

# Resource Adequacy Decision Process Meeting

November 1, 2022

1 p.m. to 4:00 p.m.

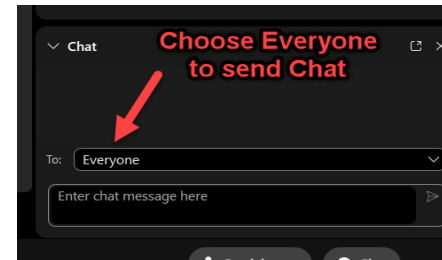
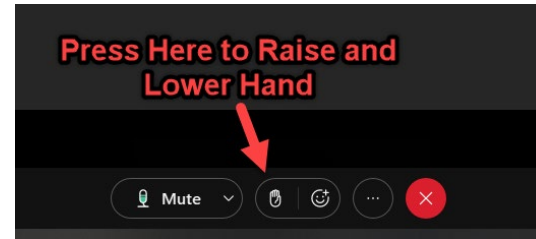


# Welcome to the Resource Adequacy Decision Process Meeting

*The meeting will begin momentarily*

## Meeting Participation and How to Ask Questions:

- After you join the WebEx Event, you will not be able to unmute yourself until the host recognizes and unmutes you.
- **To be recognized for asking a question:**
  1. Use the “Raise your Hand” option to signal you have a question
  2. Or use the Chat option to send a question request to “Everyone”
- When finished the Host will re-mute you. Please remember to re-mute and **lower your hand** when done speaking.
- **Participants on the phone:**
  1. ‘\*3’ to raise hand and lower hand



# Agenda

Time	Topic	Presenter
1:00 – 1:15 p.m.	Safety Moment and Introduction	Rachel Dibble
1:15 – 1:25 p.m.	WRAP Update	Russ Mantifel
1:25 – 1:35 p.m.	BPA's Customer Engagement and Decision Making	Russ Mantifel
1:35 – 1:50 p.m.	Forward Showing Data Submittal Update and Position Estimate	Steve Bellcoff
1:50 – 2:50 p.m.	Draft Closeout Letter	Russ Mantifel, Rahul Kukreti
2:50 – 3:05 p.m.	BREAK	
3:05 – 3:35 p.m.	Binding Season	Rahul Kukreti, Steve Bellcoff
3:35 – 3:55 p.m.	Consideration of Customer Feedback	Mai Truong
3:55 – 4:00 p.m.	Questions and Next Steps	Russ Mantifel

# Safety Moment and Introduction

Rachel Dibble



# Holiday Food Safety Tips

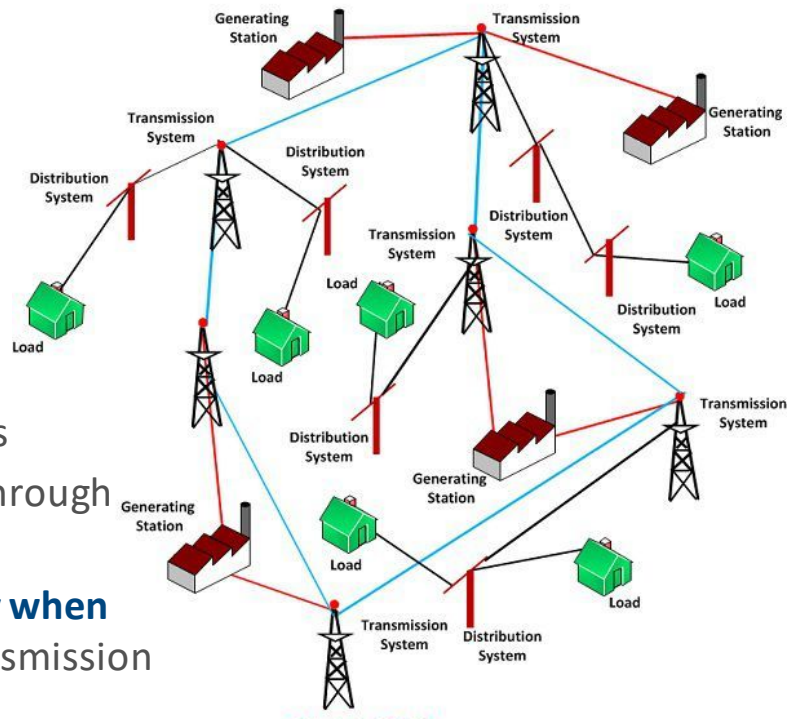
- Wash your hands frequently when handling food
- Keep raw meat away from fresh produce
- Use separate cutting boards, plate and utensils for uncooked and cooked meats to avoid cross-contamination
- Use a food thermometer to make sure meat is cooked to a safe temperature
- Refrigerate hot or cold leftover food within two hours of being served
- When storing turkey, cut the leftovers in small pieces so they will chill quickly
- Thanksgiving leftovers are safe for three to four days when properly refrigerated

# Introduction

- On Oct 19, 2022, BPA posted the Draft Closeout Letter with its proposed decision – participate in the binding phase
- Today is BPA's **final** public meeting for the agency's decision on whether to participate in the binding phase (3B) of the Western Resource Adequacy Program:
  - BPA will be sharing its evaluation based on its findings from Phase 3A participation
  - Opportunity for clarification on the Draft Closeout Letter

# Why is BPA Engaging in WRAP?

- **We don't operate as an island**
- **A regional Resource Adequacy program:**
  - Provides a clear, **uniform standard** with **accountability** and **commitment** from each participant to meet it
  - Puts **bounds around** how much **capacity BPA is responsible for providing**
  - Creates **transparency** of individual resource plans
  - Creates potential for **cost and resource savings** through **diversity benefits**
  - Provides an additional source to **purchase supply when deficit** or sell supply when surplus subject to transmission availability & system operational requirements



# WRAP Update

Russ Mantifel





# Western RA Program Updates

- Winter 2022-23 forward showing evaluation from program operator expected by Oct 27
- Summer 2023 forward showing evaluation from program operator expected by Nov 15
- WRAP hosted Participation Info Sessions on Oct 4 & 14
  - WRAP hosting a Q&A about Forward Showings on November 2

# Western RA Program Updates

- **Asking for commitment from participants by December 16, 2022**
  - If WPP has FERC approval, this will begin signing of the WRAP Participation Agreement (WRAPA)
  - WRAP needs to have a commitment to ensure funding for WPP and SPP to set up critical program components
- **WRAP engagement opportunities and more information**
  - See WPP website for information on the public webinars, approved task force proposals, video overviews and the latest WRAP updates @ <https://www.westernpowerpool.org/>
  - Contact [wrap@westernpowerpool.org](mailto:wrap@westernpowerpool.org) to be added to WRAP mailing list

# CURRENT PHASE ACTIVITIES

PO collected data from participants

Design refinement and public webinars

PO running LOLE/ELCC models – *draft results to participants*

Showing for Winter 2022-2023 Non-Binding season

Showing for Summer 2023 Non-Binding season

Asking for sign ups in late 2022 for transition to Binding program

Oct 2021

We are here

Dec 2022

1/23 Requested effective date for WRAP implementation

Design refinements led into tariff drafting

Participant review of tariff in Spring

Draft tariff out for public review and webinar

Filed with FERC August 31

Asking for FERC order prior to sign-up window

PO = Program Operator  
 LOLE = Loss of Load Expectation  
 ELCC = Expected Load Carrying Capacity

# TRANSITION TIMELINE

## Non-Binding Forward Showing

Winter 22-23, Summer 23, Winter 23-24, Summer 24, Winter 24-25

## Transition Seasons (Ops and FS)

Summer 25, Winter 25-26, Summer 26, Winter 26-27, Summer 27, Winter 27-28



## Non-Binding Operations Program

Summer 23 (trial – will include testing scenarios), Winter 23-24, Summer 24, Winter 24-25

## Binding Program Without Transition Provisions

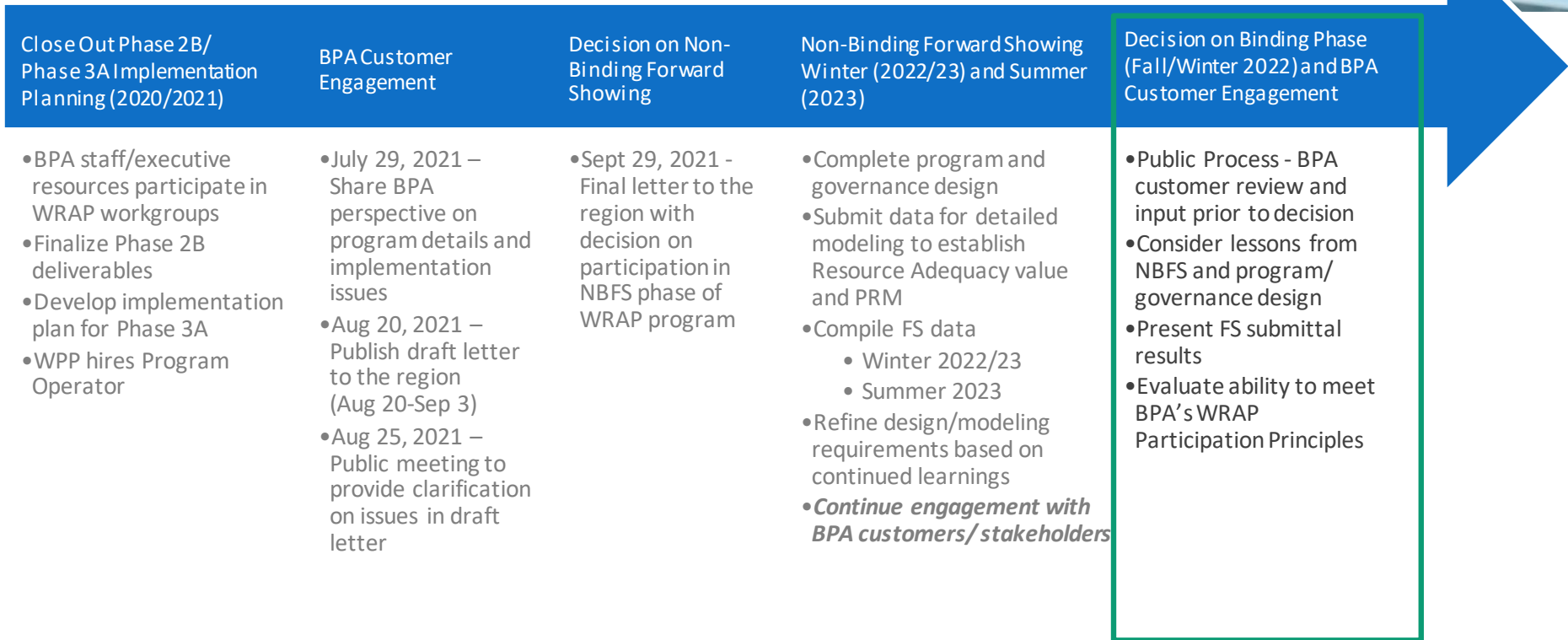
Summer 28 and all seasons following

# **BPA's Customer Engagement and Decision Making**

Russ Mantifel



# BPA Milestones – 3B Decision

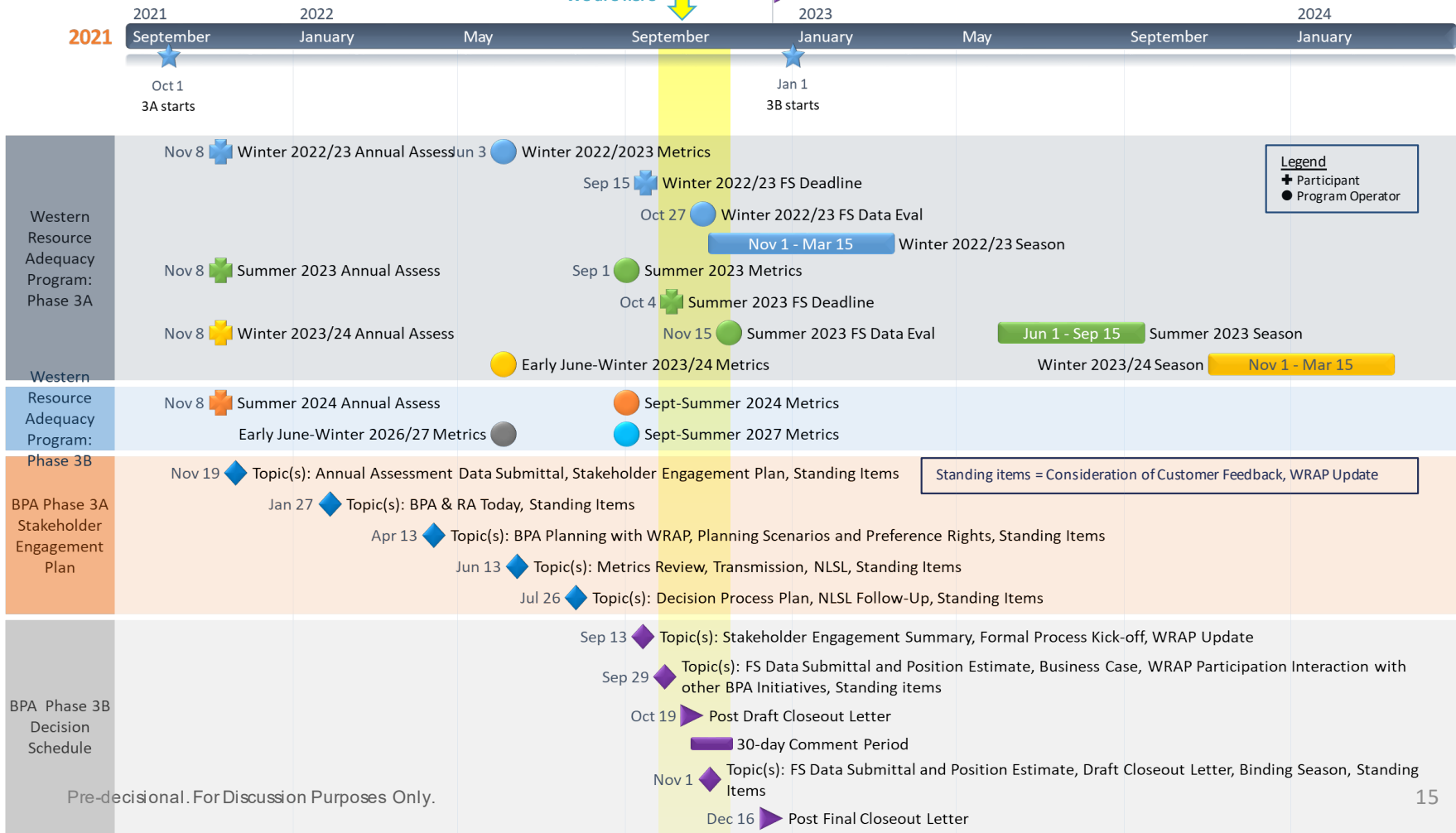


# Tentative BPA Phase 3A Stakeholder Engagement Schedule – as of 10/31/2022

Schedule is based on WRAP timelines and is subject to change

We are here ↓

▶ Dec - BPA Phase 3B Decision

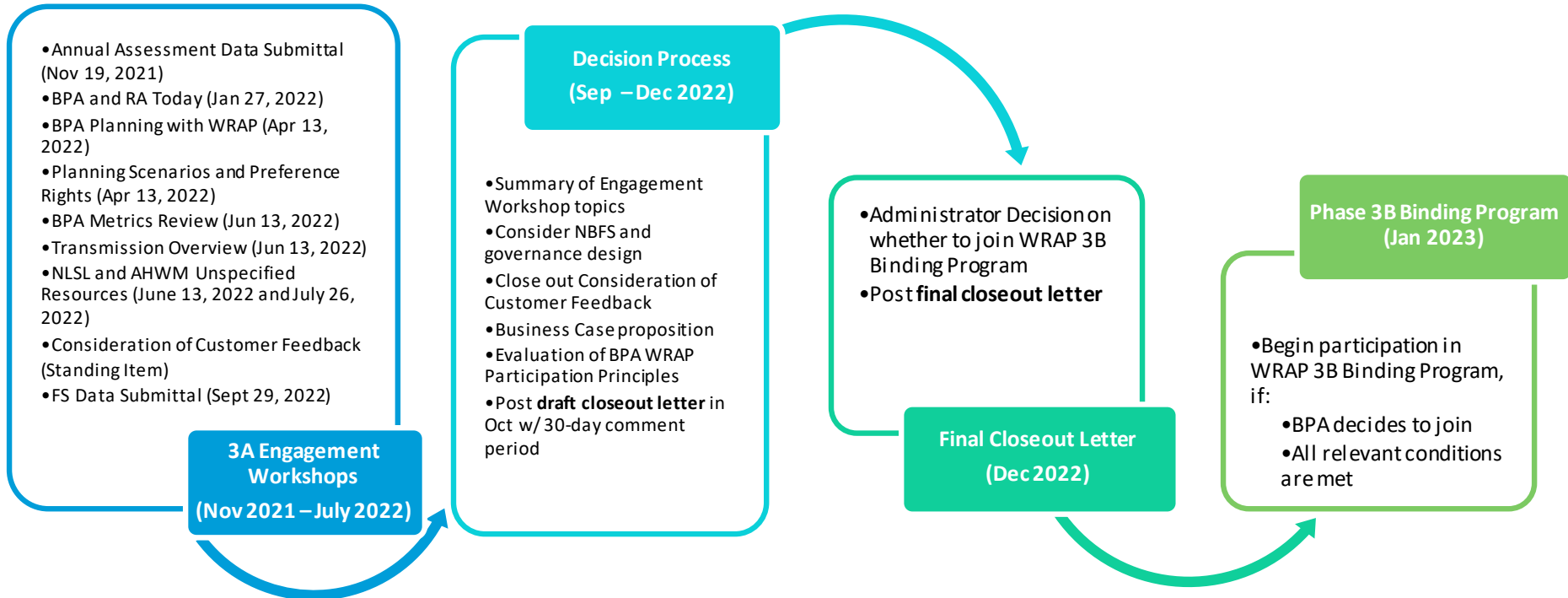


**Legend**  
 + Participant  
 ● Program Operator

Standing items = Consideration of Customer Feedback, WRAP Update

Pre-decisional. For Discussion Purposes Only.

# From Phase 3A Engagement to Decision Process





# Decisions

- **Should BPA join the WRAP Phase 3B, binding program?**
  - Proposed to join in Draft Closeout Letter
- **If yes, which binding season should BPA select?**
  - Today, BPA is sharing its leaning

# Participation Principles for Binding Program

1. BPA's participation is consistent with its statutory, regulatory and contractual obligations.
2. BPA will maintain reliable delivery of power and transmission to its customers.
3. BPA's participation is consistent with a sound business rationale.
4. BPA's participation is consistent with the objectives of Bonneville's Strategic Plan.
5. BPA's evaluation of WRAP participation includes transparent consideration of the commercial and operational impacts on its products and services.

# FS Data Submittal and Position Estimate

Steve Bellcoff



# Winter 2022/23



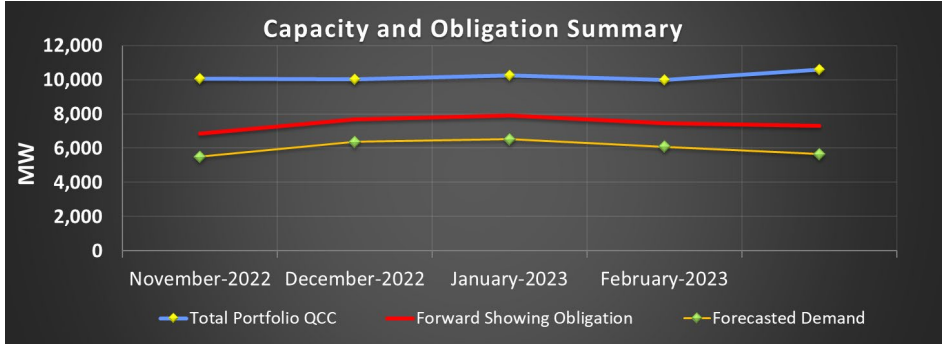
# Winter 2022/23 Forward Showing

- Data Submittal Completed September 15, 2022
- Single Workbook
- BPA did not file for any exemptions
  - Resource/Contract or Transmission
- Coordinated with other participants to align forecast among submittals (Slice customers, Powerex, PSE, PGE)
- **BPA Position:** Surplus Resource Capability and greater than 75% firm transmission reservations (pending validation by Program Operator)

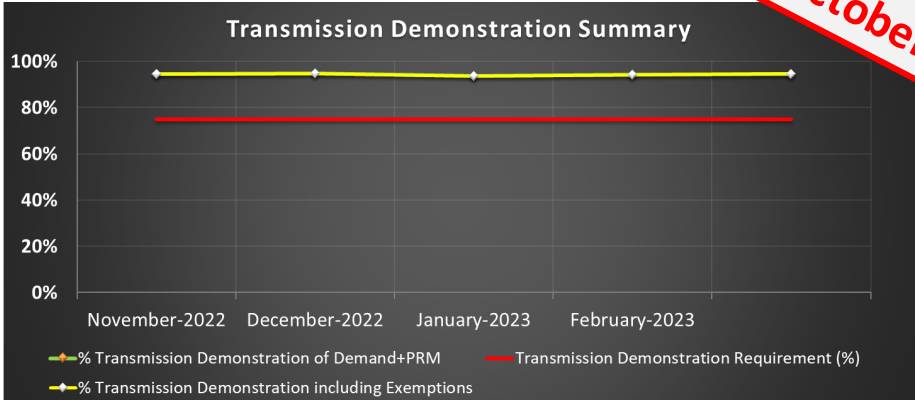
Originally  
Presented on  
September 29th

# Winter 2022/23 Forward Showing

Results yet to be validated



Updated on October 18th



# Forward Showing Results

**Results yet to be validated**

## Capacity Summary

	Season	November-2022	December-2022	January-2023	February-2023	March-2023
Resources	Winter	17,220.2	17,369.2	17,692.3	17,211.2	17,768.7
Contract Purchases	Winter	335.0	385.0	410.0	360.0	335.0
Contract Sales	Winter	7,494.5	7,734.3	7,856.0	7,574.5	7,527.6
RA Transfer Purchases	Winter	0.0	0.0	0.0	0.0	0.0
RA Transfer Sales	Winter	0.0	0.0	0.0	0.0	0.0
Additional Planned Outages	Winter	0.0	0.0	0.0	0.0	0.0
<b>Total Portfolio QCC</b>	Winter	<b>10,060.8</b>	<b>10,019.8</b>	<b>10,246.4</b>	<b>9,996.7</b>	<b>10,576.1</b>

## Peak Demand Summary

	Season	November-2022	December-2022	January-2023	February-2023	March-2023
Forecasted Demand	Winter	5,504.0	6,373.8	6,514.3	6,090.5	5,642.1
Demand Response (DR) Programs	Winter	0.0	0.0	0.0	0.0	0.0

# Forward Showing Results

Results yet to be validated

Transmission Demonstration Summary						
	Season	November-2022	December-2022	January-2023	February-2023	March-2023
Peak Demand - DR Programs + PRM	Winter	6,692.9	7,502.0	7,752.0	7,302.5	7,159.9
Transmission Demonstrated (Completed Paths)	Winter	6,325.5	7,107.4	7,262.3	6,884.1	6,778.7
Transmission Exemptions Requested	Winter	0.0	0.0	0.0	0.0	0.0
% Transmission Demonstration of Demand+PRM	Winter	94.5%	94.7%	93.7%	94.3%	94.7%
% Transmission Demonstration including Exemption	Winter	94.5%	94.7%	93.7%	94.3%	94.7%
Transmission Demonstration Requirement (%)	Winter	75.0%	75.0%	75.0%	75.0%	75.0%
Transmission Requirement Met (75%)	Winter	Yes	Yes	Yes	Yes	Yes



# Forward Showing Results

Results yet to be validated

Requirements Summary						
	Season	November-2022	December-2022	January-2023	February-2023	March-2023
Program Monthly PRM	Winter	21.6%	17.7%	19.0%	19.9%	26.9%
Peak Demand - DR Programs + PRM	Winter	6,692.9	7,502.0	7,752.0	7,302.5	7,159.9
Operating Reserves Adjustment	Winter	153.8	159.5	162.4	155.5	154.8
Forward Showing Obligation	Winter	6,846.7	7,661.5	7,914.5	7,458.0	7,314.7
Surplus/Deficient Capacity	Winter	3,214.1	2,358.4	2,331.9	2,538.7	3,261.4
Forward Showing Requirement Met	Winter	Yes	Yes	Yes	Yes	Yes

# Summer 2023

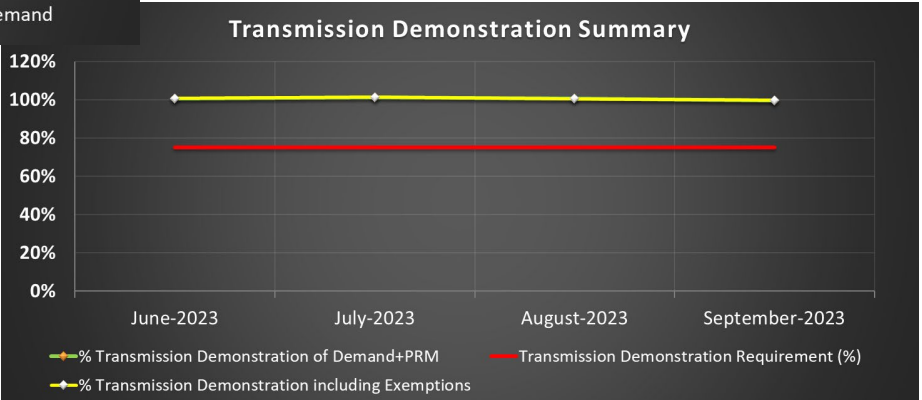
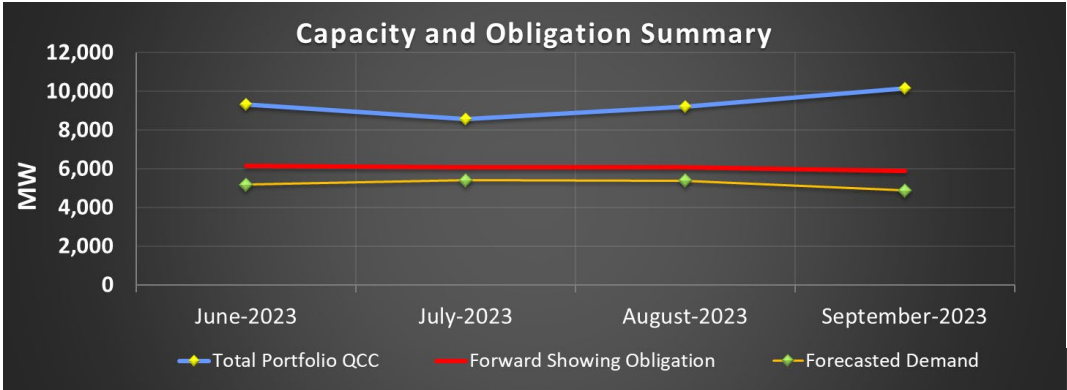


# Summer 2023 Forward Showing

- Data Submittal Completed October 4, 2022
- Single Workbook
- BPA did not file for any exemptions
  - Resource/Contract or Transmission
- Coordinated with other participants to align forecast among submittals (Slice customers, Powerex, PSE, PGE)
- **WRAP BPA Position:** Satisfies Resource Capability and greater than 75% firm transmission reservations (pending validation by Program Operator)

# Summer 2023 Forward Showing

Results yet to be validated



# Forward Showing Results

**Results yet to be validated**

<b>Capacity Summary</b>					
	<b>Season</b>	<b>June-2023</b>	<b>July-2023</b>	<b>August-2023</b>	<b>September-2023</b>
<b>Resources</b>	Summer	15,167.7	14,688.4	15,549.6	17,439.8
<b>Contract Purchases</b>	Summer	235.0	235.0	235.0	260.0
<b>Contract Sales</b>	Summer	6,095.6	6,360.9	6,571.7	7,566.6
<b>RA Transfer Purchases</b>	Summer	0.0	0.0	0.0	0.0
<b>RA Transfer Sales</b>	Summer	0.0	0.0	0.0	0.0
<b>Additional Planned Outages</b>	Summer	0.0	0.0	0.0	0.0
<b>Total Portfolio QCC</b>	Summer	9,307.1	8,562.5	9,212.9	10,133.1

<b>Peak Demand Summary</b>					
	<b>Season</b>	<b>June-2023</b>	<b>July-2023</b>	<b>August-2023</b>	<b>September-2023</b>
<b>Forecasted Demand</b>	Summer	5,112.5	5,346.5	5,257.4	4,769.7
<b>Demand Response (DR) Programs</b>	Summer	0.0	0.0	0.0	0.0

# Forward Showing Results

Results yet to be validated

Transmission Demonstration Summary					
	Season	June-2023	July-2023	August-2023	September-2023
Peak Demand - DR Programs + PRM	Summer	5,956.0	5,902.5	5,798.9	5,623.5
Transmission Demonstrated (Completed Paths)	Summer	5,969.3	5,928.5	5,856.1	5,584.3
Transmission Exemptions Requested	Summer	0.0	0.0	0.0	0.0
% Transmission Demonstration of Demand+PRM	Summer	100.2%	100.4%	101.0%	99.3%
% Transmission Demonstration including Exemption	Summer	100.2%	100.4%	101.0%	99.3%
Transmission Demonstration Requirement (%)	Summer	75.0%	75.0%	75.0%	75.0%
Transmission Requirement Met (75%)	Summer	Yes	Yes	Yes	Yes

# Forward Showing Results

**Results yet to be validated**

<b>Requirements Summary</b>					
	<b>Season</b>	<b>June-2023</b>	<b>July-2023</b>	<b>August-2023</b>	<b>September-2023</b>
<b>Program Monthly PRM</b>	Summer	16.5%	10.4%	10.3%	17.9%
<b>Peak Demand - DR Programs + PRM</b>	Summer	5,956.0	5,902.5	5,798.9	5,623.5
<b>Operating Reserves Adjustment</b>	Summer	114.9	122.3	127.4	158.3
<b>Forward Showing Obligation</b>	Summer	6,070.9	6,024.8	5,926.2	5,781.7
<b>Surplus/Deficient Capacity</b>	Summer	3,236.2	2,537.7	3,286.7	4,351.4
<b>Forward Showing Requirement Met</b>	Summer	Yes	Yes	Yes	Yes

# Storage Hydro Resources - QCC

Forward Showing Submittal

Facility Name	Generation Type	June-2023	July-2023	August-2023	September-2023
Libby (LIB)	Hydro	584.3	589.3	413.8	415.2
Albeni Falls (ALF)	Hydro	35.3	33.6	38.3	38.7
Hungry Horse (HGH)	Hydro	304.3	303.5	303.5	303.5
Grand Coulee (GCL)	Hydro	5,163.7	5,247.8	5,964.7	6,086.3
Chief Joseph (CHJ)	Hydro	2,271.4	2,318.0	2,267.9	2,143.6
Dworshak (DWR)	Hydro	443.1	442.3	440.7	439.5
Lower Granite(LWG)	Hydro	298.7	278.7	212.2	512.0
Little Goose(LGS)	Hydro	290.8	287.5	295.6	575.6
Lower Monumental(LMN)	Hydro	248.9	287.5	146.4	243.3
Ice Harbor(IHR)	Hydro	229.0	287.5	171.9	446.7
McNary(MCN)	Hydro	595.5	287.5	571.4	738.6
John Day (JDA)	Hydro	1,325.7	287.5	1,364.8	1,652.1
The Dalles (TDA)	Hydro	850.3	287.5	848.8	1,315.1
Bonneville(BON)	Hydro	658.1	287.5	698.6	764.6
Detroit (DET)	Hydro	91.7	287.5	90.9	110.1
Green Peter (GPR)	Hydro	90.1	287.5	74.3	73.3
Foster (FOS)	Hydro	8.5	287.5	23.6	23.5
Cougar (CGR)	Hydro	27.9	287.5	27.9	27.8
Lookout Point (LOP)	Hydro	118.5	287.5	101.0	96.8
Hills Creek (HCR)	Hydro	28.0	287.5	34.0	33.9
Lost Creek (LOS)	Hydro	55.4	287.5	55.4	55.0



# Run of River Resources - QCC

Forward Showing Submittal

Facility Name	Generation Type	June-2023	July-2023	August-2023	September-2023
Anderson Ranch	Hydro - Run Of River	12.0	10.5	8.2	7.9
Big Cliff	Hydro - Run Of River	6.3	5.5	4.3	4.1
Black Canyon	Hydro - Run Of River	8.7	8.5	8.3	4.6
Boise Diversion	Hydro - Run Of River	2.6	2.4	2.3	1.8
Chandler	Hydro - Run Of River	2.2	2.3	2.6	2.2
Cowlitz Falls	Hydro - Run Of River	23.7	17.4	7.7	5.2
Dexter	Hydro - Run Of River	5.1	4.5	3.5	3.4
Dworshak Hatchery	Hydro - Run Of River	1.6	1.4	1.1	1.1
Green Spring	Hydro - Run Of River	9.8	10.8	9.4	7.9
Minidoka	Hydro - Run Of River	18.7	15.5	15.8	14.6
Palisades	Hydro - Run Of River	102.5	106.3	98.1	73.2
Roza	Hydro - Run Of River	7.7	6.3	7.6	5.8

# VER Resources- QCC

Forward  
Showing  
Submittal

Facility Name	Generation Type	June-2023	July-2023	August-2023	September-2023
Klondike	Wind	26.0	32.2	26.4	14.6
Stateline	Wind	16.7	17.1	15.0	15.9

# Thermal Resources - QCC

Forward Showing Submittal

Facility Name	Generation Type	June-2023	July-2023	August-2023	September-2023
Columbia Generation Station_1	Nuclear	1,131.0	1,131.0	1,131.0	1,131.0

# Thermal Resources - QCC

Forward Showing Submittal

Facility Name	Generation Type	June-2023	July-2023	August-2023	September-2023
Columbia Generation Station_1	Nuclear	1,131.0	1,131.0	1,131.0	1,131.0

# Lessons Learned To-Date



# Lessons Learned

- **Forward Showing Data Submittals (Winter 2022/23 & Summer 2023)**
  - Many aspects of FS Submittals still need clarification in Business Process Manuals
  - Mapping transmission, from resource to load, in WRAP reporting requires a lot of time and work
  - Data submittal as a single workbook (LRE) or as two workbooks (Mid-C and SWEDE) requires many more details to be worked out and defined in Business Process Manuals

# Draft Closeout Letter

Russ Mantifel

Rahul Kukreti



# Draft Closeout Letter

- On Oct 19, 2022, BPA posted the Draft Closeout Letter with its proposed decision – participate subject to the following conditions:
  1. the WRAP Tariff that WPP filed with the Commission is accepted by the Commission without modification that materially changes the WRAP Tariff in a way unacceptable to Bonneville; and
  2. a non-conforming participation agreement that is acceptable to Bonneville is filed and accepted by the Commission
- If these two conditions do not occur Bonneville would need to reconsider its participation.



# Draft Closeout Letter Outline

- **Part I** provides **background** on the need for a regional program to address resource adequacy challenges.
- **Part II** offers an **overview of WRAP**, including Forward Showing and Operations Programs, WRAP's governance, deficiency, and delivery failure charges, and the program's tools for addressing uncertainty.
- **Part III** discusses the **earlier phases of the WRAP** initiative, including development of the program design and the administration of the non-binding Forward Showing Program.
- **Part IV** lays out **Bonneville's decision process** roadmap.
- **Part V** discusses **Bonneville's business case** for participation.
- **Part VI** addresses **WRAP's "transition period"** and Bonneville's consideration of which season to elect for binding participation.
- **Part VII** explains Bonneville's expectations regarding the development and filing of a **non-conforming participation agreement** to address its needs as a federal entity.
- **Part VIII** analyzes Bonneville's participation decision as applied to its **participation principles**.
- **Part IX** summarizes key **environmental considerations**.
- **Part X** explains program tools that **mitigate risk** of uncertainty and conditions that would apply to Bonneville's final decision.
- **Part XI** provides a **conclusion** statement.

# Non-conforming Agreement

- **BPA and WPP are currently working on BPA's non-conforming agreement.**
  - The discussion in Draft Closeout Letter of BPA's need for a non-conforming agreement is consistent with what BPA has shared publicly in past workshops or decision meetings about areas BPA is seeking to address in its non-conforming agreement.
  - BPA is working with WPP to develop solutions that could be put in place to help assure BPA can meet its preference obligations, some may be included in business practices, others may be between BPA and preference customers.
- **WPP will file the non-conforming agreement with FERC.**
- **BPA will work with the WPP as needed to address any delays related to the timing of the filing and acceptance of the filed non-conforming agreement.**

# Opportunity for Clarification

## Questions?

# Draft Closeout Letter

- Welcome feedback on the Draft Closeout Letter @ [www.bpa.gov/comment](https://www.bpa.gov/comment) by November 17, 2022.
- Seeking comments specifically on:
  - Proposed decision
  - Considerations for binding season election
- After comments are reviewed, BPA will make a final decision in its Final Closeout Letter by December 16, 2022.

**BREAK**



# Binding Season

Rahul Kukreti

Steve Bellcoff



# Transition Plan – Binding Season Election

- BPA's binding season decision will be based on a combination of:
  - Access provided through the program
  - Season of entry with known potential benefits
- BPA's binding season election will be made in the Final Closeout Letter in December 2022.

# Transition Plan Background

- The Transition Plan is important for the WRAP's ability to maintain participation, remain viable, and ensure value to the region. The plan addresses participant concerns such as:
  - Market liquidity for RA quality resources,
  - Treatment of existing power purchase agreements without identified or inferred sources, and
  - Concerns about ability to contract for (or build) the required amount of RA quality resources in the necessary timeframe.
  - Phasing in program requirements and penalty charges



# Transition Plan Background

- **Non-binding participants will have the ability to:**
  - Participate as a member of RA Participant Committee (RAPC), including voting and committee participation;
  - Turn in and receive feedback on a non-binding Forward Showing (FS) Workbook; and
  - Potentially receive any voluntarily offered holdback capacity in the Operational Program not otherwise used by binding participants
- **Non-binding participants will not be included in modeling for the PRM; they will use metrics derived from modeling of binding participants as a proxy for non-binding workbooks.**

# Binding Program Timeline

Phase 3B begins  
(Jan. 1, 2023  
through June 1,  
2025)

- Participate in **non-binding** seasons for FS and Operations program
- All participants fund program, follow tariff and participation agreement, and participate in WRAP forums

Transition period  
(Summer 2025 -  
Winter  
2027/2028)

- Participants either participate in binding season they elect or are non-binding participants
- Participants can utilize Excused Transition Deficits (ETD) to **reduce capacity requirements or penalty charges for Forward Showing** and include capacity from legacy agreements in Forward Showing submittals
- Binding participants have priority access to capacity in operating program
- All participants fund program, follow tariff and participation agreement, participate in WRAP forums

Full binding  
program begins  
(Summer 2028)

- Participate in **binding** FS and Operations program
- All requirements and penalties/charges applicable
- Equal access to participants in program to capacity in operating program
- All participants fund program, follow tariff and participation agreement, participate in WRAP forums

# Binding Season Election

Season*	Start of season
Summer 2025	June 1, 2025
Winter 2025-2026	November 1, 2025
Summer 2026	June 1, 2026
Winter 2026-2027	November 1, 2026
Summer 2027	June 1, 2027
Winter 2027-2028	November 1, 2027
Summer 2028	June 1, 2028

\* Participants may provide 2 years notice (before the start of the season) to change their election

# Transition Plan – WRAP Mitigation Tools

- Transition plan includes options to help participants manage meeting program requirements or reduce any charges participants incur
- Modify election with two years notice
- Excused Transition Deficits (ETDs) to reduce capacity requirements or FS CONE charges
- Legacy Agreement (executed before Oct 1, 2021) allowance of capacity (up to 25% of PRM)
- Additionally, there are other tools (not limited to transition period) such as exceptions to the Transmission demonstration requirement in FS

# BPA Binding Season Considerations

- Potential for incurring WRAP charges (CONE charges in the Forward Showing Program and delivery failure charges in the Operations Program)
- Ability to access diversity benefits
- Knowledge and experience from program participation:
  - Experience in the Phase 3A non-binding forward showing seasons
  - Engagement in proposed task forces and governance committees to propose, evaluate, and vote on specific implementation details to be documented in WRAP business practice manuals.
  - Recognition of uncertainty in the full implementation details for the binding Forward Showing and Operations Programs.
- Impact on ability to join emerging regional markets
- Ability to mitigate risk built into WRAP Transition Plan and WRAP Tariff:
  - Option to modify first binding season with two years' notice
  - Options to reduce penalty and compliance requirements using ETDs or reductions for legacy agreements

# Challenges for the Transition Period

- Availability of transmission between loads in SWEDE region and the FCRPS create risks BPA may incur costs in Forward Showing
- Uncertainty in details and requirements for Operations Program
- Identifying and implementing internal BPA system updates and/or business processes necessary to support participation in the binding program
- Alignment with timing for joining emerging regional markets

# BPA Strategy to Address Transition Challenges

- BPA may be able to **acquire resources** to meet WRAP physical resource requirements
- **Acquire firm transmission** or **use transmission exceptions** to meet Forward Showing requirement
- Reduce Forward Showing capacity requirements using **ETDs**
- Apply **legacy agreement allowance**
- Explore solutions (working with participants facing similar challenges) to include in the **Business Practice Manual** development
- Move back or forward BPA's **binding season election** with two years' notice
- **Gain additional experience** in the program to understand and evaluate program options

# BPA's Leaning for Binding Season Election

- BPA is leaning towards electing a later season – between Summer 2027 and Summer 2028 (first mandatory binding season after the transition period)
  - Provide the most time (up to five years) for BPA to track progress in resolving identified challenges (such as solutions for addressing transmission for transfer loads in the SWEDE region)
- BPA would participate as a non-binding participant, including development and engagement in the binding program:
  - Participate in WRAP committees (e.g., vote in RAPC on Business Practice Manuals)
  - Submit non-binding FS Workbooks and complete Operation Program trials
  - Participate in binding Operations Program by offering capacity if available and/or receive voluntarily offered holdback capacity not otherwise used by binding participants without risk of being called on by the program
  - Use WRAP metrics derived from modeling of binding participants as a proxy for BPA's non-binding workbooks submittals
- Allow time for alignment with other BPA initiatives
- BPA would have the ability to move up its binding season as necessary if identified challenges are met



# Feedback on Leaning for Binding Season Election

- BPA will include its decision on the binding season election in the Final Closeout Letter that will be issued by December 16, 2022
- BPA is asking for feedback on the staff leaning to be included in comments submitted on the Draft Closeout Letter (due November 17) @ [www.bpa.gov/comment](https://www.bpa.gov/comment)

# Consideration of Customer Feedback

Mai Truong



# Addressing Phase 3A Letter Commitments

- BPA is fulfilling its commitment to work with customers and stakeholders made in the Phase 3A Letter to the Region
- Managing a “WRAP Public Considerations” tracking spreadsheet (posted on the BPA Resource Adequacy webpage) to resolve the open questions and key considerations in order for BPA to make a well-informed decision on participation in Phase 3B

# Considerations Tracking Update

- **Status:**
  - 109 questions and considerations to-date (November 2022)
  - 105 questions and considerations resolved to-date (November 2022)
  - There may still be outstanding items at the time BPA's final decision is made
- **BPA will be addressing items identified for resolution at today's public meeting. Category themes:**
  - Program Impacts
  - Decision Process
  - BPA Products and Services

# Guide to Reading These Slides

Theme	BPA Response
<ul style="list-style-type: none"> <li>• High level or summarized themes BPA captured from comments/feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• BPA’s response to themes or specific comments.</li> <li>• May have a single response for multiple comments.</li> </ul>
<ul style="list-style-type: none"> <li>• May include specific comments as beneficial to the conversation.</li> </ul>	

Indicates the specific comment IDs being addressed for the topic, as captured in the considerations tracking spreadsheet

Q/C#: 2, 3, 5, etc.

# Guide to Reading These Slides

## Considerations Tracking Sheet Example

ID#	Submitter	Topic/Theme	Question/Consideration
2	AMTC	Logistics	Proposed timing of 3B decision and implementation is to flesh out rate impacts/cost allocation
3	AMTC	Logistics	BPA should commit to potentially conducting a mini period prior to issuing a final decision on Phase 3B p All initial program costs and benefits should accrue ... may be the appropriate place in the near term.
5	NRG	Cost Allocation/Rates	LF customers only ... at 90%

Q/C#: 2, 3, 5, etc.

# Program Impacts

Theme	BPA Response
<p>Request for BPA to clarify its thinking if BPA is considering limits, given NLSL determinations are made annually, to a customer's ability to make new elections each forward showing season and what those limits may be.</p>	<p>The WRAP load exclusion process will be detailed in WRAP Business Process Manuals, BPA does not propose limiting the ability for load exclusion from the WRAP as long as the exclusion meets the program requirements and is the specific and metered load that a BPA customer has load service responsibility for.</p>

# Decision Process

Theme	BPA Response
<p>What are the risks (operational, cost exposure, regulatory, legal) of BPA’s participation and how will BPA mitigate them? What are the risks of not participating?</p>	<p>In the Draft Closeout Letter released on October 19, 2022, BPA described the various risks with participation in WRAP throughout the letter.</p> <ul style="list-style-type: none"> <li>• Part II offers an overview of WRAP, including Forward Showing and Operations Programs, WRAP’s governance, deficiency, and delivery failure charges, and the program’s tools for addressing uncertainty.</li> <li>• Part V discusses Bonneville’s business case for participation which includes the operational risks and cost exposures with the Forward Showing and Operations program.</li> <li>• Part VII explains Bonneville’s expectations regarding the development and filing of a non-conforming participation agreement to address its needs as a federal entity.</li> <li>• Part VIII analyzes Bonneville’s participation decision as applied to its participation principles.</li> <li>• Part X explains program tools that mitigate risk of uncertainty and conditions that would apply to Bonneville’s final decision.</li> </ul> <p>The letter also describes the risk of not participating:</p> <ul style="list-style-type: none"> <li>• Bonneville currently relies on the spot market to cover some of its planning uncertainties. There is an increasing risk that the spot market will not continue to provide enough market depth to meet these uncertainties.</li> <li>• WRAP is likely to proceed with or without Bonneville’s participation. If Bonneville makes the decision not to participate, resource adequacy challenges will continue to persist without the ability to access the potential diversity benefits the WRAP offers.</li> </ul> <p>In addition, as a standing item for engagement workshops and the decision process meetings, it has been designed and implemented to account for evaluation of WRAP risks and benefits through the process.</p>

Q/C#: 12



# Decision Process

Theme	BPA Response
<p>Encourage BPA to develop its analysis [for the formal decision] with consideration of at least two timeframes: (1) the benefits and risks to customers during the Regional Dialogue contract term, and (2) the benefits and risks to customers thereafter. This analysis will permit BPA's customers like UEC to make informed decisions regarding the participation of the loads they serve currently, and in the future.</p>	<p>Thank you for the consideration. As described in the Draft Closeout Letter released on October 19, 2022, WRAP is a new program, aspects of the program remain untested, and participants have to deal with a number of unknowns as they consider transitioning to participation in this regional program. BPA's evaluation to participate in the binding phase of WRAP is based on information available and known uncertainties at the time the letter was drafted. If BPA decides to participate in WRAP, BPA will continue to evaluate the benefits and risks for BPA and its customers as part of its participation. WRAP provides a two-year notice for withdrawal, which allows BPA to exit the program if the program became incompatible with the needs of BPA and its customers.</p>

# BPA Products and Services

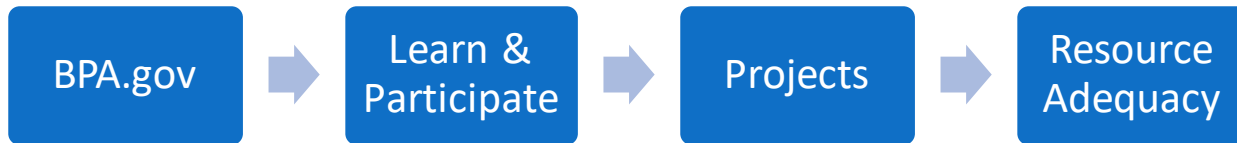
Theme	BPA Response
<p>Seek further discussion around how customers may exclude NLSL and treat PF-served portion separately when the customer has grandfathered PF-serving load and NLSL at the same site</p> <p>Follow-up: If a consumer load meets the exclusion requirements under WRAP, but their load does not meet the NLSL designation by BPA, would BPA prevent them from requesting the exclusion for the load?</p>	<p>BPA’s understanding of the question is to seek clarification about grandfathered PF-served load which is NLSL that is under 10MW (or the grandfather share of NLSL) and served as PF load by Bonneville.</p> <p>Basic WRAP principle of load exclusion eligibility: 1) Single discrete load, 2) load not server primarily by LRE (in this case BPA).</p> <p>The WRAP load exclusion process allows for the mutual agreed to exclusion of the load not served by the LRE/BPA. We recognize that when a load is defined as an NLSL, that both BPA and the LF customer may have responsibility for shares of the associated overall load service. Under the programs exclusion process only that share of load not served by BPA is eligible for WRAP load exclusion, any load served by BPA/LRE may not be excluded from WRAP.</p>

# QUESTIONS?



# Next Steps

- Please submit your feedback on the Draft Closeout Letter @ [www.bpa.gov/comments](http://www.bpa.gov/comments) by November 17, 2022
- Post Final Closeout Letter on BPA RA webpage by December 16, 2022
- More information on BPA's participation in the Western Resource Adequacy Program can be found on the [BPA RA webpage](#):



# APPENDIX



# List of Acronyms

Acronym	Description	Acronym	Description
<b>AHWM</b>	Above High Water Mark	<b>NT</b>	Network Integration Transmission Service
<b>ATC</b>	Available Transfer Capability	<b>OATT</b>	Open Access Transmission Tariff
<b>BA</b>	Balancing Authority	<b>OPS</b>	Operations
<b>BAA</b>	Balancing Authority Area	<b>PCM</b>	Preemption and Competition Module
<b>BPM</b>	Business Practice Manual	<b>PO</b>	Program Operator
<b>CONE</b>	Cost of New Entry	<b>PRM</b>	Planning Reserve Margin
<b>ELCC</b>	Effective Load Carrying Capability	<b>PTP</b>	Point-to-Point Transmission Service
<b>EIM</b>	Energy Imbalance Market	<b>QCC</b>	Qualifying Capacity Contribution
<b>FERC</b>	Federal Electric Regulatory Commission	<b>RA</b>	Resource Adequacy
<b>FS</b>	Forward Showing	<b>RD</b>	Regional Dialogue
<b>HLH</b>	Heavy Load Hour	<b>RFO</b>	Request for Offer
<b>LLH</b>	Light Load Hour	<b>ROR</b>	Run of River
<b>L&amp;R</b>	Load and Resource	<b>TRL</b>	Total Retail Load
<b>LF</b>	Load Following	<b>TX</b>	Transmission
<b>LOLE</b>	Loss of Load Expectation	<b>UAI</b>	Unauthorized Increase Charge
<b>LRE</b>	Load Responsible Entity	<b>UCAP</b>	Unforced Capacity
<b>LSE</b>	Load Serving Entity	<b>VER</b>	Variable Energy Resource
<b>NLSL</b>	New Large Single Load	<b>WPP</b>	Western Power Pool
<b>NERC</b>	North American Electric Reliability Corporation	<b>WRAP</b>	Western Resource Adequacy Program

# Phase 3A Engagement Summary

- Annual Assessment Data Submittal ([Nov 19, 2021](#))
- BPA & RA Today ([Jan 27, 2022](#))
- BPA Planning with WRAP ([Apr 13, 2022](#))
- Planning Scenarios and Preference Rights ([Apr 13, 2022](#))
- Transmission Overview ([June 13, 2022](#))
- BPA Metrics Review ([June 13, 2022](#))
- NLSL and AHWM Unspecified Resources ([June 13, 2022](#) and [July 26, 2022](#))
- Decision Process Plan ([July 26, 2022](#))
- Consideration of Customer Feedback (Standing Item)
- FS Data Submittal Update and Position Estimate ([Sept 29, 2022](#))