

Fact Sheet

October 2020

New large single load

Background

When Congress passed the 1980 Pacific Northwest Electric Power Planning and Conservation Act, also known as the Northwest Power Act, it directed that customers requesting power from the federal system to serve large loads be served at Bonneville's marginal resource cost-based rate. This rate is known as the New Resources Firm Power (NR) rate. This rate treatment is intended to limit the relocation of large loads from other parts of the country to the Pacific Northwest that otherwise would be attracted by low-cost federal power.¹ Alternatively, a customer with an NLSL can choose to serve such load with nonfederal resources.

Under the Northwest Power Act, a new large single load (NLSL) is defined as any new load, or expansion of an existing load, at a single facility that grows by 10 average megawatts (aMW) or more in any consecutive 12-month monitoring period. The Act requires Bonneville's administrator to monitor large loads in the region and determine if the load at a facility is an NLSL, or if it becomes an NLSL during the monitoring period. Once a load is designated an NLSL it remains an NLSL, regardless of changes in the size of the load.

However, loads that a customer contracted or committed to serve before Sept. 1, 1979, are protected from being an NLSL until there is load growth in excess of 10 aMW during a subsequent 12-month period.

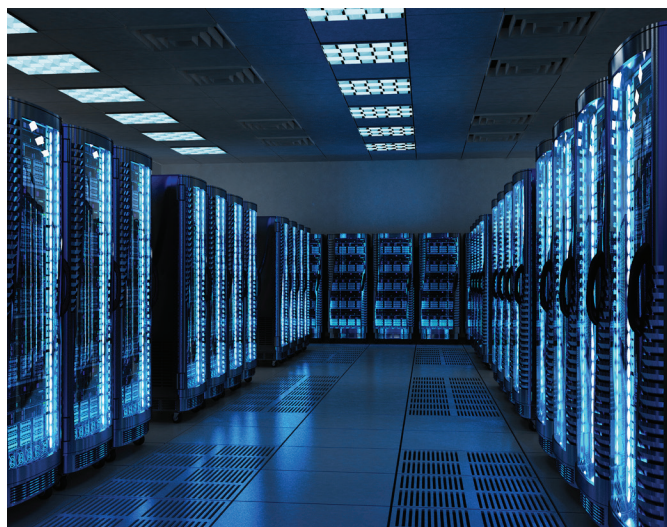
¹ See [New Large Single Load Policy \(April 2011\)](#).

PROVIDER OF CHOICE

— POST-2028 —

How a large load officially becomes an NLSL

Bonneville's NLSL policy is implemented through its firm power sales contracts. Under Bonneville's current Regional Dialogue contracts, a utility must provide reasonable notice to BPA of any expected increase in a single load that may qualify as an NLSL. Once notified, Bonneville will complete a facility determination and determine whether the prospective large consumer load has the potential to increase by 10 aMW or more in a



Data center



12-month period. The facility determination serves as the official designation of a single facility that will be monitored to track whether or not it becomes an NLSL. Bonneville considers the following criteria when making a facility determination:

- If the load is for a single consumer's operations.
- If the load is at a single location or in a single building.
- If the load results from producing a single product or using a single process.
- If portions of the load are interdependent or can be separated.
- If the load is contracted for, billed, or served as a single load under the utility's customary billing and service policy.
- If there are any applicable precedents or similar determinations.

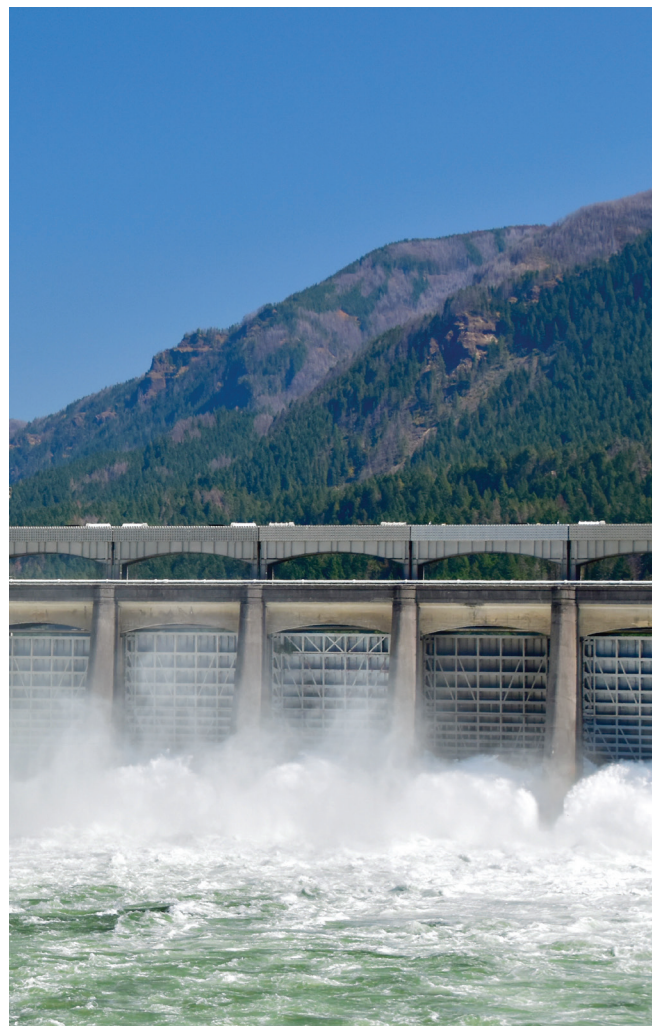
After Bonneville issues a facility determination, it will then begin monitoring the facility's load.

A Load Following customer may elect to either be treated as a potential NLSL or a planned NLSL. Slice customers should work with their account executive regarding service to facilities that may become NLSLs.

A load treated as a potential NLSL will be served with power at the PF rate. If the load increases by 10 aMW or more in a 12-month monitoring period, Bonneville will deem the load an NLSL and any federal power consumed since the beginning of the monitoring period will be backbilled at the NR rate. Once the load becomes an NLSL the customer must serve that load, and any increases to it, with either power from Bonneville at the NR rate or a dedicated nonfederal resource. If the potential load does not grow by 10 aMW in a monitoring period, any load growth from the prior year is considered grandfathered load that is eligible to be served at the PF rate and a new monitoring period will commence.

If a Load Following customer elects to treat the load as a planned NLSL, the load can be treated as such and the customer can serve it with power purchased from Bonneville at the NR rate, or with a dedicated

nonfederal resource. This eliminates the possibility of backbilling at the NR rate if the load becomes an NLSL during the monitoring period. If the load does not grow by 10 aMW in a monitoring period, the load will not be considered an NLSL and the customer will receive a credit for paying the NR rate, if elected, for power eligible for the PF rate. Further, any load growth under 10 aMW from the prior year is considered grandfathered load and is eligible to be served at the PF rate. If the possibility remains that the facility load may grow an additional 10 aMW, a new NLSL monitoring period will commence.



Bonneville Dam