



Department of Energy
Bonneville Power Administration
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September 30, 2026

To interested parties:

The Bonneville Power Administration (BPA) thanks interested parties for attending the August 17, 2026, Western Resource Adequacy Program (WRAP) workshop on end-use customer load exclusions by LREs, as defined in the WRAP Tariff.

In the WRAP context, a load exclusion is the complete operation removal of a qualifying load from the load responsible entity's (LRE) forward showing and P50 peak load forecasts. BPA is a WRAP participant and serves as the LRE for the load it follows on an hour-to-hour basis, including its Load Following customer's total retail load.

Since the December 16, 2022 [WRAP Final Closeout Letter](#), BPA's messaging has consistently identified Winter 2027-2028 as Bonneville's first binding season and that commitment continues to be reaffirmed through other processes. Bonneville is actively working with WRAP to ensure that the enterprise can meet the first binding season's requirements. BPA is not seeking to delay its start in this important regional program.

At the August 17th workshop, BPA presented its analysis of how WRAP load exclusions operate, the risks it sees in allowing WRAP load exclusions within its LRE, and the lack of viable implementation paths. BPA concluded that it could not approve WRAP load exclusions without introducing unmitigated reliability and cost shifting risks. For additional information on WRAP load exclusions and BPA's participation in WRAP, please see BPA's August 17, 2026 [workshop materials](#).

In this letter, BPA reaffirms its decision not to support load exclusions and to instead support exploring net cost reduction concepts for large loads. In the following sections, BPA seeks to respond to the public comments received following the workshop alongside the analysis presented at the workshop, as well as outline the steps it will follow to explore next cost reduction concepts and address any issues not resolved by this letter.

Clarification of Bonneville's Obligations as A Load Responsible Entity

Commenters submitted feedback on several issues not exclusive to load exclusions and BPA seeks to provide clarity around those issues. First, WRAP is a Load Responsible Entity (LRE) program and, as such, BPA's obligation to bring resources to the program is tied to the loads it is directly responsible for serving, which for BPA are the total retail

loads of its Load Following customers, regardless of any contractual terms between Bonneville and a customer requiring the customer to apply a non-federal resource to its load. WRAP is not a balancing authority area-based program, so BPA's obligations are not limited by the boundaries of its balancing authority area. Load Following customers with Transfer Service, and Load Following customers located outside of BPA's balancing authority area are included in BPA's WRAP LRE obligation.

If a Load Following customer contracts for Bonneville to serve its entire load, Bonneville is responsible for ensuring it has adequate resources to serve the load and for proving that to WRAP. If a Load Following customer contracts to bring a non-federal resource to offset the load Bonneville has committed to serving, that resource becomes part of Bonneville's proof to WRAP that it has secured adequate resources to serve its load.

The Regional Dialogue contracts do not include any provisions requiring Bonneville customers to provide data about their non-federal resources specific to Bonneville's WRAP participation. The Provider of Choice contracts include terms requiring customers with non-federal resources to provide Bonneville with WRAP compliant data on those resources.

WRAP Load Exclusions

At the August 17th workshop, BPA staff shared why it does not believe load exclusions should be granted at this time. Staff noted that load exclusions create resource adequacy (RA) islands and a real-time default obligation risk for BPA. Carving out a significant amount of load from regional planning tools creates uncoordinated pockets of demand, degrading regional reliability monitoring. If an excluded load's energy resources fail to deliver in real-time, the load shifts onto BPA's system as an unexpected obligation. Excluding load sidesteps the transparent planning required by RA program solutions.

Commenters generally supported BPA's views on RA and the importance of maintaining comprehensive load coverage in the region. Commenters also supported exploring concepts that reduce net costs for meeting WRAP obligations while maintaining program requirements and responsibilities. Commenters did seek for BPA to not foreclose load exclusions or preclude services offered today in the future.

The decision not to grant load exclusions is based on current information. If circumstances change, BPA and its customers can consider whether the new landscape would permit load exclusions or other alternative solutions that do not exist today. Provider of Choice contracts provide for the load exclusion assessment to happen each rate period allowing BPA and customers to adjust course as needed.

Providing direction on load exclusions today provides certainty for BPA and its customers heading into BP-29. BPA does not believe that the concerns it raised in the August 17th

workshop can be resolved ahead of the October 15, 2027 deadline for granting load exclusions for BP-29.

Resource Adequacy Service Ending

Regional Dialogue contracts do not have requirements to support BPA's participation in WRAP, as the program evolved late in the contract period. Therefore, BPA needed to seek other options to encourage customers to support its binding participation. This led to the development of an RA service starting in BP-24, when BPA was uncertain about when WRAP would begin. BP-26 states that a Load Following customer has until January 31, 2027, to demonstrate that any non-federal resource associated with a New Large Single Load (NLSL) meets the Qualified Capacity Contribution (QCC) requirements of WRAP. If a customer does not provide adequate information that BPA can submit to WRAP, the customer will be subject to the BP-26 RA service rate. The BP-26 RA service serves as a bridge for customers through the remainder of the Regional Dialogue contract, providing customers with time to prepare to meet the WRAP-related requirements under the Provider of Choice contracts, including developing non-federal resource strategies for complying.

BPA does not intend to continue offering such a service for NLSLs. The Provider of Choice contracts explicitly state that RA service will not be offered for NLSLs. BPA also will not change its rate case schedule to finalize rates a year earlier than planned; BP-29 final rates are expected in July 2028. Customers are always welcome to request such a product from the trading floor; such a product may be available and would be subject to any constraints or pricing as determined by the trading floor.

Next Steps

BPA appreciates interested parties being proactive in thinking about net cost reduction solutions that could provide cost reductions to loads while meeting the intent of WRAP. BPA is still evaluating proposals presented, such as load reductions or examining how other entities are proposing to address such loads. Parties also suggested that, in exploring net cost reduction concepts, BPA adopt principles that can help guide discussions and let customers know what BPA may be looking for in a solution. BPA agrees this would be a helpful next step and is still assessing whether a written follow-up or a workshop is the best course of action on some of these ideas.

Commenters also raised concerns that day-ahead markets decisions may create different RA situations and whether duplicative standards may end up applying to Load Following customers with Transfer Service. If a second RA program is developed in the West, BPA will work with customers to evaluate how the program is implemented to ensure they are not subject to duplicative requirements.

BPA once again thanks parties for their interest in this work. We look forward to continuing to collaborate with customers and stakeholders towards a satisfactory solution.

Sincerely,

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Michelle Cathcart
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Bonneville Power Administration