From: Russell, James

Sent: Tuesday, May 2, 2023 4:30 PM

To: Post-2028

Cc: Patton, Kathryn B (BPA) - PSW-SEATTLE; Johnson, Ray; Hill, Mike (Power Management)

Subject:[EXTERNAL] CHWM & PNR

A sincere Thank You to BPA staff, SMEs and Executives for developing and supporting the original and new CHWM and rate analysis model behind BPA's draft policy decision to be released in July. We look forward to that release and working with public power and BPA through the remaining stages of this important process.

With regard to Peak Net Requirement (PNR) Tacoma Power supports Seattle City Light's and Snohomish PUD's comments on PNR filed April 28th. As we have stated previously, we believe that implementation of a PNR constraint as proposed would adversely impact our ability to provide reliable service with BPA products. We were happy to learn at the February 21-22 workshop that the Block products would not be subject to PNR. However, we strongly desire the option to subscribe to the Slice product – but we cannot run a balancing authority and meet regional commitments with curtailable ("interruptible") power supply. We also do not understand how an option to limit slice RTP would impact slice capacity accreditation in the Western Resource Adequacy Program (WRAP). An option by BPA to limit slice RTP means that we likely cannot subscribe to that product.

We are also concerned that PNR definition and implementation could have significant unintended consequences for rates and product viability for other customers.

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