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October 4, 2023

DECISION MEMORANDUM

TO: Council members

FROM: Jennifer Light
Director of Power Planning

SUBJECT: Approval of comments to Bonneville on its draft Provider of Choice Policy

PROPOSED ACTION: The Council has been developing potential comments to Bonneville on its draft Provider of Choice Policy. These comments are due on October 13, 2023. The decision today would be to approve the comments as drafted, or with modifications as agreed to by members.

SIGNIFICANCE: The Provider of Choice process is working towards new long-term power contracts. Once final, the Provider of Choice policy will provide shape to the details of the contract negotiation and other elements of the post-2028 initiative. These decisions will ultimately dictate the direction of public power resource acquisition in the future. Having a regional power planning obligation, the Council is well positioned to understand the region's long-term challenges and opportunities for ensuring an adequate, efficient, economical, and reliable power supply. The Council has drafted comments with a focus on ensuring that Bonneville's future contracts support the region in meeting these challenges.

BUDGETARY/ECONOMIC IMPACTS

n/a

BACKGROUND

[Provider of Choice](#) is Bonneville's name for the post-2028 contract negotiations and is part of Bonneville's broader Post-2028 Initiative. (Other processes under the Post-2028 Initiative include development of a rates methodology, residential exchange discussions, and conservation program design.) The current contracts, called Regional Dialogue contracts, began in 2008 and expire in 2028. In July of 2022, Bonneville released a Provider of Choice Concept Paper that launched the policy development to inform future product offerings.

Since then, Bonneville has worked with the region to refine its thinking, leading to the draft policy that was released in July 2023. This draft policy has evolved from the original concept paper to account for input shared throughout the workshop process. Bonneville's public comment period on the draft policy ends on October 13, 2023. Bonneville will finalize this policy by early 2024, which will then lead to contract development. The goal is for Bonneville and its customers to have signed contracts by the end of 2025, well ahead of the start of power delivery in 2028.

Bonneville's final policy for these contracts will shape the details of those negotiations, as well as other elements of the post-2028 initiative. These decisions will ultimately dictate the direction of public power resource acquisition in the future. Given the importance of these decisions, the Council has closely followed the workshop process and engaged with regional stakeholders to understand the details of the draft policy and the potential implications. These discussions have informed the draft comments developed by the Council. At today's meeting, members will consider and modify the draft comments (as necessary), with a goal of agreeing to a final set of comments in advance of the public comment deadline.

ALTERNATIVES

The Council could modify the comments from the draft prepared prior to approval. Alternatively, the Council could decide not to submit comments on the draft policy.