



# Provider of Choice Standards for Resource Declarations

April 25, 2024

**PROVIDER OF CHOICE**

**POST  
2028**



# Objectives

- Align on standards for resource declarations.
- Discussion on peaking values; revisiting if/when WRAP extends QCC to all months.



# Introduction

## Standards for Resource Declarations:

- Establish the amount of power from customers' 5(b)(1) resources to determine the amount of electric power offered to customers under Power Sales Contracts.
- Standards for Resource Declarations under Regional Dialogue were consistent with Bonneville's Policy on Sections 5(b) and 9(c) of the Northwest Power Act (Revised March 19, 2009).
  - In developing standards for Regional Dialogue, Bonneville referenced the declaration parameters from the 2000 Power Products Catalog.
  - Bonneville intends to reference the 2009 Policy in developing standards for Provider of Choice.

# Regional Dialogue Standards for Resource Declarations (2008)

Standards for Resource Declarations; Multiple Categories of Resource Types (Categories).

1. PNCA and Non-PNCA Hydro Resources
2. Canadian Entitlement Allocation Extension Agreement (CEAEA )
3. Dispatchable Thermal Resources
4. Non-Dispatchable Resources
5. Other Small, Non-Dispatchable Resources
6. Determination of Resource Amounts for Contract Resources
7. Determination of Amounts for Unspecified Resources
8. Determination of Resource Amounts for Consumer-Owned Resources and Customer Resources Not Dedicated to Total Retail Load

Regional Dialogue Standards for Resource Declarations: <https://www.bpa.gov/-/media/Aep/power/regional-dialogue/data-standards-external-09-09-2008.pdf>

# Provider of Choice Standards for Resource Declarations

- Bonneville will use Existing Exhibit A amounts as a starting place for Provider of Choice contracts.
  - Consistent with the CHWM starting point.
    - Using existing Regional Dialogue 2024 RHWM\* (Provider of Choice CHWM Calculation Base Allowance). Bonneville is using 2024 RHWM for the base allowance, which are the Regional Dialogue CHWM scaled for changes to BPA's Tier 1 system capability (based on P10 monthly firm output of the FCRPS)
  - Similarly, use the Exhibit A amounts from Regional Dialogue Contracts.
- From this starting place, customers can bring proposed modifications and justification for changes (including data).
  - Bonneville will evaluate proposed changes on a case-by-case basis.

# Pacific Northwest Coordination Agreement (PNCA)

- Known changes from Regional Dialogue Standards for Resource Declarations
- PNCA terminates September 2024.
  - No regionally agreed-upon plan/approach to replace it.
  - Without such a replacement, there is no consistent standard to replace those amounts.
  - Amounts established under PNCA still are reasonable.
- Similarly, Canadian Entitlement Allocation Extension Agreement (CEAEA) terminates September 2024.
  - Obligations to Canada for benefits provided by their storage projects.
  - We expect a replacement (because Treaty still is effective) but details unknown at this time.

# Non-dispatchable Resources

- Existing Standards Addressed:
  - Hydro
  - Wind resources
  - Landfill Gas
- Standards did not Address:
  - Biogas
  - Solar
    - A prominent new resource
    - Consider new standards for Solar?
  - New Technologies (wave, tidal, fuel cell, geothermal, nuclear)

# Next Steps

Note that Bonneville will provide opportunity for comment on Standards for Resource Declarations before finalizing.





# Peaking Capabilities of Resources

# Provider of Choice Policy

In the Provider of Choice Policy, Bonneville committed to establish:

- Monthly peaking capability of customers' dedicated resources for purposes of serving net requirements load.
- Use Western Resource Adequacy Program (WRAP) standardized, regionally supported methodology for the planning obligation.
- WRAP provides a common methodology known as Qualified Capacity Contribution (QCC) to determine a resource's capacity.

# Peaking Capabilities

## Resource Declarations Standards will include a section on Peaking Capabilities.

- Using QCC values for WRAP Forward Showing periods.
  - WRAP Forward Showing periods currently do not include April, May, or October which have no associated QCC Values.
- Important to include all months for future capacity metrics, for future WRAP potential, or other Section 5(b)(1) needs.

# Discussion



# Discussion

- **Potential Peaking Values for April, May and October: Bonneville suggests two potential approaches:**
  - Average of all 9 Forward-Showing Months, or
  - Average of preceding and following month QCC values
    - Example: Average of March and June, for April and May
  - Open to other proposals on how to establish shoulder season values.
- **Bonneville proposes to revisit if/when WRAP extends QCC to all months. Bonneville assumes it would adopt WRAP QCC for all months and drop the solution.**