



Customer Group

Slice Customer Comments on BPA's Western Resource Adequacy Program Participation Decision Process and Workshop hosted on September 29th, 2022

Slice Customers are providing the comments below as feedback to the Bonneville Power Administration (BPA) on its Western Resource Adequacy Program Participation Decision process and workshop hosted on September 29th, 2022. The Slice Customer Group appreciates the opportunity to provide comments on potential participation in the WRAP program by BPA. The Slice Customer Group also wishes to thank BPA staff who have worked tirelessly to support the WRAP program. These staff have displayed tremendous regional leadership, an ongoing commitment to work with customers to help broaden understanding of the program, and the technical acumen that has benefited the region in the overall design of the program. BPA should be extremely proud of how its staff showed up for the Agency, its customers, and the region in the WRAP development process.

The comments below are offered to express the need for a future process with BPA customers as the Agency considers potential implementation of the WRAP program, to listen to customer needs regarding their potential participation, and to identify the practical tools and products that can enable the broadening of BPA and BPA customer participation. The comments are not exhaustive of Slice Customer interests in the Western Resource Adequacy Program, nor do they preclude subsequent comments on the program from either the Slice Customer Group or its members.

I. Slice Customers ask that BPA establish a process focused on customer impacts after the agency completes its WRAP Participation Decision process, and in advance of the first Forward Showing period and first Binding Period.

During BPA's current WRAP Phase 3B decision process, the primary focus and criteria have been: 1) Technical Feasibility, 2) Cost Effectiveness, 3) Efficiency, and 4) Administrative Feasibility. These elements have been evaluated from the Agency's perspective and in keeping with BPA's principles. The Slice Customer Group supports the decision-making framework, and requests BPA establish a process after the Agency completes its WRAP Participation Decision process, and in advance of the first Forward Showing period and first Binding Period, specifically to:

- Provide for organized discussion of BPA customer needs for their independent WRAP program participation prior to a binding season.
- Establish a process for BPA customers on any program compliant products that BPA may make available to program participants, including discussion of Resource Adequacy Transfer Products.



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- Better understand the impact of individual customer participation or non-participation on BPA's operational program operations, including portfolio, revenue requirements, and cost perspectives.

II. BPA's participation in the WRAP provides an opportunity for the Agency to develop and offer new products to its preference customers.

One of the benefits of the Western Resource Adequacy Program and its framework is that it may provide a more efficient mechanism for the purchase and sale of firm capability. Program compliant capacity products, like a Resource Adequacy Transfer Product, may prove to be a beneficial mechanism for BPA's Trading Floor and for customers seeking to fill any capacity needs through a transfer product.

III. Ongoing discussion of how participation could have commercial and operational impacts on the Slice and Block products.

The Slice Customers' request for a post-decision process by BPA is driven by consideration of the operating environment changes the program may create, as it relates to market liquidity, reliability, risk exposure, and cost – inside and outside of program participation. Consideration for such issues is part of BPA's participation principles, and while the potential impacts should not preclude BPA's participation at this time, Slice Customers believe the issues warrant the requested process.

A collaborative process where BPA customer participation needs are considered, a transition approach is considered for regional success, and program compliant capacity products are evaluated, could help BPA and its customers identify a balanced approach that could help move the region forward.

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Benton PUD; Clark Public Utilities; Clatskanie PUD; Cowlitz PUD; Emerald PUD; Eugene Water and Electric Board; Franklin PUD; Grays Harbor PUD; Idaho Falls; Lewis PUD; Pacific PUD; Snohomish PUD; Tacoma Power.