**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:**

Proposed edits to this section include changes to the types of Dedicated Resources under the POC contract from the Regional Dialogue contract. BPA proposes to rename “Unspecified Resource” to “Committed Power Purchase Amount”. With the addition of the “Tier 1 Allowance Amount”, which is introduced with the new proposed section 3.5.2, BPA proposes to remove the “Small Non-Dispatchable Resource”. Proposed edits also include the change of the threshold of resources that need to be listed in the POC contract from 200 kilowatts under Regional Dialogue to 1.000 megawatt under POC. BPA proposes to add a new section 3.3.2.3 under the Load Following template for Resource Adequacy.

**Edits of Particular Note**

N/A

**Reservation of Rights**

The following draft language has not been agreed to by NRU or any NRU member and is provided for discussion purposes only. The draft Provider of Choice contract red-lines, including this section, are subject to NRU’s ongoing review and recommended revision. NRU reserves the right to subsequently object to, and if necessary, reject the language below, in whole or in part, and/or propose alternative language, including the right to reject or propose alternatives to the edits proposed by NRU in this draft.

**Related Definitions:**

2.«##» “Committed Power Purchase Amount”***(XX/XX/XX Version)*** means an amount of firm energy, listed in sections 3 and 4 of Exhibit A, that «Customer Name» has agreed to supply and use to serve its Total Retail Load. Such amount is not attributed to a Specified Resource.

*Reviewer’s Note: The term “Contract Resource” is being considered for potential removal from the contract and is accordingly grayed out.*

2.«##» “Contract Resource”***(XX/XX/XX Version)*** means any source or amount of electric power that «Customer Name» acquires from an identified or unidentified electricity-producing unit or units by contract purchase, and for which the amount received by «Customer Name» does not depend on the actual production from an identified Generating Resource.

2.«##» “Dedicated Resource”***(XX/XX/XX Version)*** means a Specified Resource or a Committed Power Purchase Amount listed in Exhibit A that «Customer Name» is required by statute to provide or obligates itself to provide under this Agreement for use to serve its Total Retail Load.

2. «##» “Diurnal”***(XX/XX/XX Version)*** means the division of hours within a month between Heavy Load Hours (HLH) and Light Load Hours (LLH).

2. «##» “Flat Within-Month Shape”***(XX/XX/XX Version)*** means a distribution of energy having the same Average Megawatt value of energy in each Diurnal period of the month.

2.«##» “Generating Resource”***(XX/XX/XX Version)*** means any source or amount of electric power from an identified electricity-producing unit, and for which the amount of power received by «Customer Name» or «Customer Name»’s retail consumer is determined by the power produced from such identified electricity-producing unit. Such unit may be owned by «Customer Name» or «Customer Name»’s retail consumer in whole or in part, or all or any part of the output from such unit may be owned for a defined period by contract.

*Reviewer’s Note: This is the current draft definition from the PRDM, included here for reference.*

2.«##» “Resource Support Services (RSS)” means a suite of services BPA Power Services provides to integrate Federal and Non-Federal Resources defined in the Power Sales Contract, and priced in each 7(i) Process consistent with Section 6 of the PRDM.

2. «##» “Specified Resource”***(XX/XX/XX Version)*** means a Generating Resource or Contract Resource that has a nameplate capability or maximum hourly purchase amount greater than 1.000 megawatt, that «Customer Name» is required by statute or has agreed to use to serve its Total Retail Load. Each such resource is identified as a specific Generating Resource or as a specific Contract Resource with identified parties in sections 2 and 4 of Exhibit A.

*Reviewer’s Note: This is a new definition for review together with the new draft section 3.5.2.*

2.«##» “Tier 1 Allowance Amount”***(XX/XX/XX Version)*** means the aggregate total nameplate capacity of qualifying Specified Resources listed in section 2 of Exhibit A that «Customer Name» is applying to offset its purchase obligation in accordance with section 3.5.2.

*Reviewer’s Note: This is the Regional Dialogue definition. An updated version will be shared later.*

2.«##» “Total Retail Load”***(08/15/08 Version)*** means all retail electric power consumption, including electric system losses, within «Customer Name»’s electrical system excluding:

(1) those loads BPA and «Customer Name» have agreed are nonfirm or interruptible loads,

(2) transfer loads of other utilities served by «Customer Name», and

(3) any loads not on «Customer Name»’s electrical system or not within «Customer Name»’s service territory, unless specifically agreed to by BPA.

\*\*\*

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

3.3 **Application of Dedicated Resources*(XX/XX/XX Version)***

«Customer Name» shall serve a portion of its Total Retail Load with the Dedicated Resources listed in Exhibit A as follows:

(1) Specified Resources that are Generating Resources, listed in section 2.1 of Exhibit A,

(2) Specified Resources that are Contract Resources, shall be listed in section 2.2 of Exhibit A, and

(2) Committed Power Purchase Amounts, listed in section 3.1 of Exhibit A.

«Customer Name» shall use its Dedicated Resources to serve its Total Retail Load and the Parties shall specify amounts of such Dedicated Resources in Exhibit A as stated below for each specific resource and type. BPA shall use the amounts listed in Exhibit A in determining «Customer Name»’s Net Requirement. The amounts listed are not intended to govern how «Customer Name» operates its Specified Resources, except for those resources applied to the Tier 1 Allowance Amount and those resources supported with RSS from BPA.

3.3.1 **Specified Resources**

3.3.1.1 **Application of Specified Resources**

«Customer Name» shall apply the output of all Specified Resources, listed in section 2 of Exhibit A, to «Customer Name»’s Total Retail Load in predefined hourly amounts consistent with section 3.7 except for those Specified Resources applied to «Customer Name»’s Tier 1 Allowance Amount and those Specified Resources that «Customer Name» is supporting with RSS from BPA. «Customer Name» shall apply all Specified Resources supported with RSS from BPA to «Customer Name»’s Total Retail Load consistent with section 2 of Exhibit J.

3.3.1.2 **Determining Specified Resource Amounts**

For each Specified Resource, BPA, in consultation with «Customer Name», shall determine firm energy amounts for each Diurnal period and peak amounts for each month beginning with the later of the date the resource was dedicated to load or October 1, 2028, through the earlier of the date the resource will be permanently removed or September 30, 2044 and list such amounts in section 2 of Exhibit A. BPA shall determine such amounts consistent with the 5(b)/9(c) Policy, and using the allowable shapes established in section 3.4.

3.3.2 **Committed Power Purchase Amounts**

3.3.2.1 **Application of Committed Power Purchase Amounts**

To serve «Customer Name»’s Above-CHWM Load that it commits to meet with Dedicated Resources in Exhibit C, «Customer Name» shall provide and use Committed Power Purchase Amounts to meet an amount of its load not met with its Specified Resources during each Rate Period. «Customer Name» shall apply its Committed Power Purchase Amounts, listed in section 3 of Exhibit A, to «Customer Name»’s Total Retail Load in predefined hourly amounts consistent with section 3.7.

3.3.2.2 **Determining Committed Power Purchase Amounts**

Consistent with «Customer Name»’s elections for service to its Above-CHWM Load, by March 31 of each Rate Case Year BPA shall calculate and update the table in section 3.1.2 of Exhibit A with «Customer Name»’s Committed Power Purchase Amounts for each year of the upcoming Rate Period. BPA shall calculate such Committed Power Purchase Amounts using the Flat Within-Month Shape. Upon termination or expiration of this Agreement any Committed Power Purchase Amounts listed in Exhibit A shall expire, and «Customer Name» shall have no further obligation to apply Committed Power Purchase Amounts.

3.3.2.3 **Resource Adequacy Submittals for Committed Power Purchase Amounts**

«Customer Name» shall provide BPA Committed Power Purchase Amount information necessary for BPA’s compliance with regional resource adequacy planning requirements as specified in section 17.1 and section X of Exhibit J.

«Customer Name»’s failure to provide information under this section may result in charges or penalties as provided in the Wholesale Power Rate Schedules and GRSPs, such as the Unauthorized Increase Charge.

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

*Include in* ***BLOCK*** *and* ***SLICE/BLOCK*** *templates:*

3.3 **Application of** **Dedicated Resources*(XX/XX/XX Version)***

«Customer Name» shall serve a portion of its Total Retail Load with the Dedicated Resources listed in Exhibit A as follows:

(1) Specified Resources that are Generating Resources, listed in section 2.1 of Exhibit A,

(2) Specified Resources that are Contract Resources shall be listed in section 2.2 of Exhibit A, and

(2) Committed Power Purchase Amounts, listed in section 3.1 of Exhibit A.

«Customer Name» shall use its Dedicated Resources to serve its Total Retail Load and the Parties shall specify amounts of such Dedicated Resources in Exhibit A as stated below for each specific resource and type. BPA shall use the amounts listed in Exhibit A to determine «Customer Name»’s Net Requirement for each Fiscal Year. The amounts listed are not intended to govern how «Customer Name» operates its Specified Resources.

3.3.1 **Specified Resources**

3.3.1.1 **Application of Specified Resources**

«Customer Name» shall use the output of all Specified Resources, listed in section 2 of Exhibit A, to serve «Customer Name»’s Total Retail Load.

3.3.1.2 **Determining Specified Resource Amounts**

For each Specified Resource listed in section 2 of Exhibit A, BPA in consultation with «Customer Name» shall determine firm energy amounts for each Diurnal period and peak amounts for each month beginning with the later of the date the resource was dedicated to load or October 1, 2028, through the earlier of the date the resource will be permanently removed or September 30, 2044. BPA shall determine such amounts consistent with the 5(b)/9(c) Policy. BPA shall incorporate the peak amounts for each month for each Specified Resource listed in section 2 of Exhibit A consistent with section 3.4.

3.3.2 **Committed Power Purchase Amounts**

3.3.2.1 **Application of Committed Power Purchase Amounts**

To serve «Customer Name»’s Above-CHWM Load that it commits to meet with Dedicated Resources in Exhibit C, «Customer Name» shall provide and use Committed Power Purchase Amounts to meet an amount of its load not met with its Specified Resources listed in section 2 of Exhibit A.

3.3.2.2 **Determining Committed Power Purchase Amounts**

Consistent with «Customer Name»’s elections for service to its Above-CHWM Load, by September 15, 2028, and by each September 15 thereafter, BPA shall calculate and fill in the tables in section 3.1 of Exhibit A with «Customer Name»’s Committed Power Purchase Amounts for the upcoming Fiscal Year. Upon termination or expiration of this Agreement any Committed Power Purchase Amounts listed in Exhibit A shall expire, and «Customer Name» shall have no further obligation to apply Committed Power Purchase Amounts.

*END* ***BLOCK*** *and* ***SLICE/BLOCK*** *templates.*