

# Ravalli Electric Co-op

143 Bell Xing W  
Victor, MT 59875

August 10, 2022

Mr. John Hairston, Administrator  
Bonneville Power Administration  
PO Box 3621  
Portland, OR 97208-3621

Via email to [post2028@bpa.gov](mailto:post2028@bpa.gov)

Re: Comments on Provider of Choice Concept Paper

Dear Administrator Hairston,

Thank you for the opportunity to provide comments on BPA's Provider of Choice Concept Paper. Ravalli Electric Cooperative is an electric distribution cooperative in the southwest corner of Montana. We provide electric services to approximately 11,500 member accounts. Ravalli Electric recently became a member of PNGC and fully supports the comments submitted by PNGC.

BPA is obligated by statute to provide preference customers with our net requirements. I strongly ask that BPA set the Contract High Water Marks (CHWMs) sufficient to meet all customer net requirements with head room equally allocated amongst its customers. The 7000aMW fixed size is too conservative. Scarcity creates conflicts as entities position for the resource. I would respectfully ask the size to be set at 8,000aMW knowing system augmentation would be needed.

With base load generation being eliminated in the northwest, additional resources are needed. BPA is the obvious entity due to size and credit requirements to add resources. This would be coupled with commitments from customers to add resources as necessary and prudent.

BPA has been able to serve tier 2 needs without going to the market for the past several years. Tier 2 is part of the net requirements and should be provided at cost-based rates. We should not be subjected to the market-based rates for power provided from within the federal system.

Ravalli Electric is a 100% transfer customer. Whether a decision is made to take tier 2 from BPA or another option must not be used as a pawn to require REC to take tier 2. The decision decades ago to utilize the entire grid for delivery, saved all customers, direct connect and transfer, substantially. Transfer customer recognized this and forewent having the federal system built to them. Being penalized now would not be acceptable.

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*Ravalli Electric Co-op is an equal opportunity employer & provider.*

The last point I will make revolves around having only "one" opportunity at the beginning of the contract to decide on tier 2 for the term. Ravalli should not have to make a decision for 20 years when there is no commitment from BPA on costs for the entire period. I recognize there would have to be commitments made to correspond to augmentation additions but a blanket one-time choice for choosing tier 2 must be modified.

Again, thank you for the opportunity to provide comments. If we view this relationship as a partnership where we both succeed, we will both grow stronger.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark S. Grotbo". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark S. Grotbo  
Ravalli Electric Cooperative