



Department of Energy
Bonneville Power Administration
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In reply refer to: PSRF-6

June 17, 2025

To: Heather Rosentrater, President and CEO, Avista Corporation
Lisa Grow, President and CEO, Idaho Power Company
Brian Bird, President and CEO, NorthWestern Corporation
Cindy Crane, Chair and CEO, PacifiCorp
Maria Pope, President and CEO, Portland General Electric Company
Mary Kipp, President and CEO, Puget Sound Energy, Inc.

Subject: Response to Regional Investor-Owned Utilities' Letter Request for a Post-2028 Contract for Purchase and Sale of Power Pursuant to Section 5(c)(1) of the Northwest Power Act

The Bonneville Power Administration (BPA) is in receipt of the investor-owned utilities' (IOUs), May 12, 2025, letter requesting an offer of a contract for participation in the program described in Section 5(c) of the Northwest Power Act, 16 U.S.C. § 839c(c), colloquially referred to as the Residential Exchange Program or REP. As you are aware, the REP is currently under the terms of a settlement – the 2012 REP Settlement – which expires on September 30, 2028.

BPA appreciates the IOUs' interest in formally commencing the processes necessary to prepare the region for the post-2028 implementation of the REP. In July 2022, BPA issued the Provider of Choice Concept Paper (PoC Concept Paper), in which BPA outlined a two-phase approach to the post-2028 REP implementation. The first phase of that process focused on scenario analysis and activities designed to support efforts towards a settlement of the REP between IOUs and Public Power representatives. This phase was tentatively scheduled to run from September 2022 through September 2025. If a settlement was not reached during this period, the PoC Concept paper described a second phase, called the "Traditional REP phase." This phase would shift focus from seeking settlement outcomes and turn regional attention to commencing the processes necessary to implement the REP in a non-settlement context for the post-2028 period.

Consistent with the PoC Concept paper, BPA has been engaged with IOU and Public Power entities for over two years on developing potential resolutions to the implementation of the REP for the post-2028 period. During this time, BPA has provided public workshops on the mechanics of the REP, facilitated negotiation sessions, and engaged in both formal and informal discussions with Public Power and IOU representatives.

BPA understands that the settlement phase is coming to a close and a settlement of the REP for the post-2028 period has not been reached at this point. To that end, BPA has been preparing a comprehensive plan for developing the applicable components of the REP for the post-2028

period. By the end of June or early July 2025, BPA intends to meet with interested parties to the REP to discuss this plan before issuing more formal communications to the region on those next steps. BPA intends to issue the comprehensive plan during the summer of 2025. The comprehensive plan will outline the multiple processes that must be completed to implement the REP by October 1, 2028.

Among the processes BPA will address in its comprehensive plan is the timeline and process for developing the purchase and sale agreement described in Section 5(c)(1) (referred to as a Residential Purchase and Sale Agreement or RPSA). The RPSA development process will address the terms and features of the section 5(c)(1) exchange sale. It is BPA's intent to prepare and execute the RPSA as expeditiously as possible, while also providing a robust and thorough stakeholder engagement process that ensures the views of all participants are considered.

We want to thank you again for your engagement on the REP and look forward to working with the IOUs in the coming months over this important component of the Northwest Power Act.

Sincerely,

Kim Thompson
Vice President, NW Requirements Marketing