



Alliance of Western Energy Consumers ♦ 818 SW 3rd Avenue, #266 ♦ Portland, OR 97204 ♦ 971-544-7169 ♦ nwenergyusers.org

November 23, 2022

Via Electronic Submission

John Hairston
Administrator and Chief Executive Officer
Bonneville Power Administration
911 NE 11th Avenue
Portland, OR 97232

Re: November 9, 2022 Provider of Choice Workshop

Dear Administrator Hairston:

The Alliance of Western Energy Consumers (“AWEC”) appreciates the opportunity to provide feedback on Bonneville Power Administration’s (“BPA” or “Agency”) November 9, 2022 Workshop. During the workshop, BPA discussed non-federal resources, including renewable resource exceptions and consumer-owned resources, and seemed to provide an indication that BPA may remove unspecified resource amounts from Contract High Water Mark (“CHWM”) analysis. AWEC has a few brief comments and questions in response.

First, during the workshop, BPA briefly discussed the current Green Exception, which applies to a consumer load served by an off-site renewable resource and allows the customer to avoid designation as a New Large Single Load (“NLSL”) for that consumer load. This contract feature is currently used in one circumstance. AWEC would like clarity on whether BPA has an intention to continue the Green Exception in Provider of Choice contracts. During the meeting, AWEC understood that BPA has not yet discussed whether to continue the Green Exception, but opined that it would probably be continued. AWEC encourages BPA to continue the grandfathered treatment of the Green Exception to the extent that the utility and consumer currently taking it desire to do so. Moreover, in earlier Provider of Choice discussions, AWEC suggested that there might be ways to simplify the implementation of this service for that utility and consumer. AWEC encourages BPA to discuss further this possibility with the applicable parties.

Second, BPA also discussed the treatment of consumer-owned resources, with proposals for how these resources would be included for the duration of Provider of Choice contracts. AWEC is encouraged by some elements of BPA’s proposal – for example, to allow a consumer to have an unlimited amount of consumer-owned resources; however, additional flexibility, consistent with other resource treatment, should be considered. BPA proposes that utilities would have to make an initial election on how to treat resources (i.e., serving load or for marketing purposes) at the beginning of the contract period and that election would endure for the duration of the contract, consistent with the current treatment in Regional Dialogue contracts. When Regional Dialogue contracts were being developed, the concern was related to



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cogeneration and users “chasing the market.” For Provider of Choice, AWEC urges BPA to consider that additional applications, such as end-user sited renewables, warrant a more flexible approach to consumer-owned resource declarations. AWEC also urges BPA to consider modifying the renewable resource/cogeneration exception to include off-site resources in addition to the currently contemplated on-site resources. AWEC and other stakeholders have been advocating for flexibility in Provider of Choice contracts, and these are examples of “easy wins” that would bring value to utilities and their consumers by providing options that may help utilities meet state policy goals, and help consumers meet corporate goals.

Finally, two stakeholder presentations were made at the end of the workshop. AWEC is encouraged by the themes of these discussions, centering on developing a balanced approach to CHWM development that works well enough for utilities that have experienced a lot of growth, have performed a lot of conservation, and those that have had flat to slightly-declining loads over the Regional Dialogue period.

AWEC looks forward to continuing to work with BPA and stakeholders through the Provider of Choice process.

/s/ Bill Gaines

Executive Director

Alliance of Western Energy Consumers