates for public comment in **March 2025** (4 week comment period).
- Currently planning several intensive public workshops for **January** and **February 2025** (pre-comment period) and **May 2025** (post-comment period) to iron out final contract language.
 - 3-day intensive sessions; in-person attendance strongly encouraged.

Contract Development Plans

Est'd progress towards Draft Contract Template(s):



Upcoming Contract Discussions

Sections queued for September include the following (subject to edits and additions):

- 3.3 Application of Dedicated Resources
- 3.6 Consumer-Owned Resources
- 3.5.2 Tier 1 Allowance Amount follow up
- 23.4 Priority of Pacific Northwest Customers
- 23.5 Prohibition on Resale
- 23.6 Use of Regional Resources
- 25 Termination
- 3.1 LF Purchase Obligation
- 3.1 Slice Purchase Obligation
- 3.1 Block Purchase Obligation
- 3.5 Changes to Dedicated Resources
- 5 Slice Product
- 8 Applicable Rates
- Ex. A Net Requirements and Resources
- Ex. K Annual Determination of Slice Percentage
- 13 Scheduling follow up
- 14 Delivery follow up
- 3.2 Take or Pay follow up

Next workshops:

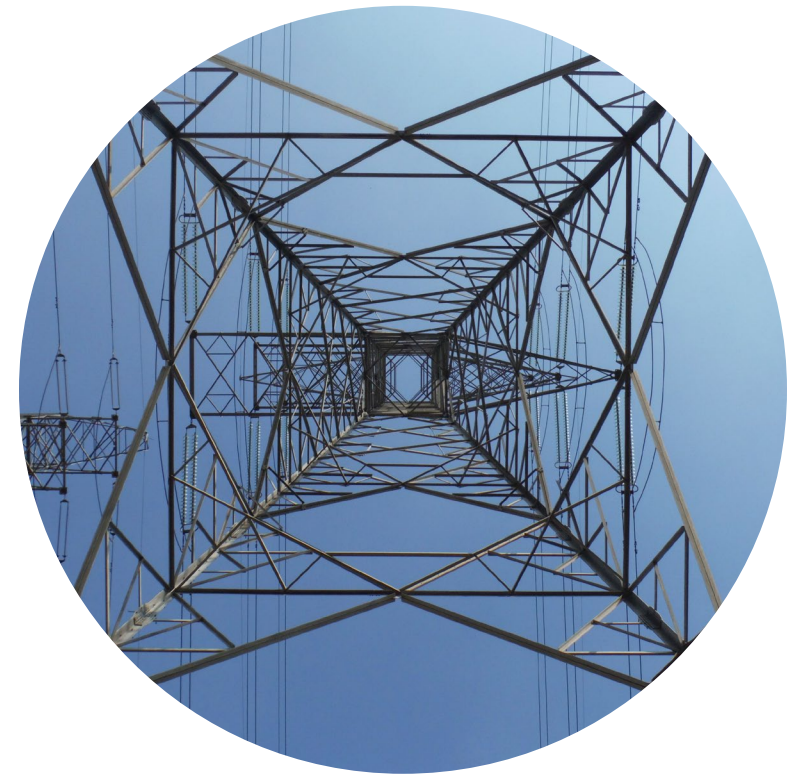
- Mon. Sept. 9, 1-4pm
- Tues. Sept. 17, 9am-4pm (hybrid)
- Wed. Sept. 18, 9am-4pm (Webex)

Any remaining policy implementation details will be covered during their related contract sections.

Comments

Feedback or comments?

- Send to post2028@bpa.gov





Thank you.

Find Us:

Email: post2028@bpa.gov

Web: [Provider of Choice - Bonneville Power Administration \(bpa.gov\)](https://www.bpa.gov)