



Provider of Choice: NR Block Policy

December 18, 2024

PROVIDER OF **CHOICE**

POST
2028



Objectives

Overview of change to New Resource (NR) Block contract drafting approach.

Share preview of intended content of the NR Block Policy and timeline.





Original NR Contract Approach and Change

Provider of Choice Policy

- Investor-owned utilities (IOUs) have the right to request a 5(b) contract.
- Section 4.1 of the Policy provided what Bonneville intended for an NR Block contract:

Bonneville intends to provide power sold at the NR rate that IOUs elect to purchase as a standalone Block product, also referred to as the NR Block product, with similar features to the standalone Block product offered to PF customers (Section 3.3) and on the same development timeline. In contrast to the Block product for PF customers, IOUs would not receive a CHWM nor would their NR Block contract reflect elements of the tiered rate construct, as all power sold under such agreement would be at the NR rate.

Bonneville's Original Approach

- Bonneville originally intended to draft the NR Block contract using the standalone flat annual PF Block contract as a template.
- Depending on the number of changes, the template would either go out for comments and offer on the same timeline as the PF templates or on a few month delay.
- With the PF block template drafted, staff deliberated on the best approach for developing the NR Block contract.

Updated Approach and Rationale

- Memorialize an NR Block Policy in advance of crafting NR Block contract terms.
- Separate timeline for NR Block contract development from PF contracts.
- Develop NR Block contract terms, triggered by IOU request for 5(b) service, or sooner.
- Rationale for change
 - Bonneville envisions broad similarities between the NR Block offering and the PF standalone Block offering, yet several issues would benefit from policy-level discussion and policy direction ahead of contract term development.
 - Policy public process provides IOU engagement opportunity for common expectations around service and contract irrespective of individual interest in or timing for seeking 5(b) service from Bonneville.
 - NR Block Policy will set the foundation for what would trigger determining IOUs' eligibility for 5(b) service. Once determined, BPA would commit to develop NR Block contract for service to IOUs' 5(b) load.



NR Block Policy

Policy Approach

- The NR Block Policy would:
 - Build off the elements outlined in the Provider of Choice Policy.
 - Leverage the flat annual PF Block contract as a foundation.
 - Highlight the major changes from the PF Block contract or emerging issues that would differ for an NR Block contract.

Example of Issues

- The following list are issues Bonneville is contemplating memorializing in the Policy.
 - Process for requesting an NR Block contract including net requirements determination and NR service study.
 - Identify sections that may require significant changes from PF Block contract. Examples include:
 - Removal of tiered rates and CHWM references.
 - How load growth will be accounted for (will be different from Above-CHWM offerings).

NR Block Policy Timeline

Dates	Action
December 17, 2024	Share proposed approach for NR Block Policy.
January 10, 2025	Comments due if concerns on approach.
January 20-22, 2025	Preview of the NR Block Policy and ability to input.
March 12, 2025	Publish draft NR Block Policy.
April 9, 2025	Comments due on draft NR Block Policy.
August 28, 2025	Publish final NR Block Policy alongside Contract ROD. Any ROD responses will be included in the Contract ROD.

**Note dates after January are based on best available information but are subject to change.*



Questions?

Feedback

- By January 10, 2025, looking for feedback on:
 1. Any major concerns with shift to a NR Block Policy from an NR Block Contract.
 2. Any specific issues that should be addressed in a NR Block Policy.