



Provider of Choice Workshop

December 12, 2023

Slides 18 and 19 bullet points were updated 12/11/2023





Today's Workshop

Agenda

Time Start	Time End	Topic	Presenter(s)
9 am	9:10 am	Welcome and Overview	Michelle Lichtenfels, Program Manager, Provider of Choice
9:10 am	12 pm	Timelines: Post-2028 and Other Related Processes	Matt Hayes, Stakeholder Engagement Lead for Market Initiatives Paulina Cornejo, Residential Exchange Program Lead Brian Dombeck, Resource Program Coordinator Dave Moody, Deputy Vice President, Energy Efficiency
		Public Rate Design Methodology Process	Scott Reed, Policy Lead, Power Rates
		Policy Implementation & Contract Development Detail	Kelly Olive, Contract Lead, Provider of Choice
		Phase 1 Workshop Approach	Michelle Lichtenfels, Program Manager, Provider of Choice
12 pm	1 pm	L U N C H B R E A K	
1 pm	1:30 pm	Block with Shaping Capacity Tool Feedback	Kate Patton, Power Account Executive
1:30 pm	2:45 pm	Policy Implementation Workshop Planning	Michelle Lichtenfels, Program Manager, Provider of Choice
2:45 pm	3 pm	Wrap up & Webex Poll	Michelle Lichtenfels, Program Manager, Provider of Choice

Note: Start and end times are approximate. There will be short breaks in both a.m. and p.m.

Workshop Objectives

Promote understanding of detailed processes and timelines, including Provider of Choice, PRDM, and other Bonneville processes.

Discuss workshop elements as part of policy implementation workshop planning.



Workshop Roles & Expectations



Bonneville: Provide open and inclusive opportunities for discussion and feedback.

Participants: Provide feedback and share perspectives during workshops.

All: Respect one another and assume good intentions. Bring a constructive mentality.

Comments on This Workshop

- Please share feedback by January 5, 2024 to Post2028@bpa.gov.
 - Please note that direct responses will not be provided.
- Feedback will help inform future workshops.



New: Jan. 2024 Planning Workshop

- Bonneville will host a January 2024 meeting focused on policy implementation planning efforts.
 - Est'd late January 2024
 - Collaboration opportunity to further develop the policy implementation issue inventory.
 - Working session with no presentations planned.
 - BPA will bring materials and artifacts to support planning.
 - Not a forum for substantive discussion of policy issues.
- Discussed more fully later in this workshop.



Timelines

Provider of Choice Timeline

Last updated 12/8/2023

2022	2023		2024		2025	2026		2027		2028
Jul	Feb	Sep	Apr	Nov	Jun	Jan	Aug	Mar	Oct	May

Policy & ROD

- ★ **Concept Paper** July 14, 2022
- Policy Workshops** Jul 2022 - Apr 2023
- ★ **Draft Policy Release** July 20, 2023
- Public Comment Period** Jul 20, 2023 - Oct 13, 2023
- Early Planned Product Workshops** Sep 2023 - Dec 2023
- ★ **Final Policy and ROD Release** Early 2024

Policy Implementation & Contract Development

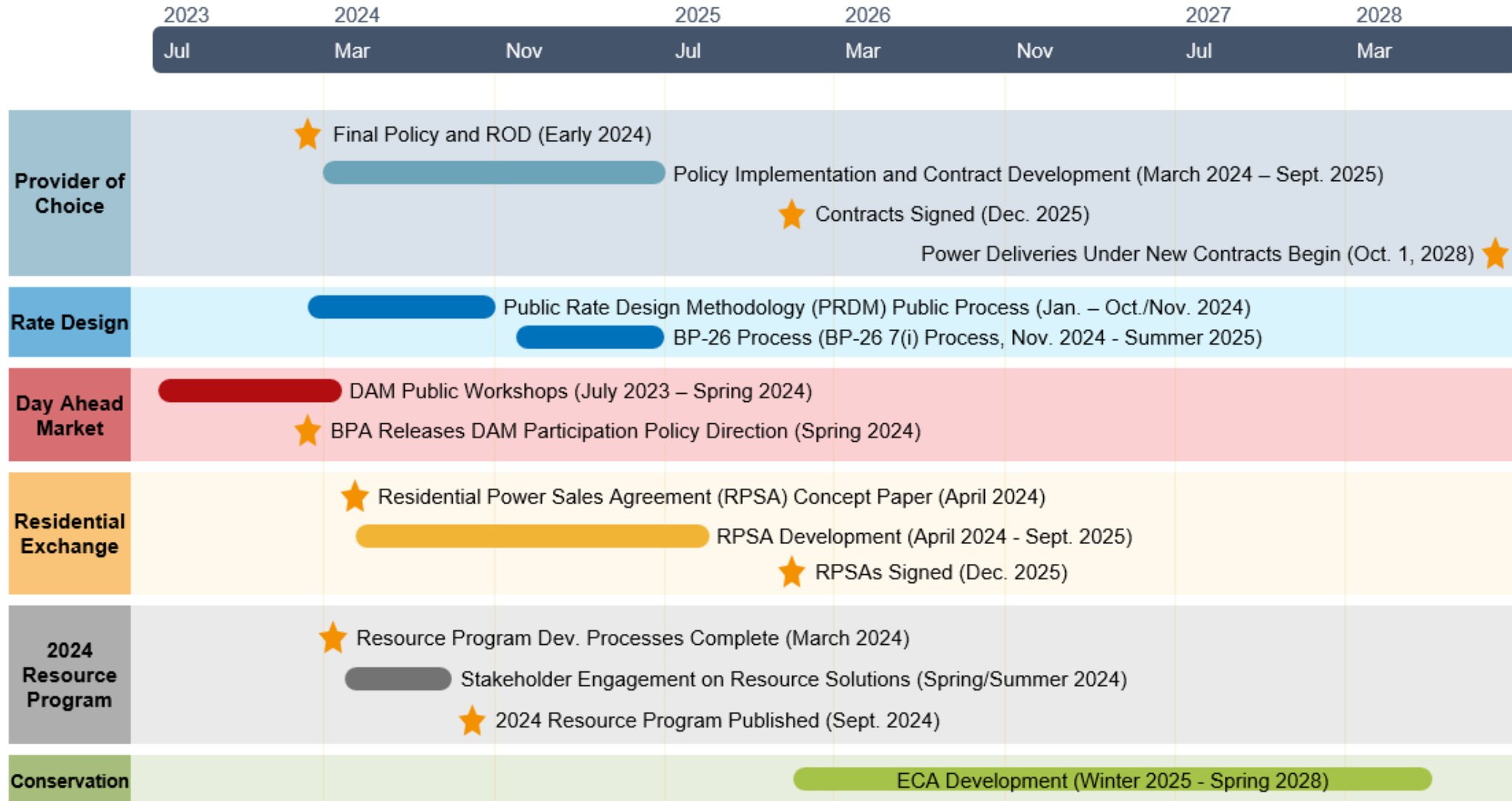
- Mar 2024 - Feb 2025 **Workshops and Contract Drafting**
- Mar 2025 - Apr 2025 **All DRAFT Contract Templates: Public Comment Period**
- All FINAL Contract Templates Released** ★ Jun 2025
- Contract ROD Released** ★ Sep 2025
- Offer and Execute Contracts** Sep 2025 - Dec 2025
- All Contracts Executed** ★ Dec 2025

System Readiness & Go Live

- Jun 2024 - Sep 2028 **Contract Delivery and System Readiness Processes**
- Power Deliveries Under New Contracts Begin** October 1, 2028 ★

Post-2028 and Other Related Processes

Last updated 12/8/2023



Residential Exchange Program



- Ongoing regional REP efforts are focused on crafting new implementation agreements for the post 2028 period either under a settlement framework or a standard implementation contract. Various REP-related issues will be addressed during the development period.
- Next workshop is scheduled for **January 2024**, where BPA will share a refreshed analysis of REP benefit projections updated with BP-24 inputs and will hold time for settlement discussions.
- BPA encourages interested parties to attend and engage in Post-2028 REP public workshops.

Resource Program



2024 Resource Program will leverage suite of sensitivities to explore influence of major uncertainties on resource solutions and inform customer elections for Provider of Choice.

- Additional public workshops targeted for **spring/summer 2024** to share results from key studies e.g. regional market assessment, needs assessment, and candidate resource assessment.
- **2026 Resource Program** will focus on resource solutions associated with Provider of Choice contract elections.

Conservation (Energy Efficiency)



Per the draft policy, Bonneville intends to substantively continue its current approach to acquiring conservation.

- Bonneville would continue to allocate implementation budgets via customer share of PF Tier 1 load and acquire conservation resulting from customer achievements.
- Bonneville is open to input on program refinements to improve the implementation of its conservation program.
- Bonneville will work with customers and stakeholders to identify issues of importance in advance a separate conservation focused public process.



PRDM
(See supplemental slides)



Policy Implementation & Contract Development Detail

Detailed Contract Phase Timeline

Last updated 12/8/2023



2024

2025

Mar

May

Jul

Sep

Nov

Jan

Mar

May

Jul

Sep

Nov

Policy Implement. & Contract Dev.

Mar 2024 - Jun 2024

Phase 1 Workshops: Discuss and finalize policy implementation details

Apr 2024 - Oct 2024

Phase 2 Workshops: Draft and negotiate contract provisions for LF, Block, Slice, NR Block contract templates

Nov 2024 - Feb 2025

Phase 3 Workshops: Finalize all full DRAFT contract templates

Simultaneous with other workstreams:
PRDM, Day-Ahead Market, Residential Exchange, Other BPA Processes

Phase 1 objectives:

Discuss and finalize policy implementation details

- Discuss outstanding policy implementation details that were not included or detailed in the Final Policy.
 - Examples: Products and day-ahead market compatibility, non-federal resources, NLSLs
- Develop and discuss the details on certain topics necessary prior to developing redlines (see Contract Drafting Strategy slides for more detail).
- This phase must be complete by the end of June 2024 in order to have sufficient drafting time.

2024

2025

Mar

May

Jul

Sep

Nov

Jan

Mar

May

Jul

Sep

Nov

Policy Implement. & Contract Dev.

Mar 2024 - Jun 2024

Phase 1 Workshops: Discuss and finalize policy implementation details

Apr 2024 - Oct 2024

Phase 2 Workshops: Draft and negotiate contract provisions for LF, Block, Slice, NR Block contract templates

Nov 2024 - Feb 2025

Phase 3 Workshops: Finalize all full DRAFT contract templates

Phase 2 objectives:

Share contract drafts; redlines and original drafting

- Negotiate both heart-of-the-deal provisions and 'boilerplate' provisions
- Informed by Phase 1 discussions; process starts before Phase 1 is complete.

Phase 3 objectives:

Finalization

- Finalize language in-flight and address any remaining issues.

2024

2025

Mar

May

Jul

Sep

Nov

Jan

Mar

May

Jul

Sep

Nov

All DRAFT contract templates: Release ★ Mar 2025

All DRAFT contract templates: Public comment period Mar 2025 - Apr 2025

All DRAFT contract templates: Release updates ★ May 2025

Intensive workshops to finalize all draft contract templates May 2025 - Jun 2025

All FINAL contract templates: Release ★ Jun 2025

Contract ROD: Release ★ Sep 2025

Contract
Templates
Finalization
& ROD

- ~Mid-March to mid-April 2025
 - Draft templates released for formal **30-day comment period**.
- May 2025
 - **Intensive ‘No surprises’ final workshops** to discuss contract changes as a result of comment period.
- June 2025
 - Pens down and prioritize finalization of contract templates.
- September 2025
 - Release **Contract ROD**.



- Individual **customization** of contracts and quality control reviews.
 - Goal: High quality templates; avoid last minute clean-up edits.
 - Goal: All offers sent by end of September 2025.
- All contracts executed by end of calendar year 2025.

Contract Drafting Strategy

- **Goal: Make effective use of everyone's time**
 - Regional Dialogue as baseline
 - Education on status quo only as needed; upon request
 - “*Redlines first*” approach
- **Goal: Administrative and process improvements**
 - Will work with customers and bring forward ideas

Slice Contract

Will need to take a critical look at timing of Slice contract development in light of complexities flagged in Fall 2023
Provider of Choice workshops:

- Day ahead market impacts
- BPA's proposed Slice thresholds
- Exploration of a firm commitment from customers who anticipate electing a Slice product.
 - Enables sufficient time to make changes and ensure the product is fully operational in 2028.
- Need to consider time for IT/system changes

Risks

- **Extension of Phase 1: Policy Implementation workshops**
 - A lot happening, tendency to want to wait for all information before drafting contracts.
- **Overall timeline contraction, expansion**
- **Workshop fatigue / customer availability**
- **Mitigation strategies:**
 - Communicate candidly, and focus on the contract, common goals
 - Establish priorities and stick to deadlines
 - Shared expectations & communications

Discussion

Questions, concerns,
suggestions on contract
timeline; strategy?





Phase 1 Workshop Approach

Workshop Overview

Element	Includes
1. Workshop Schedule “When & Where”	<ul style="list-style-type: none"> • Cadence; frequency • Dates • Virtual or Hybrid
2. Workshop Design “How”	<ul style="list-style-type: none"> • Meeting tools; tactics; activities; facilitation strategies • Artifacts • Ground rules/ norms & expectations
3. Workshop Topics “What”	<ul style="list-style-type: none"> • Specific implementation issues and problems to solve

- Hone Phase 1 elements now.
- Add structure & meeting tools to support successful workshops.
- Workshop approaches will adapt as needs change and the process moves into Phase 2 contract drafting.

Next phase workshops:

What we've heard so far

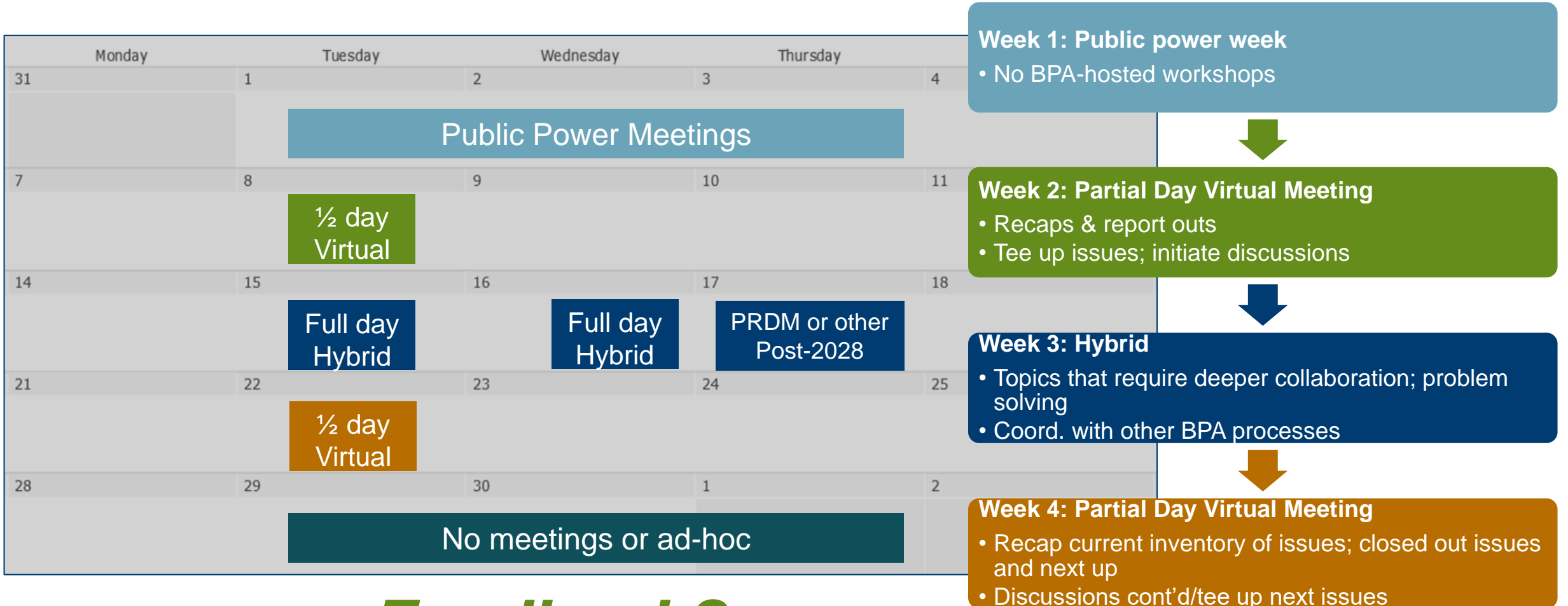
- Between 2-4 workshops per month
- Adjustments to workshop tools (e.g. breakout rooms, brainstorm sessions) and facilitation
- More discussion of workshop roles in planning & facilitation – BPA & customers
- Monthly recaps & methods to revisit prior topics
- Notes recorded & shared
- Use time before the Final Policy & ROD release to discuss products impacts from markets

General Discussion

Test what we've heard so far:

- What resonates
- Additional and alternate perspectives

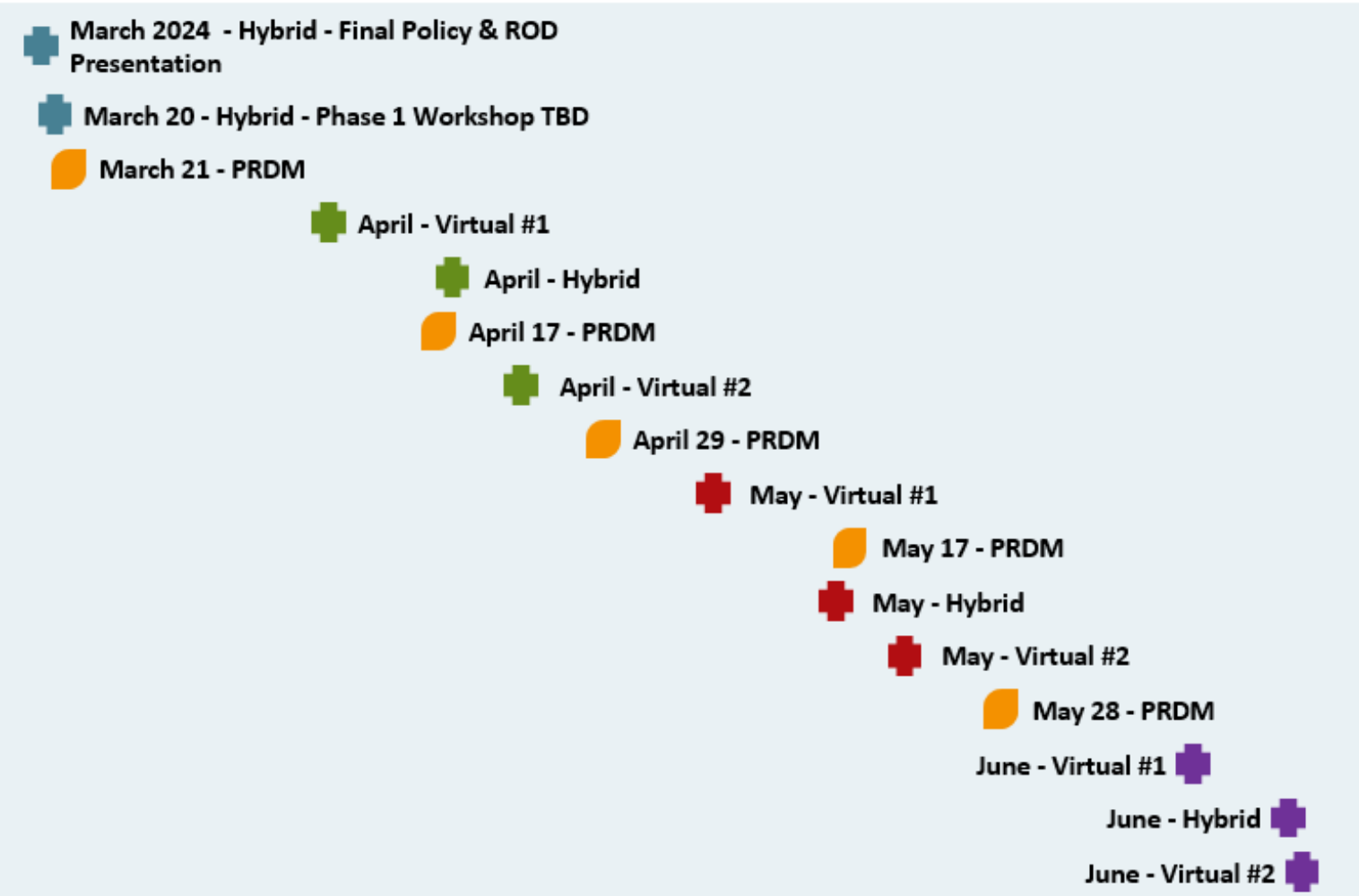
1. Schedule: General Approach - Draft



Feedback?

Phase 1 Draft Schedule

2024
 Mar Apr May Jun



- Est'd 70-100 hours Prov. of Choice workshops with draft workshop approach.
- This view does not yet factor in other Post-2028 and related workshops.

Feedback?

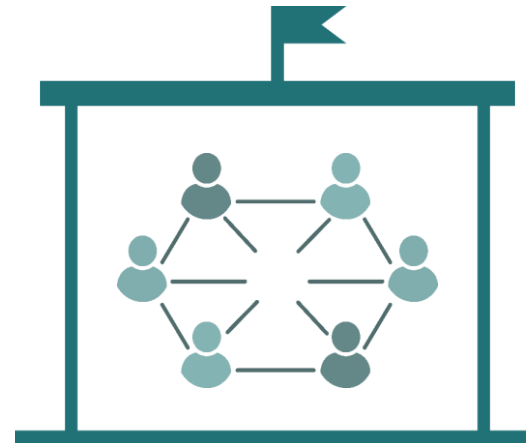
Schedule (Cont'd)

Calendar year Q2/Q3 workshop date holds:

- Goal to publish dates no later than mid-January 2024.
 - Feedback from this workshop important to helping iron out schedule.
- Includes a workshop for an overview of the Final Policy, estimated mid-March 2024.
 - Potential to extend to multi-day hybrid workshop, with opportunity to start policy implementation workshops immediately.

2. Design Discussion

- ❑ Participation in virtual breakout
- ❑ Natural challenge of hybrid: striking a balance between in-person vs. remote attendees.
- ❑ Other tools and tactics you've seen be successful.
- ❑ What else should be considered?
Ruled out?



VS



Feedback?

2. Workshop Design

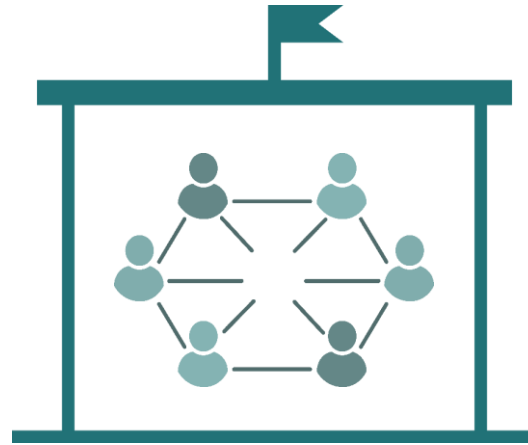
Hybrid

Best uses:

- Topics that require deeper collaboration or that need a special approach to problem-solve.

Design tactics include:

- Small group tables or sessioning to work through assigned topics
- Group reporting out after breakouts
- Multiple disparate or adjacent issues discussed at once
- Pair with virtual breakout rooms; ensure opportunity for web participants to share.



vs



Virtual

Best uses:

- Education/informs
- Tee up issues
- Initiate conversations
- Report outs/recaps and review of issue inventory list(s)

Design tactics include:

- Large group
- Integrate regular breakout sessions; assign randomly; group reporting after breakouts
- Webex polls

2. Design: Workshop Artifacts

Workshops will yield artifacts:

- e.g. Documented summaries of themes from breakouts
- Posted on Provider of Choice website

Issue inventory tracker:

- Based on scoped issues/ topics and emerging issues
- To be maintained by BPA
- Discussed regularly
- Posted on Provider of Choice website

Feedback?

2. Design: Feedback Loop Discussion

Integrating feedback post-workshop

- Individuals who were not able to attend
- Enable post-workshop small group discussion or support further individual reflection

Feedback?



Policy Implementation Workshop Planning

New Planning Workshop

- Bonneville will host a workshop to solicit input on policy implementation issue inventory, est'd **late January 2024**.
 - Collaboration opportunity to further develop the issue inventory, timing, and sequencing of workshop schedule/topics with Bonneville planning staff.
- This is a working session with no presentations planned. BPA will bring materials and artifacts to support planning.
- Limited Bonneville staff to include Michelle Lichtenfels (Program Manager) and subject matter experts.
- Customers invited to provide content and support facilitation in order to meet objectives.
- This will not be a forum for substantive discussion of policy issues.
- Bring a curious mind a spirit of collaboration.

Objectives of Workshop Planning

- Enable us to hit the ground running post-Policy release.
- Identify/inventory what can realistically be addressed by June 30, 2024.
- Bonneville & customers each bring topics and issues to solve for; discuss needs and approaches to tackle topics.
 - Seek to integrate & build from separate efforts underway by each BPA and stakeholders.

Issue Inventory Detail

- Work is already underway!
- Minimum level of detail needed to support planning.

#	Primary Category	Workshop Type	Topic/Theme	Submitted by	Date Submitted	Planning				
						Initial Discussion (Hours)	Follow Up Discussion 1 (Hours)	Follow Up Discussion 2 (Hours)	Hybrid or Virtual Preference	Notes on sequencing/ interdependencies with other topics
1	Products - Block and Slice	Phase 1. Discuss policy impl. details	Slice Percentages / System Augmentation Impacts / Determining Critical Amounts							
2	Non-fed	Phase 1. Discuss policy impl. details	ENR/PNR/Non-Federal Resource (NFR) Allocations							
3	Markets	Phase 1. Discuss policy impl. details	FCRPS Load Service Within DA Markets / RSO 2.0							
4	Products - General	Phase 1. Discuss policy impl. details	Product Time Horizons							

Discussion

Topics you're ready to add to the list now – or ideate on in preparation for January's meeting?

– For example:

- Slice: When we meet next, be ready to inventory top issues to work through in policy implementation discussions.
- What topics/issues from the fall product workshops do we need to come back to?



Block With Shaping Capacity Tool

General Feedback To-Date

BPA has received formal and informal feedback from customers on BPA proposal for Block with Shaping Capacity and its Block with Shaping Capacity tool.

- How ramp rates are calculated.
- What ramp rate might be needed for customers to follow their peak loads and meet monthly “energy neutral” requirements.
- How the XX% threshold is calculated.
- Shifting more of the Shaping Capacity specifically into HLHs.
- Cost for different capacity options.

Questions? Reach out to your Power AE.

Block With Shaping Capacity Tool

Fiscal Year	2024														
Customer Name	Sample														
TRL Forecast	-														
HWM	0.000														
Gross Annual Net Requirement	0.000														
Annual Net Requirement MWh	-														
Above or Below HWM	Above HWM														
BPA Tier 2 or New Resource	New Resource														
Shaping Capacity as XX% of Monthly Block	10%														
Monthly Ramp Rate	10%														
Max / Min Energy Delivery	50%														
Calendar Year	2,023	2,023	2,023	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	Annual	aMW
Month	10	11	12	1	2	3	4	5	6	7	8	9	8,784		
Month Hours	744	721	744	744	696	743	720	744	720	744	744	720			
TRL Forecast - Energy (MWh)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TRL P50 Forecast Peak (MW)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Load Factor	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Existing Resources (MWh)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
New Resources (MWh)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional Tier 2 New Resources (MWh)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
NLSL Resources (MWh)	-	-	-	-	-	-	-	-	-	-	-	-	0	-	
Calculation of Flat Block Amount	10	11	12	1	2	3	4	5	6	7	8	9			
Monthly Block Shaping Factors	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Monthly T1 Block Amounts (MWh)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Monthly T1 Block Amounts (MW/hr)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Tier 2 Block Amounts (MWh)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tier 2 Blocks Amount (MW/hr)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total BPA Block Amount (MW/hr)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Calculation of Monthly Capacity Amounts	10	11	12	1	2	3	4	5	6	7	8	9			
Dedicated Resource Peak (MW)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Shaping Capacity Available (MW)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Monthly Ramp Rate (MW)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Maximum Hourly Energy Delivery (MW/h)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Minimum Hourly Energy Delivery (MW/h)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	



Wrap Up

Comments on This Workshop

- Please share feedback by January 5, 2024 to Post2028@bpa.gov.
 - Please note that direct responses will not be provided.
- Feedback will help inform future workshops.





Thank you.

Find Us:

Email: post2028@bpa.gov

Web: [Provider of Choice - Bonneville Power Administration \(bpa.gov\)](https://www.bpa.gov)