

Scope of Work – BANC Resource Adequacy Program Development

Introduction and Background

BANC as a Balancing Authority Area (BAA) does not have a formal set of binding Resource Adequacy (RA) requirements for the participants in the BAA footprint. Historically, BANC has relied on each participant in the BAA to “come to the table” adequately resourced to meet its individual load needs. Currently, as Local Regulatory Authorities (LRAs), each participant determines its own rules for meeting its respective RA requirements. Generally, the BANC participants have followed general planning reserve and other practices similar to those established by other LRAs and the CAISO. BANC also performs a Summer Assessment in advance of summer peak periods to assess the combined procurement of its members, which has supported reliable system operation.

RA practices are changing. BANC is not subject to the California Public Utilities Commission RA rules; nor is BANC in the CAISO BAA. BANC had participated in the WPP (NWPP) Western RA Program (WRAP) but elected not to continue to participate in WRAP due to inability to access transmission between the BANC boundary at the California-Oregon Border and the planned “hub” for WRAP at Mid-Columbia. In 2022, BANC adopted a set of RA principles for the BAA footprint to provide non-mandatory guidelines for the BANC participants (see attached guidelines). With BANC’s intent to participate in the Extended Day Ahead Market (EDAM) and the increased focus on resource adequacy in the Western Interconnection, BANC has concluded that it needs to consider options for a more formalized RA program that is consistently applied across all of its participants and reflects industry trends and best practices.

Proposed Scope of Work

BANC is seeking the engagement of a knowledgeable consultant that can assist in the development and drafting of an RA program that conforms with EDAM resource sufficiency requirements for the participants within the BANC BAA. Activities that are anticipated would include:

- Develop a working understanding of basic RA program design features that can be communicated to the BANC participants
- Develop a summary of current industry best practices in RA Programs versus the BANC developed RA guidelines
- Facilitate iterative discussions among the BANC participants through the BANC Resources/Markets Committees to reach consensus on a set of mandatory rules for RA within the BANC footprint which addresses:
 - RA metrics and assessments
 - Resource counting and capacity accreditation
 - Resource deliverability
 - Enforcement mechanisms

- Identify necessary modeling tools and applications that will be needed to implement an RA program
- Conduct initial modeling analysis, as appropriate and requested by BANC, to quantify the impacts of the RA program options
- Coordinate with BANC staff in the development of a detailed BANC RA Policy that includes recommendations on procedures, tools, and staffing to support the RA program
- Present the final work product to the BANC Resource Committee for concurrence and support discussions at the BANC Commission as appropriate

Schedule

The goal would be to initiate the effort during the 2nd quarter of 2025 with a final report to BANC by no later than late 3rd-early 4th quarter 2025, which could be used as the basis for the BANC RA program. The goal would be to have an operational program no later than Spring 2027 to support the BANC go-live date for EDAM.

Work Products

Work products would include:

- Presentations to BANC Resource Committee and BANC Commission
- Final draft RA Policy

Proposal Delivery Requirements

One electronic copy of your proposal must be e-mailed to solicitations@thebanc.org or delivered on CD or USB flash drive to the address below:

Balancing Authority of Northern California

Attention: RA Program RFP

c/o BBW Offices

555 Capitol Mall, Suite 570

Sacramento, CA 95814

For general questions, please call the BANC General Manager at 916-870-3774.

Clarification questions regarding this RFP must be in writing via email, addressed to solicitations@thebanc.org.

Proposals for this RFP must be submitted by close of business on Friday, March 28, 2025.

Required Elements of Proposals

1. **Transmittal Letter:** Provide a brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled, including a summary of any exceptions taken to the RFP requirements, statement of work, specifications, and reference to any proposed contractual terms and conditions required by the Respondent. An officer authorized to bind must sign the proposal on behalf of the Respondent.
2. **Applicant Information:** Provide the legal name of the company or entity making the proposal, the legal structure or form of the entity (e.g., Corporation, or LLC), physical address, e-mail address, telephone, and names and titles of individuals authorized to represent the Respondent.
3. **Project Plan:** Describe in detail how the respondent intends to conduct the requested work along with proposed schedule and cost estimate with hourly rates for team participants and expected expenses.
4. **Experience:** Provide a description of the respondent organizations experience and knowledge in the area of resource adequacy and the experience of the team members that will be dedicated to this project. This should include references from prior clients for these types of services.