

City of McCleary  
**STAFF REPORT**



<b>To:</b>	Mayor Orffer and City Councilmembers
<b>From:</b>	Todd Baun- Public Works Director
<b>Date:</b>	9/19/2021
<b>Topic:</b>	BPA Fourth Purchase Period (FY 2025-FY 2028) Election

**Action Needed:**

Please vote to maintain our current election of Short Term Alternative A with zero resource amounts. This essentially puts all our Above HWM load (if you have any) on BPA at Tier 2.

**Background:**

September 30, 2021 is the deadline for the fourth (and final) Purchase Period (FY 2025 - FY 2028) elections under McCleary's Regional Dialogue Power Sales Agreement. The elections include: (1) service for McCleary's Above Rate Period High Water Mark Load (Above-RHWM Load); and if applicable, (2) McCleary's Resource Support Service (RSS) choices; and (3) resource reshaping.

The applicable contract sections to refer to are section 3.4.2, section 3.4.3, section 9, and Exhibit C of the Agreement, as well as the Resource Support Service contract language.

To help with the evaluation, attached is a spreadsheet of an early look at our anticipated load as compared to a projected Rate Period High Water Mark. Currently, with these assumptions, we don't forecast to have any load growth between FY 2025 and FY 2028 that would require coverage at the Tier 2 Short Term Rate. However, things could change by the time FY 2025 arrives.

Ultimately, if we plan to continue with our current choice of Tier 2 Short Term Rate coverage for FY 2025-2028, that is all BPA needs to know by September 30, 2021. Otherwise, BPA needs to know whether the plan will be to provide coverage with all non-federal resources, or even a combination of Tier 2 Short Term and non-federal resources.

