

# Provider of Choice Concept Summary as of March 9, 2023: System Size and CHWMs

Key:

Regional Dialogue

Concept Paper Position

Updated Concept

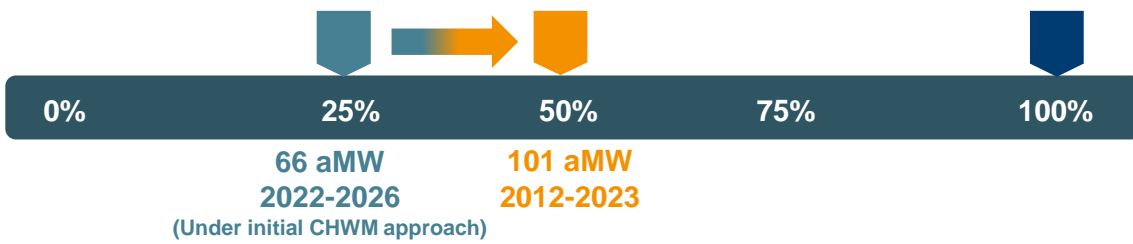
## Set Index Year as 2023

Why this direction? Date moved earlier to address interest in more certainty and to better support investment decisions about non-federal resources, e.g. to take advantage of IRA funding.



## 50% Self-funded conservation achievements reported to BPA for 2012-2023

Why this direction? Adjusted approach addresses desire to maintain continuity with Regional Dialogue. BPA retains focus on self-funded achievements that were directly reported to BPA.



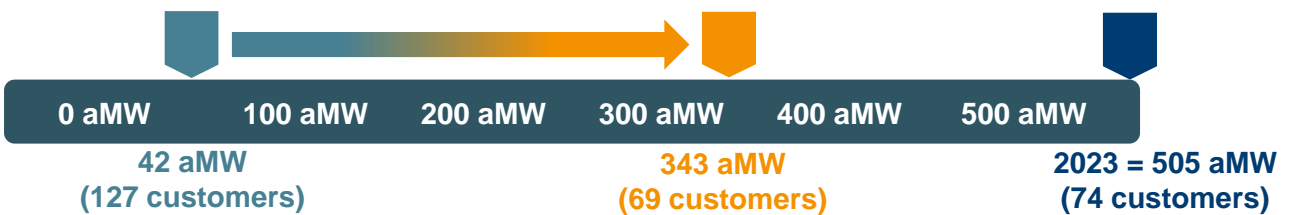
## Headroom Adjustment

Headroom is an outcome of the conservation adjustment.



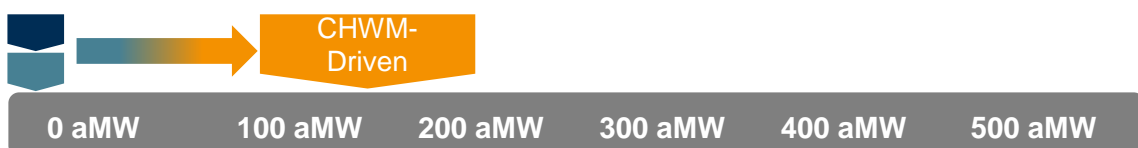
## Above-RHWM Load: 25% of load growth (defined by PF-eligible load in the index year – base allowance)

Why this direction? Updated load growth adjustment addresses concern that headroom went to those with load growth. Maintains elements of continuity with the Regional Dialogue policy to insulate customers from each others load and resource decisions.



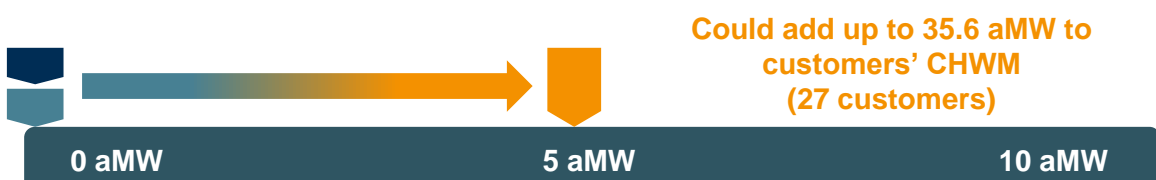
## Augmentation: Tier 1 System Size

Why this direction? After consideration and a change in CHWM methodology, BPA remains open to customer proposals for a limited amount of proportional augmentation.



## Small Utility Adjustment: Up to 5 aMW or up to 200% of initial CHWM, whichever is less

Why this direction? To help address concerns over Above-RHWM exposure.



# Provider of Choice Concept Summary as of March 9, 2023: Above-High Water Mark, Non-federal Resources; Other

Key:

Regional Dialogue    Concept Paper Position    Updated Concept

## Above HWM load service: Two paths with three federal options

Why this direction? Customers sought more options to address potential new loads.



## Firm existing inventory: Offer to the Long-term Tier 2 rate, priced at the Tier 1 rate

Why this direction? To help address concerns over Above-RHWM exposure as recommended by several customers.



## Above-HWM calculation

Why this direction? To help address concerns over Above-HWM exposure and make it easier for customers to serve their Above-HWM load.



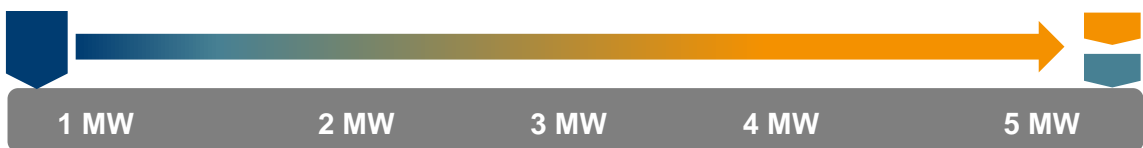
## Non-federal minimum threshold: 1 MW

Why this direction? This change was made to respond to customers request for more non-federal resource flexibility.



## Non-federal resources to Offset Tier 1 Take or Pay: Up to 5 MW or 50% CHWM

Why this direction? This change was made to respond to customers request for more non-federal resource flexibility.



## Non-federal transfer costs

Why this direction? Customers sought to maintain status quo on treatment of non-federal transfer costs. BPA seeks compromise in its proposal to roll in the cost only for physical, dedicated, local non-federal resources.



## Rate discounts: LDD/IRD

Why this direction? Majority of customers support benefit levels similar to those observed today. Exact methodology used to be reexamined as part of the established rate methodology process.

