

**Provider of Choice Interests
(including BPA staff descriptions for initial discussion purposes)**

- **Lowest Tier 1 Costs and Tier 1 Rates**
 - Through its contracts, rate structure, and policies, BPA deploys the Federal Base System (FBS) as a firm power supply for customers and works to avoid dilution of the value of the existing FBS so as to produce the lowest possible Tier 1 rate while maintaining BPA’s strategic emphasis on competitiveness and cost control and meeting BPA’s stewardship obligations.
- **Durability/Stability/Contract Enforceability**
 - BPA’s contracts establish long-term power supply, avoid unintended cost shifts between products and services, and where possible, apply uniform terms, conditions and transparent processes to minimize disputes and conflicts while maximizing ease of contract administration and shared accountability.
- **Customer/Regional Support and Equity**
 - BPA power marketing policy, as implemented through its contracts and rate design, maximizes the value of the FBS for BPA’s regional firm power customers, fosters transparency in its development and administration, and promotes an equivalent value proposition among the different product offerings.
- **Certainty of Obligations for All Parties**
 - Long term contracts, rate structure, and policies clarify BPA and customer power supply rights and obligations to reliably sustain the Northwest economy and minimize price volatility, as well as to promote the long-term financial health of BPA and its customers.
- **Promote Infrastructure Development Consistent with the Northwest Power Act**
 - BPA’s contracts, rate structure, and policies afford BPA and its customers the flexibility to prudently invest in resources, technologies and the infrastructure to ensure an adequate firm power supply needed to serve load.
- **Consistency with BPA Stewardship Obligations**
 - BPA maintains a strong legacy in meeting stewardship obligations in support of fish and wildlife and acquiring cost-effective conservation, while operating consistent with sound business principles and adherence to strategic goals.
- **Legality**
 - Contracts offered by BPA are consistent with BPA’s statutory authority and are not intended to restrict the ability of customers to act in accordance with applicable federal or state requirements.

- **Simplicity**
 - BPA’s contracts, rate structure and policies are intended to be administratively straightforward and practicable, seeking efficiencies and improvements where feasible without causing material harm to other interests.

- **Advancement of National and Regional¹ Objectives**
 - BPA’s contracts, rate structure and policies may assist in meeting broader national and regional goals and initiatives including system reliability and carbon reduction.

¹ The inclusion of “and Regional” is a proposed addition to this interest that BPA staff is recommending for Provider of Choice. The interest that is in the RD policy says “Advancement of National Objectives”. The proposed addition of advancing *regional* objectives is BPA’s only deviation from the bolded RD interests named at this time.