RE: Comments in Response to July 29 Resource Adequacy Stakeholder Meeting

Thank you for the opportunity to comment on the July 29 workshop regarding BPA and the Northwest Power Pool (NWPP) Resource Adequacy (RA) program. The Public Power Council (PPC) and its members have been very interested to learn more about the agency’s considerations and implementation scoping to date on the NWPP RA program participation. We appreciated the opportunity to hear more from BPA staff at this initial workshop.

All PPC members are statutory preference customers of BPA and represent over 90 percent of BPA’s Tier 1 sales. Overall, Northwest public power is the largest purchaser of BPA’s power products and services and is among the largest purchasers of BPA’s transmission products and services, funding nearly 70 percent of the agency’s total power and transmission costs. BPA’s participation in the NWPP RA program has potential impacts on PPC members, regardless of product choices. These impacts could include impacts through BPA power rates, other new cost exposures and potential operational changes depending on implementation.

**Timeline and Decision Scope Challenges**

PPC understands that BPA is attempting to scope the potential impacts of a program while the design of that program is still evolving. We also understand that the timing constraints for the agency’s decision for Phase 3A are being driven by the program timeline. Nevertheless, the aggressive timeline for a decision on participating in Phase 3A of the program does not provide for much customer input on this decision. Having only one stakeholder meeting in advance of issuing a draft letter to the region does not allow for much back and forth between the agency and customers. Additionally, it is difficult to provide initial input in these comments that would help inform the draft letter to the region because the intended scope of that letter is not clear.

Given the limited opportunity to vet the complicated issues related to participation in the RA program with stakeholders, along with the potential for evolution of the program during the Phase 3A process, PPC encourages BPA to avoid including decisions in the draft letter to the region regarding specifics on how the agency might implement its participation in the RA program. These details need to be further vetted before any firm decision on BPA’s approach is made. These discussions need to happen in advance of any decision committing BPA to binding aspects of an RA program and be captured in a decision document if BPA were to participate in Phase 3B.

**Additional Vetting Will Be Crucial in Advance of BPA’s Participation in a Binding Program**

BPA must provide for additional discourse between BPA and customers during the Phase 3A process to thoroughly vet the issues discussed at the July 29 workshop, along with other topics
that have been raised by PPC and other stakeholders. PPC will be looking for the agency to make specific commitments on engaging customers, including a draft timeline for doing so, in the draft letter to the region. This will be an important consideration for PPC in supporting BPA’s continued support in the program.

Conclusion

We appreciate staff’s work to date scoping issues related to BPA’s potential participation in the NWPP program. The discussion on July 29 was informative on agency staff’s current thinking and the dialogue on these initial positions was very helpful. We look forward to additional engagement and transparency with customers during the next phase of the process if the agency does participate. Thank you for the opportunity to comment.