

COMMENTS REGARDING BPA'S SEPTEMBER 24, 2025, RESIDENTIAL EXCHANGE PROGRAM: RPSA WORKSHOP #2

October 1, 2025

The undersigned public power representatives (Public Power) appreciate the opportunity to submit these comments in response to the Bonneville Power Administration's (BPA) September 24, 2025, Residential Exchange Program: RPSA Workshop #2.

Public Power Supports the Residential Exchange Program (REP) Comprehensive Plan

In July of this year, BPA published its Post-2028 REP Comprehensive Plan Paper (Comprehensive Plan) that served as the notice to the region that BPA was pivoting from Phase 1 efforts to its Phase 2 approach to post-2028 REP implementation.

The Comprehensive Plan identified the three processes¹ BPA will lead over the next two years to prepare the agency and its regional partners to implement a traditional REP in the post-2028 period, including the respective public engagement timelines for each process. We appreciate BPA's continued engagement with stakeholders in the initial Phase 2 workshops on the issues and complexities of its post-2028 implementation of the REP and recognize the importance of this opportunity to engage in good faith.

Accordingly, Public Power continues to support BPA's Comprehensive Plan, the timeline in which the above processes are expected to take place, and we look forward to continuing to engage constructively with all participants going forward.

BPA's In-Lieu Proposal for RPSA 2028

The September 24 workshop included an informative discussion on the primary features of In-Lieu, including notice, amount, duration, cost, source, and the alternatives to implementation that might be considered. We appreciate BPA incorporating In-Lieu policy details into Section 9 of the RPSA, as we believe it gives all parties a greater degree of clarity about what to expect should the Administrator engage in an In-Lieu transaction. This provides significant clarity, especially in comparison to the nebulous In-Lieu provisions in the 2008 RPSA. For purposes of providing even more clarity, Public Power encourages BPA to continue exploring the practical and operational implications of utilizing In-Lieu as a method of limiting the impacts of REP benefits on the federal system. For instance, we look forward to learning more about how the term and scheduling requirements will be structured to avoid any potential exposure to stranded costs in the event of, for example, an exchanging utility's ASC drops below the PF exchange rate during a rate period.

¹ The three processes identified in the Comprehensive Plan are the Residential Purchase and Sale Agreements (RPSA) process; Average System Cost Methodology (ASCM) consultation; and, the Section 7(b)(2) Legal Interpretation and Implementation Methodology proceeding

The interdependent nature of the many related REP provisions and processes make it difficult to comment at this time. As such, we reserve the right to offer comments on BPA's proposed provisions once more information is available.

Finally, recognizing that the issue will be addressed in future ASCM Workshops, we remain concerned about the inclusion of transmission costs in the overall determination of BPA's Cost of Acquiring In-Lieu Power, given the potential implications for ASC.

Pass-Through and Compliance

The REP Compliance Program plays an essential role in ensuring that both the level and use of REP benefits meet the applicable statutory requirements.

Specific to the proposed language in Exhibit E, while we recognize the need for flexibility, if BPA determines that a CPA is necessary to ensure participant compliance, the cost of such should be borne by either the REP program or the participant, not by BPA as suggested in section 1.2 of Exhibit E.

Other Provisions

Generally, we support BPAs approach to guide this section as closely as possible to the statute, as well as for consistency with language and policy built in the Provider of Choice processes and contractual language.

We appreciate BPA's statute-driven and practical approach to implementing the REP and the RPSA – it continues to be centrally important to Public Power.

Thank you for the opportunity to provide feedback and we look forward to the opportunity to comment on the full RPSA preliminary draft following its October 29, 2025 publication.

Sincerely,

**City of Tacoma, Department of Public
Utilities, Light Division**

Northern Wasco PUD

Northwest Requirements Utilities

PNGC Power

Public Power Council

Western Public Agencies Group