

June 27, 2022

Via Electronic Submission

John Hairston
Administrator and Chief Executive Officer
Bonneville Power Administration
911 NE 11th Avenue
Portland, OR 97232

Re: June 13, 2022 Resource Adequacy Engagement Workshop

Dear Administrator Hairston:

The Alliance of Western Energy Consumers (“AWEC”) appreciates the opportunity to provide feedback on Bonneville Power Administration’s (“BPA” or “Agency”) June 13, 2022 Resource Adequacy (“RA”) Engagement Workshop. Because AWEC’s membership includes both loads that have and have not been determined to be a new large single load (“NLSL”), as well as loads served by non-federal above high water mark (“AHWM”) resources, AWEC has interest in the options available for its members’ host utilities’ loads, both federal and non-federal, under the Western Resource Adequacy Program (“WRAP”).

During the June 13th workshop, BPA proposed solutions for both NLSL load and AHWM load served by Unspecified Resource Amounts consistent with Regional Dialogue contract provisions and BPA’s statutory obligations. Specifically, BPA set forth the following three election options for NLSLs not served through BPA contract: “1. Customer has option to exclude the NLSL through WRAP Load Exclusion provision and to request and sign attestation excluding each specific NLSL; 2. Customer submits documentation for known/existing resources to serve unspecified resource obligations. Submitted resource [qualified capacity contribution (“QCC”)] value must be equal to or greater than NLSL; and 3. Customer with NLSL that fails to elect option 1 or 2 above will receive a charge from BPA.”¹

For AHWM Unspecified Resources, BPA proposed two election options. First, a “[c]ustomer submits documentation for known/existing resources being used by the customer to meet AHWM unspecified resource obligations.”² Under this election option, “[s]ubmitted resource QCC value must be equal to or greater than the elected unspecified resource amounts and must be submitted prior to the forward showing time period (7-months in advance of the season.)”³ BPA further explained that “[i]n the rate case, BPA will propose a credit for customers that use physical resources to meet their non-federal resource obligations for service

¹ Bonneville Power Administration, Resource Adequacy Engagement Workshop, at 39 (June 13, 2022).

² *Id.* at 40.

³ *Id.*

to AHWM Load (specified and unspecified resources).”⁴ The second election option is the status quo, in which a “[c]ustomer continues to use unspecified resource amounts to serve its AHWM Load and does not provide any resource documentation to BPA.”⁵ Unlike the first election option, the customer does not receive the credit for such unspecified resource amounts.

AWEC appreciates BPA’s efforts in resolving these issues and is cautiously optimistic regarding BPA’s proposed solutions for NLSLs and AHWM served by Unspecified Resource Amounts. Nonetheless, AWEC has outstanding questions. First, on slide 37, BPA states that “[l]oads served by a single [load serving entity (“LSE”)] may not be partially excluded.” At this time, it is unclear from this statement what partial exclusion means. For example, if a customer has both NLSL and AHWM load, does the customer make a single determination on whether to include or exclude its entire load served by Unspecified Resource Amounts (regardless of whether NLSL or AHWM load)? Or can a customer choose to exclude NLSL, but include AHWM load (or vice versa)? If a customer were to have more than one NLSL, can it make a determination on an NLSL-by-NLSL basis, or is it an “all or nothing” decision (i.e., all in or all out)? Does BPA view itself as having discretion to make these determinations, or are these within the purview of WRAP design?

Second, assuming that the above prohibition on partial exclusion would not prevent a customer from designating a subset of its load as excluded, it is unclear how a subset of load would be delineated. Is excluded load determined on a meter-by-meter basis? An end-user by end-user basis, regardless of whether some load may be NLSL and some AHWM? Would BPA make a determination on this issue, or would it be at the discretion of the customer? And similar to AWEC’s question above, does BPA view itself as having discretion to make these determinations, or are these within the purview of WRAP design? Answers to such questions are necessary for stakeholders to properly assess BPA’s proposals.

Finally, it is unclear whether a customer could exclude load for purposes of BPA’s WRAP participation but participate in the WRAP program for excluded loads on its own. If possible, AWEC would like to better understand any implications with BPA, particularly related to credits or charges that could be associated with such a decision.

AWEC looks forward to continuing to work with BPA and stakeholders to determine the appropriate solution for the treatment of NLSLs and AHWM load as it relates to the WRAP, Regional Dialogue contracts, and BPA’s statutory obligations.

/s/ Bill Gaines
Executive Director
Alliance of Western Energy Consumers

⁴ *Id.*

⁵ *Id.*