

CON-010



SPRINGFIELD UTILITY BOARD

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Nita Burbank
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

Re: Regional Dialogue Contract Templates -- **Submitted Electronically**

Dear Nita

Springfield Utility Board has reviewed the Long Term Regional Dialogue Contract Templates and has three comments.

Add a "Most Favored Nations Clause" for Preference Customers

The long term 1981 Power Sales contract included the following language under "Miscellaneous" provisions:

20(c) If Bonneville offers to enter into a written amendment of any other similar long-term power sales contract other than informal arrangements between parties....Bonneville shall offer to the Purchaser a corresponding amendment of this contract, to the extent such a corresponding amendment would be applicable to the Purchaser under this contract."

SUB has concerns that because there are outstanding issues (e.g. Tiered Rates Methodologies) and power services (resources support and integration) linked to this contract, that BPA may enter into agreements after the long term power sales contracts are signed that disrupt the balance of interests that parties thought they were entering into at the time the original contracts were signed. Adding a "Most Favored Nations" clause to preference customers would, in SUB's mind, go a long way towards mitigating the substantial uncertainty customers face in signing long-term contracts. Similar language from the 1981 contract should be incorporated into the agreements.

Clarify that "Power" includes capacity, energy, and ancillary services

The definition of "Firm Requirements Power" refers to "federal power" but there is no definition of what "Power" is. A definition of "Power" should be added to the contract to clarify that "Power" is "firm capacity, energy, and associated ancillary services."

"Small Non-Dispatchable Resources" should only include those resources that are owned by the Customer

There are a number of end-user resources that utilities are obligated to interconnect to their system (e.g. net metering). These should be excluded from "Small Non-Dispatchable Resources"

Respectfully Submitted,

Jeff Nelson
Director of Resource Management
Springfield Utility Board