**Reservation of Rights**: *All draft Provider of Choice (POC) contract language presented by BPA for discussion is subject to ongoing review and revision. Prior to finalizing the POC contract templates, BPA will publish complete contract templates for public review and comment. BPA acknowledges that failure to offer edits or comments on this document does not preclude a stakeholder from offering edits or comments during the formal public review.*

**Summary of Changes**

* Dates align with new contract timeline dates.
* Specifies hourly amounts for Block with Shaping Capacity.
* Retain hourly reference in LF section
* Diurnal language exists in both Block sections as it applies to those sections based in Exh C.
* For the Slice/Block version, update language to align more closely with the LF and Block versions.

**Edits of Particular Note**

N/A

*Include in* ***LOAD FOLLOWING*** *template:*

**3.****LOAD FOLLOWING POWER PURCHASE OBLIGATION*(XX/XX/XX Version)***

3.1 **Purchase Obligation**

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase, Firm Requirements Power in hourly amounts equal to «Customer Name»’s hourly Total Retail Load minus the hourly firm energy from each of «Customer Name»’s Dedicated Resources as listed in Exhibit A. «Customer Name» shall determine the hourly firm energy from each of its Dedicated Resources pursuant to section 3.3. Such amounts of energy are subject to change pursuant to section 3.5 and section 10.

*END* ***LOAD FOLLOWING*** *template.*

*Include in* ***BLOCK*** *template:*

*Option 1: Include if customer does not choose* ***Shaping Capacity****:*

**3. BLOCK POWER PURCHASE OBLIGATION WITHOUT SHAPING CAPACITY*(XX/XX/XX Version)***

3.1 **Purchase Obligation**

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase, Firm Requirements Power in specific amounts to serve «Customer Name»’s forecasted Net Requirement, as listed in Exhibit A. The annual, monthly, Diurnal, and hourly amounts of Firm Requirements Power priced at Tier 1 Rates and Tier 2 Rates that «Customer Name» shall purchase from BPA are listed in Exhibit C.

On a planning basis «Customer Name» shall serve the portion of its Total Retail Load that is not served with Firm Requirements Power with Dedicated Resources listed in Exhibit A. Such amounts listed in Exhibit A are not intended to govern how «Customer Name» shall operate its Dedicated Resources.*End Option 1*

*Option 2: Include if customer chooses* ***Shaping Capacity****:*

**3.** **BLOCK POWER PURCHASE OBLIGATION WITH SHAPING CAPACITY *(09/08/08 Version)***

3.1 **Purchase Obligation**

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase, Firm Requirements Power in specific amounts, including Shaping Capacity in accordance with section 1.4 of Exhibit C, to serve «Customer Name»’s forecasted Net Requirement listed in Exhibit A. The annual, monthly Diurnal and hourly amounts of Firm Requirements Power priced at Tier 1 Rates and Tier 2 Rates are listed in Exhibit C.

On a planning basis «Customer Name» shall serve the portion of its Total Retail Load that is not served with Firm Requirements Power with Dedicated Resources listed in Exhibit A. Such amounts listed in Exhibit A are not intended to govern how «Customer Name» shall operate its Dedicated Resources.

*End Option 2*

*END* ***BLOCK*** *template.*

*Include in* ***SLICE/BLOCK*** *template:*

**3. SLICE/BLOCK POWER PURCHASE OBLIGATION*(09/08/08 Version)***

3.1 **Purchase Obligation**

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase the Slice/Block Product which includes: (1) a planned amount of Firm Requirements Power under the Block Product as set forth in sections 1 and 2 of Exhibit C; and (2) Slice Output under the Slice Product pursuant to section 5 and Exhibit K.

*END* ***SLICE/BLOCK*** *template.*

**Reservation of Rights:** *All draft Provider of Choice (POC) contract language presented by BPA for discussion is subject to ongoing review and revision. Prior to finalizing the POC contract templates, BPA will publish complete contract templates for public review and comment. BPA acknowledges that failure to offer edits or comments on this document does not preclude a stakeholder from offering edits or comments during the formal public review.*

**Summary of Changes**

BPA proposes minor clean-up edits to the Take or Pay provisions. The edits aim to align wording across the versions, and make the Load Following and Block versions the same. Planned product versions will require circling back later once product design is complete.

**Customer Comments from 6/10 Workshop**

At the 6/10 workshop customers requested that BPA bring this provision back with section 3.1. The comment received that the shift in PRDM discussions to dollars/MWh from dollar percent share of the system also came up and how it was not clear what customers’ would pay. There was also concern with the Load Following version in saying “whether or not «Customer Name» took actual delivery of such power” at the end.

**BPA Responses and Summary of Changes for 9/17 Workshop**

For the comment regarding the shift to dollars/MWh from dollar percent share of the system, BPA rates has confirmed that the units change should not impact the current wording of the take or pay clause.

Additionally, for the Load Following version, BPA proposed the change of “…Firm Requirements Power it [«Customer Name»] has committed to purchase…” to “…Firm Requirements Power it [«Customer Name»] is obligated to purchase…” and proposes to remove the word “actual” from the last sentence of the clause. BPA believes this resolves the concerns raised by customers at the 6/10 workshop.

Lastly, BPA proposes to reformat the Slice/Block version of the provision to make it consistent with the Load Following and Block versions.

**Edits of Particular Note**

New edits are shown in a different track change color than they were from the first workshop this section was presented.

**Related Definitions**

2.«##» Firm Requirements Power means electric power that BPA sells under this Agreement and makes continuously available to «Customer Name» to meet BPA’s obligations to «Customer Name» under section 5(b) of the Northwest Power Act.

\*\*\*

*Include in* ***LOAD FOLLOWING*** *template:*

3.2 **Take or Pay*(XX/XX/XX Version)***

«Customer Name» shall pay for the Firm Requirements Power it is obligated to purchase and that BPA makes available under section 3.1, at the rates BPA establishes in a 7(i) Process consistent with the PRDM, as applicable to such power, whether or not «Customer Name» took delivery of such power.

*END* ***LOAD FOLLOWING*** *template.*

*Include in* ***BLOCK*** *template:*

3.2 **Take or Pay*(XX/XX/XX Version)***

«Customer Name» shall pay for the Firm Requirements Power it is obligated to purchase and that BPA makes available under section 3.1, at the rates BPA establishes in a 7(i) Process consistent with the PRDM, as applicable to such power, whether or not «Customer Name» took delivery of such power.

*END* ***BLOCK*** *template.*

*Include in* ***SLICE/BLOCK*** *template:*

3.2 **Take or Pay*(XX/XX/XX Version)***

«Customer Name» shall pay for (1) the Firm Requirements Power under the Block Product that «Customer Name» is obligated to purchase and that BPA makes available under section 3.1.1(1), and (2) the Slice Output including the Slice Output Energy under the Slice Product that «Customer Name» is obligated to purchase and that BPA makes available under section 3.1.1(2). «Customer Name» shall pay for such power at the rates BPA establishes in a 7(i) Process consistent with the PRDM, whether or not «Customer Name» took delivery of such power.

*END* ***SLICE****/****BLOCK*** *template.*