

Provider of Choice Standards for Resource Declarations

April 25, 2024





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)

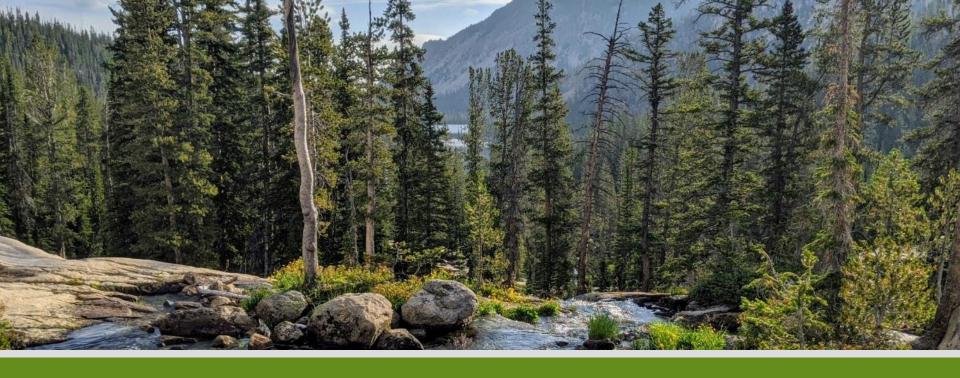
- Known changes from Regional Dialogue Standards for Resource Declarations
- PNCA terminates September 2024.
 - No regionally agreed-upon plan/approach to replace it.
 - Without such a replacement, there is no consistent standard to replace those amounts.
 - Amounts established under PNCA still are reasonable.
- 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.