

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a personal services contract with **Northwest Power Pool** for **administrative services of a cooperative group of utilities**.

Board Meeting Date: 11/2/2021
Project Name/Contract #: General Services Agreement – Phase 3 / 21-206-PSC
Primary Contact: Megan Capper Ext. 7363

Contract Amount:

Original Contract Amount: \$212,000
Additional \$ Previously Approved: \$0
Invoices over last approval: \$0
Percentage over last approval: %0
Amount this Request: \$212,000
Resulting Cumulative Total: **\$212,000**

Contracting Method:

Method of Solicitation: Direct Negotiation / Sole Source
If applicable, basis for exemption: EWEB Rule 6-0180 Membership Fees - Trade Organizations
Term of Agreement: 2021/2022
Option to Renew? Yes
Approval for purchases *“as needed”*
for the life of the Contract Yes No
Proposals/Bids Received (Range): N/A
Selection Basis: Sole Source

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Northwest Power Pool’s Western Resource Adequacy Program (WRAP) is composed of 23 WECC balancing area authorities and utilities, and its purpose is to design a regional resource adequacy program with the goal of ensuring participants have access to sufficient resources to meet load during all periods. EWEB has participated since 2018, and desires to continue through the WRAP’s “Phase 3A” for fiscal year 2021/2022, during which there will be no penalties for failing to meet adequacy obligations. Phase 3 will focus on finalizing program design and data requirements, successful integration of the Program Operator (Southwest Power Pool) and filing with the Federal Energy Regulatory Commission (FERC).

EWEB staff and management believe that the currently voluntary Resource Adequacy program will eventually be mandatory and intend to leverage their participation in this Phase 3A of the program to ensure that the ultimate program design is favorable to EWEB. There are several program design factors under consideration during Phase 3A that, if decided in a manner unfavorable to EWEB’s interests, could result in annual compliance cost increases in excess of \$500,000.

Continued participation will help ensure EWEB’s ability to provide resilient delivery for our customers, support our long-term affordability goals, and contribute to our ability to provide consistent performance.

Contracted Goods or Services

The Board is being asked to approve a personal services contract with Northwest Power Pool for administrative services of a cooperative group of utilities in relation to Phase 3A of the regional resource adequacy program.

Purchasing Process

Exemption – EWEB Rule 6-0180 Membership Fees for Trade Organizations

Prior Contract Activities

EWEB Contract No.	Project Name (Description)	Board Approval Date	Project Duration (Notice to proceed to close out).	Original Contract Amount	Final Contract Amount
PO 16588	Regional Resource Adequacy Program	N/A	1 year	\$120,000	\$120,000

ACTION REQUESTED:

Management requests the Board approve a contract with Northwest Power Pool for Administrative Services. Although these services were not planned as part of the Energy Resources Division/Power Planning 2021 budget of \$2.1 million, Staff have confirmed there is sufficient budget to manage this request for the 2021 funding obligation. Variances will be managed within the budget process and Board policy.