



**TO**

**THE BONNEVILLE POWER ADMINISTRATION**



**REPORT OF THE INDEPENDENT EVALUATOR  
REVIEW AND VALIDATION  
2020 OVERSUPPLY MANAGEMENT PROTOCOL FILINGS**

September 30, 2020

Submitted by:

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**REPORT OF ACCION GROUP, LLC**  
**INDEPENDENT EVALUATOR FOR BONNEVILLE POWER ADMINISTRATION**  
**REVIEW AND VALIDATION OF 2020 FILINGS**

**I. EXECUTIVE SUMMARY**

Accion Group, LLC (“Accion”) was selected by Bonneville Power Administration (“Bonneville” or “BPA”) to serve as Independent Evaluator (“IE”) for the Oversupply Management Protocol Program (“Program” or “OM Program” or “OMP”). Accion created and administers the Website (“Website” or “Program Website”) through which the Program is managed.

The OMP provides for compensation for Generators that opt to participate in the Program when their generation is displaced by Federal generation. Bonneville designed the Program to ensure displacement is done on a least-cost basis to ensure that lower-cost Generators are displaced prior to higher-cost Generators. All Generators must submit data in support of their costs. The Program is conducted through the Program Website designed to the specifications identified by Bonneville. The Website provides a disclosure form to be completed and submitted by Generators for each generating facility located in Bonneville’s balancing authority area. Following the submittal of the disclosure form, the IE verifies that the Generators’ claimed costs are supported. The process used by the IE for Validation (“Validation Process” “Validation” or “Process”) was devised by Bonneville, in coordination with the IE, to provide Bonneville with confidence that claimed costs are fully supported by documentation, thus avoiding additional review tasks each time losses are claimed. The Validation Process provides for the IE to randomly select and review the submissions of Generators to, in effect, “spot check” the data that was provided.

Thirty (30) Submissions were received this year from twenty (20) Generators. Ten (10) submissions were randomly selected for Validation by the IE, and the IE subsequently reviewed and verified the costs claimed for each of the Submittals. With the exception of three (3) new Generators this year, representing eight (8) facilities, most were familiar with the process due to previous participation in the Program and generally, most provided adequate support documentation to facilitate an efficient Validation Process. As is also the case from year-to-year, there were some new account managers who had not participated in past years, and therefore, needed some assistance.

The type of documentation Generators provide in support of their Submittal is left to the discretion of the individual Generator; however, documentation must be sufficient to verify

costs claimed on their Submittal Forms.

Most Generators provided documentation typical to the industry, but unique to the individual Generator. As an example, in some instances the Generator provided documentation that confirmed some claimed costs or established an obligation to deliver energy for only part of the year. In all instances where a bundled contract was submitted, the contract had an execution date prior to March 6, 2012, as required<sup>1</sup>.

The IE conducted its initial review for all Submissions following the Submittal period deadline. Following the initial review, the IE found it necessary to request additional support documents or expanded explanations relating to claimed costs from three (3) Generators. As a result of the preliminary review, the IE's in depth review of the ten (10) generating facilities selected for Validation, including responses to the IE's requests for additional information, found enough supporting information from each Generator to confirm the basis for claimed costs.

As in previous Program years, the IE additionally performed a cursory review of all Submittals by the Generators who were not included in the Validation Process, other than those submitted by Generators who opted out of the Program, claiming zero (0) costs. A discussion of this cursory review is provided in this Report.

## II. 2020 OVERSUPPLY MANAGEMENT PROTOCOL WEBSITE

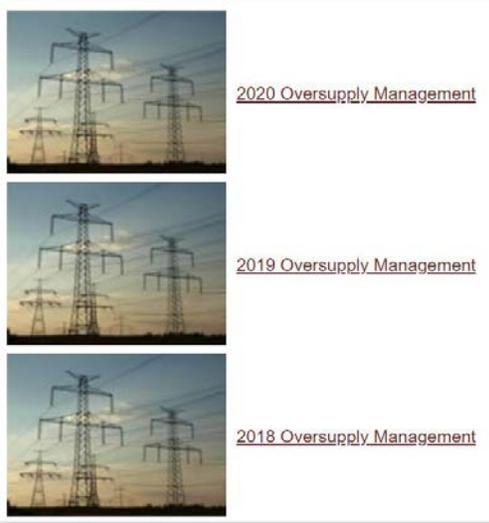


A new “Silo” was created on the Program Website for the 2020 Oversupply Management Protocol. As was with previous Program years, the Website Silo was provided using the previous (2019) year’s Website design, to provide a degree of consistency for all participants: Generators, Bonneville personnel, and Website Administrators. The Website was edited to reflect the current program year and updated to reflect edits and or improvements as discussed with BPA Administrators. The process remained user-friendly and familiar for returning participants. Information provided on the Website to assist Generators with their Submittals was reviewed and updated as needed.

All Silos for previous Program years remain available on the Website so Generators can access their previous Submittals for historical reference. All data from previous years is

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<sup>1</sup> Reference Attachment P Section.



maintained and accessible on the Website and available to the individual Generator and the IE. This makes it possible to compare past Generator participation in the Program (2012 through 2019) to the current year's registered participants. This feature serves to assist Generators when reviewing past compliance filings should they wish to do so, and also provides the IE with a data base for contacting those Generators who had registered in prior years, but not yet registered in 2020. As part of the annual review the IE compared prior filings with the 2020 submissions to identify any changes in generating facility ownership, etc.

The IE communicated with Bonneville regarding any questions as to Generator changes. Bonneville experienced a change in personnel designated to manage the 2020 Program. As has been consistent in past Program years, Bonneville personnel were responsive to all inquiries from the IE, and in all instances, provided requested information promptly and completely.

## **2020 PROGRAM LAUNCH**

The 2020 Website was launched on March 1, 2020. The IE identified the list of Generators registered on the 2019 Program Website to determine which Generators should be contacted and invited to register on the OMP Website to participate in the 2020 Program. Additionally, the IE was contacted by two (2) Generators prior to the 2020 Website launch date, to inquire about participation and the timeline for registration and Submittal displacement cost data on the Website.

The following Announcement, provided by Bonneville, was posted on the Announcement Page of the Website, and sent to all Generators registered on the 2019 Website, notifying them to register for the 2020 Program:

### **Announcement**

*Posted (PPT)*

*3/2/2020 12:26:21 PM*

***SUBJECT: 2020 Oversupply Management Protocol Reminder***

*As spring approaches, so do the natural elements that provide the Northwest with abundant energy resources. Each year, generators with eligible displacement costs must submit those costs in March, in order to receive compensation per our Oversupply Management Protocol (OMP) adopted as Attachment P of our Tariff in 2012. This is a Tariff requirement, and not an indication that an OMP event is imminent.*

*BPA's OMP is a tool that BPA can use at any point in the year to address oversupply issues, but historically those events are most likely to occur during the spring runoff. BPA will, to the best of its ability, give notice if there is a risk of implementing OMP via Tech*

*Forum notice. Operations information related to hydro, thermal and wind conditions and transmission loading is available on the BPA Oversupply website at [www.bpa.gov/goto/oversupply](http://www.bpa.gov/goto/oversupply).*

- *As of Monday, March 2, 2020, generators can start registering on the Accion site for 2020 cost Submittals at <https://oversupply.accionpower.com>. Please note: Regardless of generators' registration on a prior year's site, new registration on the 2020 site is necessary for submitting 2020 cost Submittals. Per Attachment P, Oversupply Management Protocol, generators must submit their facility's displacement costs by March 16, 2020 for inclusion in the Least-Cost Displacement Cost Curve. Failure to submit displacement costs for a facility will result in a displacement cost of \$0/MWh for that facility. Additional details on the protocol and guidelines for displacement costs are available in Attachment P and in the [Oversupply Management Protocol Business Practice](#).*

- *BPA's annual OMP test will occur the week of March 23, 2020. The test will be for one hour or less. BPA does not expect generation to be displaced below schedule for the test. All generators should limit generation to schedules or to Generation Estimates for behind-the-meter resources. No Cost Generators will not be required to move to minimum generation. BPA will send a reminder Tech Forum announcement the week prior.*

- *BPA continues automation to waive loss return obligations in CDE during oversupply conditions. Notices for waiving losses are expected to be published about 3:30 p.m. on the day prior to the WECC Preschedule Trading Day. It is recommended that Customers continue to verify their loss obligations in CDE each morning prior to beginning trading. Scheduled loss returns during hours where the obligation has been waived by BPA will be curtailed. Customers can refer to the [Oversupply Management Protocol Business Practice Section E.2](#) for additional information on the waiving of loss return obligations during oversupply conditions.*

- *As always, generator operators and owners should update their minimum generation levels in the Customer Data Entry system. Information regarding minimum generation levels can be found in the [Oversupply Management Protocol Business Practice Section C](#).*

*Questions about BPA Oversupply Management Protocol may be directed to [techforum@bpa.gov](mailto:techforum@bpa.gov) with Oversupply in the subject heading.*

*Any questions regarding the Accion website should be directed to Sheri Vincent-Crisp at (603) 229-1644, [svincentcrisp@acciongroup.com](mailto:svincentcrisp@acciongroup.com) or Harry Judd at (603) 229-1644, [hjudd@acciongroup.com](mailto:hjudd@acciongroup.com).*

*For problems concerning the RFP Process please contact the IE*

*For technical problems with this website please contact the Accion Power Site Administrator*

## **REGISTRANTS AND SUBMITTALS ON THE 2019 WEBSITE**

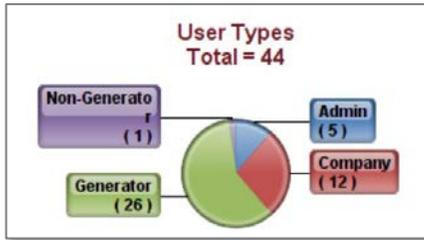
The IE reviewed the 2020 Generators that had registered to participate in the 2020 Program and compared the current year participants to those Generators that had participated in the 2019 Program but were not registered on the 2020 Website. For those that had not registered, the IE contacted them using registration data from the 2019 Website. Initially an email was sent, and if unresponsive, each Generator was contacted by telephone.

Forty-three (43) individuals registered on the 2020 Website as Generators, Bonneville personnel or Website Administrators/the IE.

The following charts show the status of both registrations and Submittals as of the date of

this Report and are shown in real-time on the Program Website.

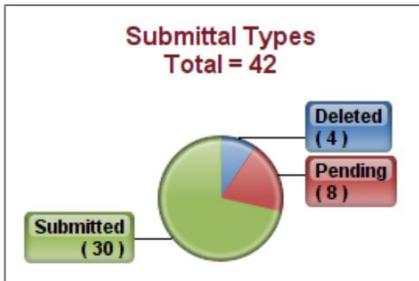
Figure 1



**Total Registrants: 44**

Generators Registered:	26 <sup>2</sup>
BPA Personnel Registrants:	12
Site Administrator Registrants:	5
Non-Generator Registrants:	1

Figure 2



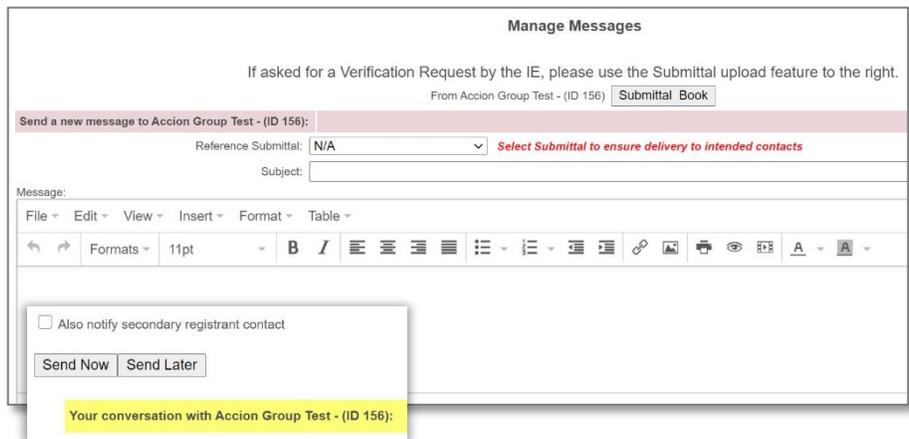
**Total Submittals: 42**

Four (4) Submittals were started and subsequently deleted by a Generator and a new Submittal was completed. Six (6) Submittals remained pending, as they were used by the IE for testing purposes and two (2) Generators each left one (1) Submittal pending.<sup>3</sup>

**MESSAGES AND COMMUNICATIONS**

**A. Communications Between Generators and the IE**

Generators and the IE used the Message Board on the Website to correspond with each other. If Generators had questions or concerns regarding Submittals or the process, they used the Message Board to send a confidential message to the IE, and the IE responded also using the Message Board. In this manner a permanent record of all conversations is maintained on the Website for future reference.



<sup>2</sup> Includes one Administrative Test Registration.

<sup>3</sup> In some instances, Generators started a Submission Form, but left it incomplete, leaving those forms “pending.” All Generators submitted at least one completed form, so the IE did not probe to determine why any pending form was not completed.

As of the date of this Report, ten (10) Generators used the Message Board to send their questions or submit additional information regarding their Submittals. The total number of messages sent by these Generators was twenty-four (24)<sup>4</sup>, and forty-four (44) messages were sent by the IE to Generators asking for clarification, confirming Submittals, or responding to questions.

The IE and Bonneville also received emails directly from two (2) Generators indicating they were not participating in the 2020 Program; two (2) of the messages were also received on the Message Board. Three (3) Generators contacted the IE via the OMP Program Website Message Board seeking confirmation of their status regarding participation in the 2020 Program.

If Generators responded to telephone inquiries with return calls or direct email responses, the IE transferred the information to the corresponding Message Page, to maintain a record for future regulatory review.

### **B. Communications Between BPA and the IE**

BPA Administrators and the IE used the Manager Message Board on the Website to correspond with each other, similar to the Message Board utilized for communications between the IE and Generators. If BPA had questions or concerns regarding Submittals or the process, they used the Message Board to send a confidential message to the IE, and the IE responded

The screenshot shows a web form titled "Managers Messages". At the top left is a button labeled "Managers Docs". Below it is a section for sending a new message, which includes a "Subject:" input field, a larger "Message:" text area, and a "To:" dropdown menu. The dropdown menu is currently open, showing three options: "- Select Recipient -", "Quinata, Nicholas", and "Vincent-Crisp, Sheri". At the bottom left of the form are two buttons: "Send Now" and "Send Later".

also using the Manager Message Board. In this manner a permanent record of all conversations is maintained on the Website for future reference.

### **III. SUBMITTAL PROCESS**

Information from Generators was collected on the Program Website. Each Generator was provided a confidential, individual Submittal Book with a separate file system for each

<sup>4</sup> Sixty-eight (68) messages represented questions regarding the Oversupply Program and the Submittal process, requests for confirmation of their submittals, and responses to requests from the IE.

generating facility identified by the Generator.

Via the Website, on their Submittal Form, each Generator was required to provide monthly cost data for Light Load Hours (“LLH”) and Heavy Load Hours (“HLH”). Alternatively, the Generator could decline to claim LLH or HLH by a simple “click” on the Submittal Form, resulting in “0” costs claimed. Generators were also provided the option of claiming Renewable Energy Certificates (“RECs”), or, alternatively, declining to do so.

As previously noted in this report, all the data from previous years’ Programs is maintained and accessible (archived) on the Website and available to the individual Generator and the IE. As part of the annual review the IE compared prior filings with the 2019 submissions to identify any changes in Generating Facility ownership, etc., and communicated with Bonneville regarding any questions as to Generator changes. If BPA noted substantial increases or decreases when running the first program month displacement and Pricing Reports, and they reached out to the IE for confirmation via the Manager Message Board, the IE then reached out to the Generators for additional information. The following is an example of the IE’s request for confirmation of Submittal data in those instances.

In comparing the April 2020 LLH and HLH (\$/MWh) numbers to the respective April 2020 numbers, BPA notes some substantial price changes.

2019 LLH and HLH – \$61.58/MWh

2020 LLH and HLH – \$82.81/MWh

*This represents an increase of \$21.23/MWh.*

Please verify that these submitted prices are correct, along with an explanation to support the change from 2019 to those claimed in 2020.

You may respond directly to the IE via the Messages Board. If you have additional documentation you wish to provide, please use the Upload tab visible on the Messages Board in the upper right-hand corner.

Thank you for your prompt reply no later than COB Friday, April 24<sup>th</sup>, 2020.

When completing the online Form, Generators were provided the opportunity to revise their statement of costs before submission. Also, Generators are permitted to revise cost data on a prospective basis, with the revised cost data being employed two (2) months after the month in which the revision was submitted. As of the date of this report, no Generators submitted revised Submittals. If a Generator submits a revised Submittal(s), once the revised Submittal(s) is eligible, the respective original Submittal(s) would be withdrawn by the IE and replaced by the newly revised Submittal(s) to be included in the Displacement Cost reports or the Pricing Reports generated each month and released on the Website to Bonneville personnel authorized to receive the information.

Once the initial Submittal deadline passed, the IE reviewed the status of registrations and Submittals, and noted that six (6) registered participants in the Program had not provided their Submittal Forms. After follow-up by the IE, four (4) submitted their data within one (1) day and, as was also the case in previous Program years, the two (2) remaining unsubmitted were

due to Generator Facility ownership changes and changes in the personnel responsible for their Facility’s information. Responses from the two (2) remaining Facilities were forthcoming once the individuals responsible for submitting the information received direction from the IE and became familiar with the process.

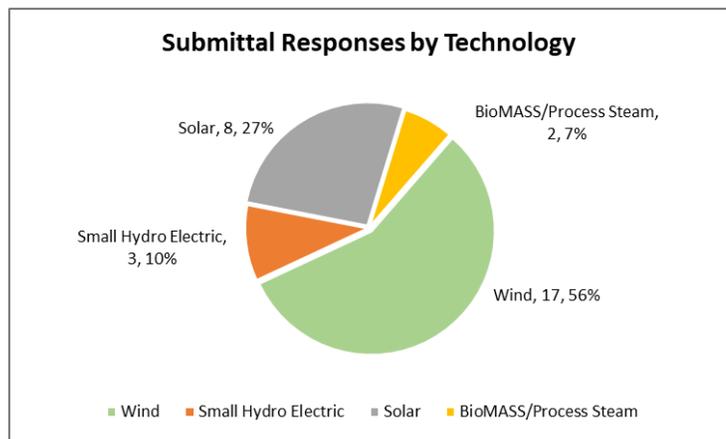
Most Generators provided sufficient information in a timely manner, so the IE could begin review of eligibility, with no need for an extension.

### SUBMITTAL RESPONSES

Twenty (20) Generators submitted thirty (30) Submittal Forms as shown in the ***Submittal Responses by Technology*** chart in ***Figure 3***.

Generators were required to upload documentation supporting the Displacement Cost data included in their Submittal Forms. All Generators provided at least one document unless they did not claim costs on their Submittal. Details regarding the quality and number of Required and Supporting Documents provided by Generators for each Submittal are shown in ***Tables 3 and 4*** of this Report.

**Figure 3**



### IV. VALIDATION PROCESS

The Validation Process was undertaken in a manner to minimize the burden on Generators. Accion used the same model used in prior years to randomly select the Submittals that would be subject to additional scrutiny. The randomization model was run repeatedly to confirm that random re-sorting occurred, and to effectively “scramble” the Submittals. The Submittals were entered into the process using the submission identification number, and not the name of the Generator or the project name, to avoid even the appearance of predetermination.

The following **Table 1** provides the randomized ranking of the Submissions for 2020.

**Table 1**  
**Randomized Ranking of Submissions**

213-1	0.499795	228-1	0.299975
210-1	0.714741	229-1	0.335387
225-2	0.309255	220-2	0.769145
216-2	0.646752	224-1	0.955629
212-1	0.845235	230-2	0.469535
218-2	0.657864	211-2	0.545347
224-4	0.367649	224-2	0.88471
218-1	0.927842	227-1	0.062697
214-1	0.293776	216-1	0.494605
231-2	0.916127	226-1	0.531048
222-1	0.009199	211-1	0.836377
209-1	0.700639	224-3	0.874963
221-2	0.963486	217-1	0.260385
212-2	0.050213	220-5	0.555169
212-3	0.241132	221-1	0.671477

**Table 2** identifies the ten (10) submissions selected for Validation by the IE. These ten (10) were taken from the randomization presented in **Table 1** and reordered to be in numeric order with the name of the Facility added (redacted in Table).

**Table 2**

FINAL SUBMISSION SELECTION FOR VALIDATION	
Generator/ Identification Number	Facility
210-1	Redacted
212-1	Redacted
213-1	Redacted
214-1	Redacted
216-2	Redacted
218-1	Redacted
218-2	Redacted
224-4	Redacted
225-2	Redacted
231-2	Redacted

**Table 3** is a summary of the initial review of each of the ten (10) Submissions selected for Validation. This is followed by a description of any instances when the IE reached out to clarify or collect additional information from Generators, and the status of each verification for the selected Submissions.

**Table 3**

**Summary of Validation Review by Independent Evaluator - April 2019**

Submittal Number	Verification Document: PPA	Verification Document: Other	Notes
<b>210-1</b>	1	1	PPA dated June 24, 2009 for a 20-year Term. Documentation for Displacement Cost Methodology.
<b>212-1</b>	1	3	PPA dated June 18, 2007; Documentation: Electric Service Agreement dated April 15, 2011. First Amendment to Electric Service Agreement dated January 25, 2015. Oregon Price Summary in effect as of February 2, 2020.
<b>213-1</b>	1	2	PPA dated November 7, 2011 for a 20-year Term; Pricing Schedule for all contract years 2002-2021; Pricing breakdown 2020.
<b>214-1</b>	1		PPA dated July 28, 2008 – cover page only with redacted party; Appendix A Payment Schedule provided.
<b>216-2</b>	1		PPA dated April 27, 2016 for a 16-year Term; Cost calculations provided for years 2015-2040. This met the requirement of Attachment P, Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.
<b>218-1</b>	1		PPA dated November 30, 2000 for a 25-year Term. Included in PPA are several tables showing contract year amounts.
<b>218-2</b>	1		PPA dated November 27, 1996 for a 30-year Term at commencement of Commercial Operation date (1999).
<b>224-4</b>	1		PPA dated April 29, 2016, for a 20-year Term. Cost calculations provided for years 2015-2040. This met the requirement of Attachment, P Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.
<b>225-2</b>	1	1	Requested supporting documentation; provided the Submittal in pdf form – an HTML document unable to be opened. Provided: PPA 3/24/2009 - Term 20 years; Exhibit B Offered for Examples of Calculation and Guaranteed Energy Amounts, short-fall amounts, and shortfall liquidated Damages
<b>231-2</b>	1	3	Memo dated 3/16/2020 Energy Value Review; BPA OMP Submittal 2020-21 Support Pricing; Chart – PPA Pricing with Annual CPI Adjustments; Additional Memo dated 3/16/2020; Chart – Off-site fuel Storage Costs 2020-21; Site Maps; Renewable PPA dated February 25, 2010 for a 15-year Term; WSPP Agreement-Firm Bundled REC Confirmation dated December 18, 2019 for January-December 2020.

The IE performed an initial review once all Submissions had been received on the Website, prior to commencing with the Validation Process. During the initial review, the IE reached out to three (3) Generators identified as needing to provide additional information. All provided

sufficient information to cure the deficiencies. Subsequently, of the randomized Submissions selected for Validation, the IE was able to verify the Claimed Costs for the ten (10) Submissions with no additional information needed.

The following provides a review of the Submittals Randomly selected for Validation.

**SUBMITTAL 210-01**

A PPA dated June 24, 2009 for a 20-year term was provided to support this Submittal. Additionally, supporting documentation for displacement cost methodology was provided.

**SUBMITTAL 212-01**

Supporting documentation provided was a PPA dated June 18, 2007 and an electric service agreement dated April 15, 2011. Additional documentation provided included the First Amendment to Electric Service Agreement dated January 25, 2015, and Oregon price summary in effect as of February 2, 2020.

**SUBMITTAL 213-01**

A PPA dated November 7, 2011 for a 20-year Term, a Pricing Schedule for all contract years 2002-2021 and a Pricing breakdown 2020 was provided to support this Submittal.

Prior to the random selection of this Submittal for IE Validation, BPA had indicated to the IE it noted some substantial price changes in comparing the April 2020 LLH and HLH (\$/MWh) numbers to the respective April 2019 numbers. The IE reached out via the Message Board asking for verification that the submitted prices were correct, along with an explanation to support the cost change from 2019 to those claimed in 2020.

The Generator provided additional information explaining the variance to the satisfaction of BPA and the IE.

**SUBMITTAL 214-01**

The required Document provided by the Generator was a Power Purchase Agreement dated as of July 28, 2008 for a term of 15 years. Appendix A of the PPA provided an Excess Energy Payment schedule that provided purchase price for Delivered Energy and non-excess Energy delivered.

**SUBMITTAL 216-02**

The Generator provided a PPA dated April 27, 2016 for a 16-year Term. Cost calculations were provided for years 2015-2040. This met the requirements of Attachment P Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.

### **SUBMITTAL 218-01**

Supporting documentation was a PPA dated November 30, 2000 for a 25-year term. Included in the PPA are several tables showing contract year amounts.

### **SUBMITTAL 218-02**

A 30-year term PPA dated November 27, 1996 was provided, with the commencement of Commercial Operation date of 1999.

### **SUBMITTAL 224-04**

This Generator provided a Standard Renewable Off-System Variable PPA dated April 29, 2016, for a 20-year Term was provided. Cost calculations were additionally provided for years 2015-2040. This met the requirements of Attachment P Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.

### **SUBMITTAL 225-02**

The IE requested additional supporting documentation because the document provided was the Submittal Form completed for this Program year. Additionally, an HTML document was provided that was unable to be opened. The Generator requested to use the supporting documentation from its 2019 Submittal: a PPA dated March 24, 2009, with a term of 20 years. The Exhibit B offered Examples of Calculation and Guaranteed Energy Amounts, short-fall amounts, and shortfall liquidated Damages. Generator was informed that they must provide the required supporting documentation even if it has been provided in previous Program years. This was completed.

### **SUBMITTAL 231-02**

Supporting Documentation for this Submittal included a Memo dated March 16, 2020, with Energy Value Reviews; the Submittal for the current Program year with 2020-2021 Support Pricing; a chart with PPA Pricing with Annual CPI Adjustments; and additional Memo dated March 16, 2020; a chart showing off-site fuel Storage Costs for 2020-21; Site Maps; a Renewable PPA dated February 25, 2010 for a 15-year Term; and a WSPP Agreement with Firm Bundled REC Confirmation dated December 18, 2019 for January-December 2020.

### **SUMMARY**

In all cases the information provided and reviewed was sufficient to complete Validation because the Supporting Documents identified the claimed displacement values. The validation of claimed costs permits Bonneville to have confidence that the costs claimed by Generators are accurate. Below, the IE summarizes a review of the submissions for the Generators not selected for Validation.

## V. CURSORY REVIEW OF SUBMITTALS NOT SELECTED FOR RANDOM VALIDATION

The IE additionally performs a cursory review of all Submittals by the Generators who were not included in the Validation Process, other than those submitted by Generators who opted out of the process. The goal of this review is to summarize the quality of information provided by the responding Generators, with the IE determining if there was need to seek information from the individual Generators, beyond what was provided by each Generator at the time the Submittal Form was completed. The Program is premised on Generators providing correct data, supported by documentation requested by the IE as part of the Validation Process. This cursory review, along with the information provided in **Tables 3 and 4**, is provided so Bonneville has an appreciation for the quality and quantity of documentation provided by Generators.

As part of the initial Submission process, Generators were required to provide documentation when costs were claimed. A majority of Generators provided extensive supporting documents. The following **Table 4** summarizes the number of required and supporting documents submitted by all Generators per Submittal.

**Table 4**  
**Required and Supporting Documents Provided Per Submittal**

Submittal Number	Zero Costs	Selected for Validation	Required Documents Provided	Additional Support Documents Provided	IE Requested Additional Verification
209-1			1	3	
210-1		x	1	1	
211-1			1		
211-2			1		
212-1		x	1	3	
212-2			1	2	
212-3			1	5	
213-1		x	1	2	x
214-1		x	1		
216-1			1		
216-2		x	1		
217-1			1	4	
218-1		x	1		
218-02		x	1		
220-2			1		
220-5			1	2	
221-1	x				
221-2	x				
222-1			1	2	x

Submittal Number	Zero Costs	Selected for Validation	Required Documents Provided	Additional Support Documents Provided	IE Requested Additional Verification
224-1			1		
224-2			1		
224-3			1		
224-4		x	1		
225-2		x	1		x
226-1			1		
227-1			1	1	
228-1			1	1	
229-1			1		
230-2			1	2	
231-2		x	1	3	

The following provides a cursory review of the Submittals not randomly selected for Validation. The IE found there was enough documentation to support the Claimed Costs as provided on all Submittal Forms as noted in the review, below.

**SUBMITTAL 209-01**

The uploaded Required Documentation included with this Submission was an executed Standard Contract Off System PPA for a term of 20 years, for Intermittent Resources effective April 29<sup>th</sup>, 2010, with highlighted text, “[a]ll energy shall be prescheduled according to customary WECC scheduling practices.”

Also included was a City of Seattle Ordinance passed on July 11, 2011 and signed by the Mayor on July 18, 2011. The Ordinance is for the purchase of attributes in the form of renewable energy certificates that are necessary or convenient for meeting the requirements of the Washington State Energy Independence Act. Additionally, a Master Renewable Energy Certificate Purchase and Sale Agreement dated September 21, 2010 was provided. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

**SUBMITTAL 211-01**

This Generator provided a Standard Renewable Off-System Variable PPA dated June 27, 2016, for a 20-year Term was provided. Cost calculations were additionally provided for years 2015-2040. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form. This met the requirements of Attachment P, Section 3.c.ii, with respect to contracts for the sale of all or part of a facility’s output executed after March 6, 2012.

**SUBMITTAL 211-02**

This Generator provided a Standard Renewable Off-System Variable PPA dated June 26,

2016, for a 20-year Term was provided. Cost calculations were additionally provided for years 2015-2040. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form. This met the requirements of Attachment P, Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.

#### **SUBMITTAL 212-02**

This Generator provided a 20-year Renewable PPA dated August 14, 2008, as a Required Document. Generators were invited to self-select documents to support claims of loss in the event of curtailment. This Generator provided two documents: The Electric Service Agreement relating to the Facility and Delivery Service Schedule dated April 15, 2011, with an amended effective date of December 1, 2015, and PUC OR No. 36 – Schedule 47 regarding Large General Service/Delivery Service. Also included was an Oregon Price Summary Chart as of February 2019 and Columbia Basin Electric Rates Sheet dated February 1, 2020. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

#### **SUBMITTAL 216-01**

This Generator provided a Standard Renewable Off-System Variable PPA dated January 25, 2016 for a 15-year Term. Cost calculations were provided for years 2015-2040. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form. This met the requirements of Attachment P Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.

#### **SUBMITTAL 217-01**

The Required Document provided was an Excel Sheet with Contract Energy Price and Contract REC Prices for the period April 1, 2020 to March 1, 2021. The Index page to PPA included Contract Purchase Price redacted except for 2020 and 2021. Additional documentation was provided as follows: Renewable Energy Credit Purchase Agreement per original date 5/15/1994; a Renewable Energy Credit Purchase Agreement from April 2018 to April 1, 2019; ICAP National Greene-e Bid/Offer chart and Karbone Bid/Ask Pricing Chart, both dated February 28, 2020. The IE found there was enough documentation to support the Claimed Costs as provided on the Submittal Form.

#### **SUBMITTAL 220-02**

The Required Documentation initially supporting this Submission was in the form of the following: Offers from Karbone for 2019; BAML-Karbone California Transcript/*2019 Renewable Energy Policy Round-up*; Pacific Northwest WA Compliant Green-e Eligible Wind RECs; and several Portfolio Volumes charts.

The IE reviewed the 2019 Submittal Documentation in order to compare with the 2019 Submittal and supporting information. Additional documentation in the form of a Master Service

and Maintenance Agreement dated August 2, 2010 was also provided. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

#### **SUBMITTAL 220-05**

Upon request for verification, this Generator indicated that, per section c2B of the Attachments P, it had not yet executed a contract to sell the RECs, and subsequently uploaded market documents from 2020 Renewable Energy Policy Round UP.

Generator additionally provided a letter dated April 25, 2012 from the Department of Labor and Industries re: Certificate of Apprentice Labor Standard. Documentation in the form of WAC 480-109-200 Renewable portfolio standard was provided explaining eligibility and target years. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

#### **SUBMITTAL 221-01**

Generator claimed zero (0) costs.

#### **SUBMITTAL 221-02**

Generator claimed zero (0) costs.

#### **SUBMITTAL 222-01**

Various documentation was provided by this Generator; Wind Project Displacement Cost Summary Chart, and a PPA dated July 14, 2009. Also provided was a confidential letter to the IE dated March 11, 2020, with detailed calculations and Project Cost of Displacement April 1, 2020 through April 1, 2021.

Additional documentation provided included a chart entitled “Weighted Forward NP Curve” for date April 1, 2020 through April 1, 2021, and a BGC Environmental Brokerage Chart for the relevant OMP Program dates.

BPA indicated to the IE it noted some substantial price changes in comparing the April 2020 LLH and HLH (\$/MWh) numbers to the respective April 2019 numbers. The IE reached out via the Message Board asking for verification that the submitted prices were correct, along with an explanation to support the change from 2019 costs to those claimed in 2020. The IE and BPA found the response from the Generator sufficient to support the Claimed Costs as provided on the Submittal Form.

#### **SUBMITTAL 224-01**

A Karbone Renewables Brokerage Statement dated May 10, 2020 was provided for pricing. Additional documentation has been requested, and it is the IE’s belief this was an oversight by this Generator, as information on its other multiple Submittals was complete.

### **SUBMITTAL 224-02**

This Generator provided a Standard Renewable Off-System Variable PPA dated April 26, 2016, for a 20-year Term was provided. Cost calculations were additionally provided for years 2015-2040. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form. This met the requirements of Attachment P, Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.

### **SUBMITTAL 224-03**

This Generator provided a Standard Renewable Off-System Variable PPA dated May 16, 2016, for a 20-year Term was provided. Cost calculations were additionally provided for years 2015-2040. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form. This met the requirements of Attachment P Section 3.c.ii, with respect to contracts for the sale of all or part of a facility's output executed after March 6, 2012.

### **SUBMITTAL 226-01**

This Generator provided a Purchase and Sales of Energy and Renewable Energy Certificate Confirmation dated September 10, 2018 pursuant to the terms of the Master Service of the same date. The Certificate of confirmation links to the original PPA dated September 23, 2011, with a term from January 1, 2019 to August 13, 2024.

Additionally, they provided a completed IE Validation Form Template used in past Program years and updated for the current 2020 Program Period to show total Displacement Cost. In the 2020 Program year Submittal, the 2020 IE Validation of Displacement Cost Form refers to PPA prices for RECs and Energy. The PPA was provided. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

### **SUBMITTAL 227-01**

This Generator provided a REC Transaction Confirmation Letter detailing values provided in the Submittal Form, along with a Master REC Purchase and Sale Agreement dated August 22, 2019. Terms of the transaction are authorized by a Master Green Tag Purchase and Sale Agreement between Buyer and Seller.

An Excel sheet was provided with a chart (dated April 15, 2020) of sales completed in 2019 by structured and unstructured type. The chart shows Energy/REC/GHG and Karbone Bids and Offers (for Average). Peak and Non-Peak calculations were provided, along with Transaction confirmation regarding Firm RECs. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

### **SUBMITTAL 228-01**

This Generator provided a Power Purchase and Sale Agreement and Master Power

Purchase Agreement dated May 28, 2008 for a 15-year term with attachments. The Master PPA provided detailed pricing and delivery information for bundled energy and RECS pursuant to the agreement. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

### **SUBMITTAL 229-01**

Required Supporting documentation provided by this Generator was a Renewable Resource PPA executed on August 26, 2008 for a 20-year term. The PPA included pricing information. Additionally, PPA pricing for bundled energy and RECs and contract prices were provided. The IE found this enough documentation to support the Claimed Costs provided on the Submittal Form.

### **SUBMITTAL 230-02**

Three (3) documents were provided with this Submittal. They were a *Tullett Prebon Pricing Chart* showing Peak and Off-Peak pricing dated March 13, 2020, the Generator's "BGC Environmental Brokerage Services Daily REC Bulletin" and "Karbone Pricing Chart" for the 2020 Program year term. The IE found this sufficient documentation to support the Claimed Costs as provided on the Submittal Form.

### **COMPARISON OF 2019 AND 20120 RESULTS**

In 2019, nineteen (19) Generators filed twenty-two (22) Submittals, of which all Submittals included at least one Required Document. Of the twenty-two (22) Submittals that included Required Documents, eleven (11) also included additional Supporting Documents. Two (2) Generators' Submittals claimed zero costs.

As in 2019, in 2020 the IE also conducted a summary review of the filings provided for the submissions that were not selected for Validation. In 2020, twenty (20) Generators submitted thirty (30), of which all Submittals included at least one Required Document. Of the thirty (30) Submittals that included Required Documents, thirteen (13) also included additional Supporting Documents. Again, as in 2019, two (2) Generators Submittals claimed zero costs.

## **VI. CONCLUSIONS**

The IE randomly selected ten (10) Submissions for the annual Validation Process. As part of the Submission process, each Generator was required to provide supporting documentation of their choosing. After reviewing the documents proffered with the ten (10) Submissions, the IE found the need to request additional documentation and/or explanations from one<sup>5</sup> (1) Generator

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<sup>5</sup> As noted previously in this report, the IE reached out to one (1) Generator, prior to the Randomized Verification, for additional information. The response was provided before performing the verification, and therefore was not considered in that process.

because the initial submissions were insufficient for the IE to complete the Validation Process.

The IE reviewed the 2019 Submittals, and compared them to the current 2020 Submittals, to confirm consistency in pricing and documentation. The IE determined that all ten (10) Submissions randomly selected for Validation had sufficient documentation to enable the IE to affirm the Submissions.

In addition to the reviewing the ten (10) randomly selected submissions for Validation, as noted previously in this report, the IE performed a cursory review of all 2020 Submissions along with comparisons to 2019 Submissions. The information and claims were consistent in both Program years, with additional supporting documents requested and provided by some Generators this year to explain any noticeable price variations. With the additional information provided, the IE was able to verify all Submissions with the exception of one (1), discussed previously in this report.

#### **A. REQUIRED DOCUMENTATION**

As was the case in 2019, this Program year the IE maintained a simple process for Generators by reviewing the completed Submittal Forms and their respective Required and/or Supporting Documentation prior to determining a need to reach out to the Generators selected for Random Validation. In this manner, the Generators that provided sufficient support for the data collected in their Submittal Forms were not required to complete additional forms or submit further Documentation for Validation. The IE would then reach out to the Generators singularly if additional support was needed for their claimed Costs.

The IE notes a consistent number of Generators that provide specific documentation making the Validation Process efficient and accurate. The fact remains that some Generators only make market sales and, therefore, it remains challenging to provide an easy way for that to be reported. At the same time, most Generators have participated in the Program for several years and are therefore more familiar with the documentation required and less resistant to accepting the need for Validation of claimed costs.

The IE continues to suggest providing a list of preferred or acceptable Supporting Documents to assist Generators in establishing the value of loss in the event of Curtailment, such as a firm PPA, or other agreement that would definitively verify their Cost Claims.

The IE works closely with BPA in order to identify submitted price differentials from year to year. In 2020, BPA's initial monthly review of the pricing as reported in the first monthly review identified two (2) Submittals where there were substantial cost increases when compared with the 2019 Submittals. At BPA's direction, there was a need for the IE to confirm the legitimacy of the 2020 claimed prices. BPA provided the IE with those instances for which an explanation for the irregularities was appropriate, and the IE reached via the Message Board asking for verification that the submitted prices were correct, along with an explanation to support the change from 2019 to those claimed in 2020.

Both Generators promptly provided explanation, it was necessary for the IE to follow-up with one (1) to seek further explanation regarding the pricing changes. The Generator provided additional information.

Coordination with Bonneville regarding changes in Generators and contacts increases the efficiency of managing the Oversupply Program Submittals, and any subsequent requests for data verification. This communication continued in the 2020 Program Year. The IE was consistently provided updated information upon request, and questions regarding eligibility for participation in the OMP were provided promptly. Having the latest contact information when the new Program Year was launched, and when starting the review process, improves the initial response rate, thus avoiding the need to have numerous conversations with Generators.

As was the case in previous years, there were some changes in Generator personnel such that those responsible for managing participation in past Program years were no longer involved in 2020, and the addition of three (3) new Generators to the Program this year; this resulted in new participants needing assistance with the process. With the assistance of BPA, the IE was successful in identifying these changes and reached out to those individuals to ensure they were familiar with the OMP and Submittal process and had access to their previous OMP Submittals for reference.