

# **Department of Energy**

Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621



In reply refer to: FOIA #BPA-2024-02014-F

November 24, 2025

SENT VIA EMAIL ONLY TO: aschick@opb.org

Tony Schick Oregon Public Broadcasting/ProPublica 7140 SW Macadam Avenue Portland, OR 97219

Dear Mr. Schick,

This communication is Bonneville Power Administration's (BPA) final response to your request for agency records made under the Freedom of Information Act, 5 U.S.C. § 552 (FOIA). Your request was received on May 29, 2024. The agency formally acknowledged your request on June 26, 2024.

# **Request & Clarifications**

Based upon your original May 31, 2024, request and on subsequent emails exchanged with the agency during the week of June 3, 2024, your request is: "With a date range of June 1, 2019, to May 31, 2024, [I seek all] emails, instant messages from Microsoft Teams, Slack, Zoom or Skype, or text messages sent or received by Joel Cook, Chief Operating Officer, and Michelle Cathcart, VP of Generation Asset Management, that mention "wind", "solar", "battery" OR "renewables" AND "competition" OR "competitive" OR "wholesale market".

On October 28, 2024, and March 4, 2025, via emails to the FOIA Office, you communicated two changes in scope to your request, specifically to omit and "child" email attachments and to omit any bulk emails that had been collected.

On April 30, 2025, via email to the FOIA Office, you agreed to remove a 97-page data analytics report from the list of collected records. That record is no longer responsive to your request.

# Response

BPA searched for and gathered 589 pages of records responsive to your request from the agency's Outlook email system. Those pages accompany this communication, with the following redactions applied:

- One applied under 5 U.S.C. § 552(b)(4) (Exemption 4)
- 39 applied under 5 U.SC. § 552(b)(5) (Exemption 5)

• 112 applied under 5 U.S.C. § 552(b)(6) (Exemption 6)

A more detailed explanation of the applied exemptions follows:

# **Explanation of Exemptions**

The FOIA generally requires the release of all responsive agency records upon request. However, the FOIA permits the withholding certain limited information that falls under one or more of nine statutory exemptions (5 U.S.C. § 552(b)(1-9)). Further, section (b) of the FOIA, which contains the FOIA's nine statutory exemptions, also directs agencies to publicly release any reasonably segregable, non-exempt information that is contained in those records.

# Exemption 4

Exemption 4 protects "trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential." (5 U.S.C. § 552(b)(4)). Information is considered commercial or financial in nature if it relates to business or trade. This exemption is intended to protect the interests of both the agency and third-party submitters of information. The agency is withholding a filmmaker's confidential, commercial information that has not been made public. The FOIA does not permit a discretionary release of information otherwise protected by Exemption 4.

# Exemption 5

Exemption 5 protects "inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency" (5 U.S.C. § 552(b)(5)).

The deliberative process privilege protects records showing the deliberative or decision-making processes of government agencies. Records protectable under this privilege must be both predecisional and deliberative. A record is pre-decisional if it is generated before the adoption of an agency policy. A record is deliberative if it reflects the give-and-take of the consultative process, either by assessing the merits of a particular viewpoint, or by articulating the process used by the agency to formulate a decision. Here, BPA relies on Exemption 5 here to protect pre-decisional staff deliberations during a legal mediation, deliberations on an outreach strategy and approach for internal communication, deliberations about approaches to balance needs of customers, and deliberations about how to address contracting issues.

Attorney-client privilege protects confidential communication between an attorney and a client relating to a legal matter for which the client has sought professional advice. The privilege encompasses facts provided by the client and opinions provided by the attorney. In this case, BPA asserts Exemption 5 to protect advice related to an outreach strategy.

Records protected by Exemption 5 may be discretionarily released. BPA has considered and declined a discretionary release of some pre-decisional and deliberative information in the responsive records set because disclosure of that information would harm the interests and protections encouraged by Exemption 5.

# Exemption 6

Exemption 6 serves to protect Personally Identifiable Information (PII) contained in agency records when no overriding public interest in the information exists. BPA does not find an overriding public interest in the release of the information redacted under Exemption 6-specifically, cell phone numbers, Webex meeting passwords, personal leave plans, details about a hiring action, and comment about personal activities unrelated to BPA. This information sheds no light on the executive functions of the agency and BPA finds no overriding public interest in its release. BPA cannot waive these redactions, as the protections afforded by Exemption 6 belong to individuals and not to the agency.

Lastly, as required by 5 U.S.C. § 552(a)(8)(A), information has been withheld only in instances where (1) disclosure is prohibited by statute, or (2) BPA foresees that disclosure would harm an interest protected by the exemption cited for the record. When full disclosure of a record is not possible, the FOIA statute further requires that BPA take reasonable steps to segregate and release nonexempt information. The agency has determined that in certain instances partial disclosure is possible and has accordingly segregated the records into exempt and non-exempt portions.

### **Fees**

There are no fees associated with processing your FOIA request.

### Certification

Pursuant to 10 C.F.R. § 1004.7, I am the individual responsible for the records search and information release described above. Your FOIA request BPA-2024-02014-F is now closed with the responsive agency information provided.

# **Appeal**

The records release certified above is final. Pursuant to 10 C.F.R. § 1004.8, you may appeal the adequacy of the records search, and the completeness of this final records release, within 90 calendar days from the date of this communication. Appeals should be addressed to:

Director, Office of Hearings and Appeals HG-1, L'Enfant Plaza U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585-1615

The written appeal, including the envelope, must clearly indicate that a FOIA appeal is being made. You may also submit your appeal by e-mail to OHA.filings@hq.doe.gov, including the phrase "Freedom of Information Appeal" in the subject line. (The Office of Hearings and Appeals prefers to receive appeals by email.) The appeal must contain all the elements required by 10 C.F.R. § 1004.8, including a copy of the determination letter. Thereafter, judicial review will be available to you in the Federal District Court either (1) in the district court where you reside, (2) where you have your principal place of business, (3) where DOE's records are situated, or (4) in the District of Columbia.

Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows:

Office of Government Information Services National Archives and Records Administration 8601 Adelphi Road-OGIS College Park, Maryland 20740-6001

E-mail: ogis@nara.gov Phone: 202-741-5770 Toll-free: 1-877-684-6448

Fax: 202-741-5769

Questions about this communication may be directed to James King, FOIA Public Liaison, at jjking@bpa.gov or at 503-230-7621. You may also contact Brian Roth, FOIA Case Coordinator, at bsroth@bpa.gov or 503-230-4383.

Sincerely,

Candice D. Palen Freedom of Information/Privacy Act Officer 
 From:
 Case,Cynthia D (CONTR) - AIR-7

 Sent:
 Friday, April 22, 2022 4:18 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Cc: Manchester, Kathleen L (CONTR) - AIT-7

Subject: Regional Relations report for Friday, April 22, 2022

Attachments: 042222.docx

Hello all,

Attached is the Regional Relations report for Friday, April 22, 2022. Have a great weekend!

# Public Interest Organizations Josh Warner

## GridFWD Remarks by the Administrator

GridFWD held its first in person event since the pandemic this week in Seattle. The group put together a good <u>agenda</u> for the audience which included many tech companies, vendors, utilities and a smattering of other people. BPA's Administrator John Hairston gave remarks and did a Q&A during the plenary session. With a strong emphasis on the value of the federal hydro and transmission systems to the region and how that value is shared through customers, he did an excellent job of highlighting how BPA is playing a critical role in the decarbonization goals of the our customers and the states. This will happen with continued collaboration on a number of topics: robust financial management, evaluation of markets, key transmission investments with regional planning and meeting the evolving needs of customers through Post-2028 processes. The messages informed an audience that might not be as familiar with BPA as some of the usual constituencies and was well received.

### America's Most Endangered Rivers - Snake River #2

In the 2022 rendition of America's Most Endangered Rivers put out by American Rivers the Snake River ranks #2, behind only the Colorado River. The culprit for the listing are the lower Snake River dams. They say the "[f]our dams have pushed salmon in the Snake River – once the most prolific salmon-producing river in the Columbia River Basin – to the brink of extinction," and continue by saying, "salmon are sacred to Tribal Nations across the region and are the keystone species for ecosystems from the Salish Sea in Washington to the lower Columbia River estuary to the mountain streams of north-central Idaho."

The stated criteria for rivers being included in the list are: 1) a major decision that the public can help influence in the coming year on the proposed action; 2) the significance of the river to people and nature; and, 3) the magnitude of threat to the river and its communities, especially in light of a changing climate and/or environmental justice. This narrative explains why America Rivers focuses on the four dams.

"By removing the four dams on the lower Snake River and replacing their services, the Northwest has an unprecedented opportunity to restore Snake River salmon to healthy, harvestable levels, honor our commitments and treaties with Northwest tribes, create jobs for rural economies across the region and modernize the infrastructure of the Pacific Northwest. The region's congressional delegation and the Biden administration must take action to develop and implement a plan to remove the dams in an expedient fashion."

In addition to this storyline, they also add that, "slow-moving reservoirs release methane, a greenhouse gas 80 times more potent than carbon dioxide." This is an angle that will be increasingly highlighted.

# Idaho News John Williams

#### **Idaho Election Season News**

Primary elections 2022: State of the Idaho Republican Party. May 17 GOP primary election highlights differences within Idaho's powerhouse party. Because they have long held a supermajority and dominated Idaho politics, next month's Republican primary elections are expected to be among the most competitive and influential races in a vital election year for Idaho.

Based on decades of political dominance in Idaho and Democrats not running candidates in most races, the May 17 Republican primary elections will answer the question of who controls the Republican Party and, therefore, sets the policy and political agenda for years to come. "With the closed primary, that has become basically the general election because Idaho is such a strong red state," said former Republican Speaker of the Idaho House Bruce Newcomb.

The 2022 elections are the most important elections in years. All 105 seats in the Idaho Legislature are up for election, and all statewide offices, including governor, lieutenant governor, attorney general, secretary of state and superintendent of public instruction are up as well.

### Idaho Republicans Face Division with the Party

Idaho Republican Party Chairman Tom Luna said the primaries are when Republicans hammer out their differences and decide which direction the party will head. "It's pretty clear we have legislative candidates that represent different wings of the party," Luna added. "As a state party, we don't get involved with supporting candidates in the primary. We let the voters decide."

But Idaho Democratic Party Chair Rep. Lauren Necochea, D-Boise, said division within the Republican Party isn't merely about debating policies about how to cut taxes and reduce government regulation. She said the Republican Party and the Idaho House have moved farther to the right and pushed divisive and extremism.

"Idahoans in all walks of life are seeing extremism play out in the Idaho Legislature and are deeply concerned about the future of our state," Necochea said. Examples she gave included reducing funding for higher education and the library commission, GOP efforts to remove a statute that protects librarians from imprisonment, passing a Texas-style abortion law and the Republican's focus on so-called indoctrination and critical race theory in school.

Luna said Republicans resisted extremism and anti-government activist Ammon Bundy, an independent candidate who originally announced he would run for governor as a Republican before going independent.

Luna said Republicans get criticized for their beliefs and infighting but don't get enough credit for their accomplishments.

"When I talk to the national press, I remind them we are the least regulated state and have one of the best economies in the country with two years in a row of massive tax cuts and rebates," Luna said. "It's not an accident. It's the result of a robust and engaged Republican Party. When you write 'what's wrong with the Republican Party?' or 'what's the future of the Republican Party?' remind people it is that same Republican Party that created one of the fastest growing states, a state that is so attractive to others because of low regulations, reduced taxes and what I believe is a good education system for the money we spend." (Corbin, Clark. Idaho Capital Sun)

### **Idaho Power News**

a. Idaho Power Seeks Public Input on Customer Generation Study.

Idaho Power is currently developing a study related to the costs and benefits of customer-owned generation sources, such as rooftop solar, and is set to host a public workshop for customers and interested stakeholders to provide feedback to the company.

In December 2021, the Idaho Public Utilities Commission (IPUC) issued an order in case IPC-E-21-21 directing Idaho Power to complete a comprehensive study of the costs and benefits of on-site generation on the electrical grid. The workshop will focus on the export credit rate — the amount customers with on-site generation systems, such as rooftop solar panels, are credited for excess energy they send back to Idaho Power's grid. During the workshop, Idaho Power will share information on the possible methods for evaluating the export credit rate.

As a reminder, the IPUC granted legacy status to existing Schedule 6 and 8 (residential and small general service) on-site generation systems as of December 20, 2019. Existing Schedule 84 (commercial, industrial and irrigation) systems received legacy status as of December 1, 2020. Customers who do not have legacy systems are subject to changes to the on-site generation offering, including changes to the billing structure and the value of the export credit. Customers are notified when applying that the value of excess energy is subject to change.

### b. Idaho Power Files Annual Power Cost Adjustment

Idaho Power has filed the final piece of its annual spring cost adjustments with the Idaho Public Utilities Commission (IPUC). This year's Power Cost Adjustment (PCA) calls for a price increase across all customer classes as a result of higher power costs related to last summer's unprecedented heatwave and lower hydro generation because of drought conditions.

Neither Idaho Power nor its shareholders receive any financial return from this filing, which is a request for \$103.4 million. The money collected is used solely to recover expenses associated with annual fluctuations in power costs.

"We are sensitive to the impacts rate increases have on our customers and work hard to serve our growing number of customers with prices that remain 20 percent to 30 percent lower than the rest of the nation," said Ryan Adelman, Vice President of Power Supply. "Unfortunately, the drought and last summer's record heatwave resulted in higher-than-expected overall power supply costs. Recovering these costs helps us maintain the reliable service our customers depend on."

The overall impact to residential customer bills on June 1 depends on the outcome of three filings:

- The annual PCA, filed today, is a cost-recovery tool that passes on both the benefits and costs of supplying energy to Idaho Power customers. If the PCA proposal is approved by the IPUC as filed, the typical Idaho residential customer using 950 kilowatt-hours (kWh) of energy per month will see a \$6.54 increase on their bill related to this request.
- The annual Fixed Cost Adjustment (FCA), filed in March and applicable to only residential and small commercial customers, adjusts prices based on changes in energy use per customer during the previous year. If the FCA proposal is approved as filed, a typical Idaho residential customer will see a \$0.81 decrease on their bill related to this request.
- Idaho Power has requested a price increase to collect the cost of an accelerated depreciation schedule for all coal-related investments at the Jim Bridger Power Plant in Wyoming. If approved as filed, a typical Idaho residential customer will see a \$2.07 increase on their bill related to this request.

The impact of these three filings for all Idaho customers is shown in the table below. A typical Idaho residential customer will see an overall monthly increase of \$7.80. The actual percentage of change will depend on a customer's classification and the rate they pay.

### Idaho Conservation League Plan Would Lower Power Bills, Help Customers

The Idaho Conservation League (ICL) is proposing an alternative plan to help Idaho Power exit the Bridger coal plant in Wyoming that would save customers up to \$70 million compared to the plan announced by Idaho Power.

To exit Bridger coal, Idaho Power claims they need roughly \$460 million to cover spending at the site and cleanup after closure. Those costs will be passed on to Idaho Power customers through higher power bills, which leaves low-income and high-use ratepayers especially hard hit.



To finance these costs, Idaho Power proposes a 7.8 percent interest rate for their customers. ICL's plan for Idaho Power would use modern financial tools to access lower cost financing, bringing the interest rate much lower and saving customers between \$60-70 million, while still ensuring the full costs of closure are met.

"Idaho Power's analysis shows that a transition to clean energy is a smart investment for Idaho consumers that will pay long term dividends. While there are short term costs, smart financing can minimize those costs" said Ben Otto, Energy Associate with the Idaho Conservation League. "The Idaho Power financing plan is based on a method developed in 1914, instead we need to use modern financing tools that will save consumers millions."

In 2005, to provide lower cost alternatives, the Idaho legislature adopted Utility Cost Reduction Bonds as a means to reduce utility rates to pay for large expenses. By financing costs with these bonds, Idaho Power could meet their goals while saving energy consumers \$70 million.

"In the 21st century, we should be using modern financing tools that provide necessary funding and keep consumer costs low, while supporting a transition to clean energy," said Otto. (ICL News)

# Oregon News Julie Peacock

# Oregon PUC Approves First Income Qualified Utility Discount

For years, Oregon's Low-income advocates have worked to create a new approach to energy burden. In 2021, they successful passed HB 2475, which gave the Oregon Public Utility Commission the authority to consider the financial burden of energy costs when making decisions about rates, bill credits, and program discounts. This week, the OPUC approved the first of its kind income-qualified utility discount program for customers of Portland General Electric. The discount is based on a customer's income as it compares to state median income (SMI). For a household of four SMI of 60 percent is around \$56,000.

The program will be paid for by other PGE customers, with residential customers seeing an additional charge of 23 cents on their electric bill. The PUC says it expects similar income based programs to be filed by the other investor-owned electric and natural gas utilities later this year. NW Natural has already filed its program with the PUC.

Program Level	Total Household Income	Percentage of Bill Discount
Tier 1	At or below 30% of SMI	25% discount
Tier 2	31%-45% SMI	20% discount
Tier 3	46%-60% SMI	15% discount

## **President Biden Visits Oregon**

President Biden stopped in Oregon <u>Thursday and met with a handful of elected officials</u> and attended a fundraiser at the Portland yacht club. The President spoke mostly to infrastructure spending and referenced the impending Cascadia earthquake and the need to update bridges and roads in the region.

After Oregon, the President headed to Washington state.

# **OPB Runs Series on Grant County Economic Development**

This week, Oregon Public Broadcasting has run an interesting series on various economic development efforts in Grant County.

The first story is about a greenhouse project that has pivoted during the pandemic:

https://www.opb.org/article/2022/04/19/john-day-oregon-grant-county-leaders-greenhouse-project-to-lure-families/

The second story is about development of internet cafes: <a href="https://www.opb.org/article/2022/04/20/grant-county-free-internet-access-intel-jobs-tech-workers-cybermill/">https://www.opb.org/article/2022/04/20/grant-county-free-internet-access-intel-jobs-tech-workers-cybermill/</a>

# The third story is about 3-D printed houses:

https://www.opb.org/article/2022/04/19/how-3d-printing-could-turn-an-eastern-oregon-town-into-a-high-tech-housing-hub/

# West Coast News Doug Marker

### California Senate Bill Sets Schedule for Decarbonized Grid; Accelerates Mandates on State Agencies

The President of the California Senate introduced legislation this week setting interim deadlines for state utilities to meet the current 100 percent renewable or zero-carbon by 2045 mandate. The language was amended into SB 1020 and bill sets a requirement for 90 percent clean resources by 2035 and 2040. In this requirement, the bill does not add any more definition of "zero-carbon", including any affecting hydro from the Pacific Northwest.

A separate provision of the bill does specify in-state generation. The provision accelerates the 100 percent goal for electricity purchases by state agencies to 2030. The bill has additional requirements for the State Water Project, which is a major electricity user for pumping loads. The significant provision from a BPA perspective is that the bill requires that additional clean electricity purchased by state agencies come from in-state generation. I think that it's a worrisome precedent. It is evidence of the continued effort in California to meet clean energy goals from new in-state generation.

### SB 1020 Also Gives CAISO Access to Confidential Procurement for Transmission Planning

Another provision amended into SB 1020 allows the California ISO to gain access to the confidential resource procurement filings of regulated utilities. This will allow the ISO to verify details of the construction schedules, locations, and quantities of new resources to incorporate into transmission planning.

### And Finally, SB 1020 Creates an Affordable Decarbonization Authority

Rounding out the ambitions of the amended bill, provisions also create a new public benefit corporation intended to reduce consumer electric bills. The new Affordable Decarbonization Authority could receive legislative appropriations and revenues from the state's cap-and-trade market to disburse bill credits and other mechanisms to offset consumer electricity bills, especially for lower income consumers.

SB 1020 will have a hearing in the Senate Energy Committee next Tuesday and must be heard by the Appropriations Committee by Friday to meet the deadlines of this year's legislative calendar.

# Wrestling With Public Transit

As pandemic restrictions ease, "BART-Man" is back in the ring. The Bay Area lucha libre wrestler has returned to



matches at the Cow Palace when he's not riding the Bay Area Rapid Transit System and advocating for more transit funding. BART-Man's mask is outlined with the BART logo and his costume is the BART signature blue and white. In the ring, his signature move is the "third rail", leaping from the turnbuckles to finish off an opponent. At appearances at BART stations, he thrills to lead his audiences in chants of "Public Transit, Public Transit!" BART-Man next appears at Hoodslam on May 14.

# Montana News Mark Reller

#### In the Queue

Lawrence Berkley Labs reports that "the proposed wind, solar and battery projects seeking interconnection to U.S. transmission grids today are enough to bring the country to 80 percent carbon-free electricity by 2030. But based on historical trends, less than a quarter of those planned projects are likely to be built. And even the best-positioned projects that already have the land rights, construction financing and power-purchase contracts necessary to move forward are likely to face years of delay and potentially millions of dollars of grid upgrade costs before being able to connect to the grid. These barriers could prevent many planned projects from reaching completion — and block the country from decarbonizing fast enough to prevent the most devastating effects of global warming." Read full article at here.

# Who is More Montanan and Who has more Money?

As the June primary for the Montana U.S. House seats ramps up, candidates are pushing their made in Montana credentials and filling their coffers with cash. Incumbent Rosendale and former incumbent Zinke lead in the cash department at this point in time in part because these historic republican candidates have carry-over funding from past campaigns. Republican challengers in the eastern district held their first debate this week hosted by the Montana Farmer's Union. Rosendale declined the invitation to participate. Republican candidates in the Western district also debated but Zinke declined to participate. Every candidate expressed some level of support for former president Trump's policies. Three of the candidates cited their belief there was fraud during the 2020 presidential election. One candidate argued that the pandemic was planned. Democrats will debate next week.

Dems push Montana roots in first ad push for western US House seat | 406 Politics | missoulian.com

Zinke, Rosendale lead in congressional campaign fundraising; Neumann closing in

https://www.mtpr.org/montana-news/2022-04-20/republican-congressional-candidates-face-off-in-kalispell-debate

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Kathie Manchester <a href="klmanchester@bpa.gov">klmanchester@bpa.gov</a>. These meetings occur the first Wednesday of every month.

Thank you! Cyndee

Cynthia Case
(CONTR) Vanderhouwen
Administrative Assistant to Regional Relations, AIR-7
BONNEVILLE POWER ADMINISTRATION
bpa.gov | P 503-230-3683 | cdcase@bpa.gov

From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, March 12, 2021 4:20 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, March 12, 2021

Attachments: 031221.pdf

Hello all,

Attached is the Regional Relations report for Friday, March 12, 2021. Have a nice weekend.

# Public Interest Organizations Josh Warner

### **Public Interest Quarterly**

The Public Interest Quarterly meeting with the Administrator and representatives of public interest organizations took place virtually this week. Administrator John Hairston had an opportunity to share with and listen to representatives from a number of organizations including the Northwest Energy Coalition, Save Our wild Salmon, Renewable NW, GridForward, NRDC, CUB and DamSense. John kicked off by talking about his priorities which included keeping Bonneville competitive, advancing on Provider of Choice conversations, maintaining a strong financial footing, Covid-19 response and how taking care of Bonneville's employees is a major part of the agency's resilience planning. He was also able to mention the Representative Simpson proposal and that we continue to see the value of the full FCRPS, but are willing to learn more about opportunities to address existing and future challenges.

PIO representatives had a number of questions, clarifications and appreciations for John's thoughts. These revolved around how far along we are with Provider of Choice conversations and what the dominate issues might be, EIM work and renewables integration. The meeting also had a discussion on the Western Electric Industry Leaders interactions with west-wide policy issues that include resource adequacy, GHG accounting and transmission planning. Thank you to Doug Marker for expertly framing and leading the discussion.

# Idaho News John Williams

#### Idaho Statehouse News

<u>House passed HCR-007:</u> This legislation would authorize the Legislative Council to continue an interim committee to undertake studies of natural resource issues, particularly the water resources of the state. This Interim committee has heard during the past several years' presentation on the CRT and other issues related to BPA. This Resolution was passed by the House and Senate. Adopted March 11.

<u>House passed HB-117:</u> This is an FY 2021 supplemental appropriation bill for the Office of Energy and Mineral Resources. It provides \$157,600 for increased State Energy Program (SEP) grants, which are used for energy auditing and assisting in state-specific energy management goals. This Bill was passed out of the Senate and House and sent to the Governor for signature on March 11.

<u>Senate Joint Memorial 103 Columbia – Snake River System:</u> A Joint Memorial stating findings of the Legislature, opposing the removal or breaching of the dams on the Columbia-Snake River System and its tributaries, and recognizing certain benefits provided by the Port of Lewiston. The Idaho Legislature recognizes and supports the international competitiveness, multi-modal transportation, and economic development benefits provided by the Port of Lewiston and the Columbia-Snake River System. Idaho has sovereignty of its water resources and benefits from the multiuse system

that provides transportation of commodities, fish and wildlife habitat, recreation, hydropower, flood control, and irrigation. This Memorial passed out of the Senate and the House Resources and Conservation Committee with a dopass to the full House on March 11. Historical note: for over 15 years the legislature has pass a memorial supporting the Columbia and Snake River hydro system. During the House and Senate committee hearings on this memorial, the opposition testifying have been few. However, this memorial is related to the opposition to Congressman Simpson's concept paper that caused over 10 to 15 people to testify. A good number represented dam breaching advocates.

<u>HB 274:</u> This legislation will create the Idaho Energy Conservation Code. Currently, Idaho Energy Conservation standards are housed within the Idaho Building Code, which has sometimes made it difficult to follow changes when they occur. Having a separate Idaho Energy Conservation Code will allow the legislature to more effectively exercise oversight of changes to energy conservation codes. This Bill was referred to House Business Committee on March 3.

#### **Idaho News**

Work has begun on Idaho Power's 2021 Integrated Resource Plan (IRP). The focus of this 20-year plan is to predict how much energy the company will need to serve its growing number of customers and identify the best way to ensure that energy remains reliable, affordable and clean. Idaho Power enlists the assistance of its customers in developing the IRP through an advisory panel — the Integrated Resource Plan Advisory Council (IRPAC), which includes representatives from the environmental community, industrial customers, irrigators, state legislators, public utility commission representatives and other interested parties.

#### **Nevada News**

Democratic leadership in the Nevada Legislature said fostering a green energy economy during the 2021 legislative session could be one solution to the problems caused by Nevada's tourism and gaming heavy economy. The current economic makeup of the state makes Nevada's budget particularly vulnerable to recessions like the one caused by the coronavirus pandemic.

"You're going to see some additional conversation on how do we start to convert from a fossil fuel economy to a cleaner energy economy," said Senate Majority Leader Nicole Cannizzaro. She said to make a clean energy economy work in Nevada a ton of work needs to be done beginning with statewide infrastructure projects. Cannizzaro said there would be no reason to transition if technology like electric cars isn't a reasonable purchase.

"If you're talking about taking a drive from Las Vegas to Reno, or you're talking about taking a drive around the city, there is enough infrastructure for those electric vehicles to continue to operate," Cannizzaro said.

Assembly Speaker Jason Frierson agreed that building out the state's clean energy infrastructure would be a priority during the session, but cautioned against offering companies incentives like tax breaks to entice them to come here. "Look, I don't know if we can afford to give incentives away," he said. "We're in a difficult time right now, but we have to work on improving our infrastructure in the state as a whole."

Republican Senate Minority Leader James Settelmeyer said providing incentives to private green companies wouldn't be his first move either, and added that he would be hesitant to fund any large scale renewable energy project that hadn't been proven to work. Settelmeyer said the legislature's main role should be to allow the free market to thrive without regulation. Assembly Minority Leader Robin Titus also urged caution on funding green projects, but seemed more optimistic about the potential of wind and solar energy jobs than her Republican colleague. In addition, Titus said she was eyeing the potential of another energy source that could be better for Nevada than all the others. "We have another great source, geothermal," she said. "That hasn't been mentioned much, but we have a tremendous geothermal access here, and absolutely all of that put together is a good option for Nevada." (DeLancey, Sean. KTNV Channel 13 ABC Las Vegas)

Wyoming Governor Gordon Convenes Invasive Mussel Emergency Response Team

Governor Mark Gordon has convened an emergency response team to mitigate impacts and seek solutions to the discovery of invasive zebra mussels in Wyoming. The team, led by Director Brian Nesvik of the Wyoming Game and Fish Department and Director Doug Miyamoto of the Wyoming Department of Agriculture, is working to remove the products that carry zebra mussels and contain their potential spread.

Last week, the Wyoming Game and Fish Department, for the first time in the state, found zebra mussels in aquatic algae products sold primarily in pet stores — known as moss balls. The mussels may be live and viable and have been on the market for an undetermined period of time. Subsequently, these mussels were found in over two dozen other states' pet stores.

"This is an urgent and serious matter that potentially affects Wyoming's water infrastructure, lakes and rivers,"
Governor Gordon said. "This mussel is a vicious aquatic invasive species from South Russia and the Ukraine with the potential to wreak havoc on domestic water supplies and our irrigation infrastructure and ruin some of our best fishing."

A <u>recent study</u> from Montana estimates hundreds of millions of dollars' worth of impacts in the form of lost revenue, property damage, and mitigation costs if the mussel became established there. Similar impacts could be seen in Wyoming.

"Our main goal is to come together quickly to remove the invasives and coordinate our efforts to mitigate any potential impacts," Governor Gordon said. The emergency response team and the Governor's Office are working with the Legislature to determine if emergency funds can be made available for water testing, outreach and other costs associated with the discovery of zebra mussels. (Press release)

## Wyoming State Lawmakers Pitch Bill to Regulate Electrical Grid for Reliability

Wyoming State lawmakers pitch bill to regulate electrical grid for reliability. A new piece of legislation could give coal-fired power plants a lifeline. Filed on Friday in Wyoming's Legislature, <a href="House Bill 155">House Bill 155</a> would require state regulators to consider how a coal or natural gas power plant closure could affect the reliability of the power grid before approving its retirement. Prior to giving a utility a green light to retire an aging power plant unit, the Wyoming Public Service Commission — the state agency regulating certain utilities in Wyoming — would have to consider if the closure would increase the risk of power outages.

"Before authorizing or approving the closure of an electric generation facility as proposed in a rate case, integrated resource plan or other submission to the commission, the commission shall consider the effect on available reliable, dispatchable electricity to Wyoming customers and on a nationwide basis," the bill states. Under the proposed bill, utilities would also be held liable for damages or injuries caused by power outage, under certain circumstances. The bill aims to ensure Wyoming's electrical grid maintains sufficient "baseload power," or a source of continuously available electricity supply, especially as companies invest in more and more renewable energy. Representative Chuck Gray, R-Casper, sponsored the bill. House Corporations Committee Chair Dan Zwonitzer, R-Cheyenne, is a co-sponsor.

"The radical Left is attempting to destroy our Wyoming way of life by cancelling fossil fuels," Gray said in a written statement. "Reliability on the grid would be destroyed by the radical Left's actions. A reliable energy grid heats our homes and powers our businesses. (House Bill) 155 is designed to stop the radical Left from doing to Wyoming what they've already done to Texas, Colorado, and California. We saw in Texas what will happen if the radical Left wins on this issue."

Opponents of the bill said it could mean keeping coal-fired power plants in operation longer than makes fiscal sense for ratepayers. "Reading between the lines, this bill is to stop coal plant retirements and closures under the guise of reliability," said Shannon Anderson, a staff attorney for the Powder River Basin Resource Council, a conservation group representing landowners. "Really, what we see from the bill is it would cause analysis-paralysis and be another layer of bureaucracy for a utility to have to go through to be able to retire a coal plant that is no longer economic for customers and losing customer money to operate." Utilities across the country have started retiring their coal fleets in favor of

wind or solar energy to save ratepayers money. But critics of renewable energy have long argued the source of electricity is still not dependable enough.

The widespread blackouts experienced across Texas due to extreme weather events last month have turned significant attention to the topic of grid reliability, and added fuel to the fire for renewable energy opponents.

However, no fuel source is perfect and both fossil fuel and renewable sources of electricity can contribute to outages, Anderson said. For instance, a portion of the Texas' wind turbines did ice up. But failures at coal, natural gas and nuclear plants also contributed to the sweeping outages across Texas' grid. In fact, about twice as much power was lost from coal, natural gas and nuclear generators than wind and solar, as of February 16, according to the Electric Reliability Council of Texas, the state's primary grid operator.

Another piece of legislation filed on Sunday — House Bill 166 — could also keep coal-fired power plants open longer. The <a href="bill">bill</a>, sponsored by Steve Harshman, R-Casper, would require the Public Service Commission to take several additional steps before approving a coal unit retirement, including providing proof such a retirement makes sense both in terms of cost and reliability. Wyoming is the nation's leading producer of coal. Over 90 percent of coal mined here is exported beyond the state's boundaries. (Erickson, Camille. Casper Star Tribune)

# Oregon News Julie Peacock

# Oregon Wildfire and Electric Collaborative Workshop

This week Bonneville's Vegetation Management Manager Chuck Sheppard and Federal Lands Liaison Holly Harwood were on a panel at the <a href="third-Oregon Wildfire and Electric Collaborative">third-Oregon Wildfire and Electric Collaborative</a> workshop. Their panel included Pacific Power (Brian King) and Douglas Electric (Keith Brooks) discussing approaches to vegetation management. Brooks kicked off the panel talking about the damage that Douglas had as a result of the Labor Day Fires. He estimated their system sustained \$10 million in damage and that 75 percent of that cost will be reimbursed by the Federal Emergency Management Administration. However, the remaining \$3 million dollars would have to be paid off over 30 years, unless they could find out some other mechanism those costs would be past directly to the ratepayers. For Bonneville, Sheppard estimated that the 10,000 trees that needed to be removed cost \$600,000 and was a direct impact to the program budget.

Giving an overview of their program, King said that Pacific Power had until recently run their vegetation management program out of Rocky Mountain Power, but had moved some vegetation management to the Pacific Power. Sheppard indicated that prior to 2007 BPA operated as separate programs, but then consolidated the program after vegetation related outages. Brooks and King highlighted the difference between working with private landowners and public lands. Brooks said sometimes it is a negotiation with private landowners letting them know they would take the tree without cost. King said it's about communicating and establishing expectations with landowners regardless if they are private or public landowners or managers.

King and Brooks said that they had both experienced impacts to the labor force from workforce migrations to California. Brooks said it was due to amount of money that could be made in California versus Oregon. He said it was especially acute in the rural service territory with labor costs increasing and no load growth creating increased rate pressure. Sheppard said Bonneville hasn't experienced the same impact from the California labor market as it relates to vegetation management, but more related to lineman.

A second panel at the workshop included representatives from the Oregon Department of Forestry, the U.S. Forestry Service, and the Bureau of Land Management. The conversation centered on creating effective vegetation management partnerships.

### **Legislative Update**

Next Friday is the deadline for bills to be scheduled for work sessions in order to continue through the legislative process. (The first chamber deadline is April 13.) Still lingering is the concept of some form of a Clean Energy Standard

for Oregon. The bill that is said to be moving (HB 2021) was supposed to have an informational hearing in the House Energy and Environment Committee, but an amendment was not complete in time to have a hearing. It has been rescheduled for Monday with Senator Lee Beyer scheduled to walk through the bill. The latest information available is that for the Consumer Owned Utilities (preference customers) there would be a study required to better understand how they operate. This study would be used by the Legislature to possibly craft a provision in the future that would include the COUs under a CES. There was also discussion that there would be a carve-out for Bonneville power that would ensure surplus sales would not be adversely impacted.

# West Coast News Doug Marker

### California Governor's State of State Focuses on Pandemic, Light on Energy

It seemed counter-intuitive to stage a major media event in an empty Dodger Stadium. When I advanced political campaign rallies, we did everything we could to make the event look crowded, even if we had to cut the room in half with curtains. But California Governor Newsom gave his State of the State address this week to more than 56,000 empty seats to dramatize the number of California deaths to COVID-19. Newsom's speech focused mostly on vaccinations and safety in reopening from quarantine. He referred to the state enduring "twin pandemics" with the virus and last year's wildfires. His only nod to energy issues, a central theme in past addresses, was to his executive order requiring all automobiles sold in the state to be zero emission by 2035. He said nothing about electric system reliability, despite last August's blackouts.

Also this week, the campaign for an election to recall Newsom reported they have gather 2 million signatures, more than the 1.5 million valid signatures needed. County election offices have until late April to certify the signatures, but a recall election seems likely.

## CPUC Issues Additional Emergency Provisions for Summer Reliability

Late last Friday, the California Public Utilities Commission issued a proposed decision for additional measures to augment system reliability this summer. The CPUC proposed increasing the amount of reserves regulated utilities must carry in peak hours, increasing planning reserve margins from 15 percent to 17.5 percent. This is compatible with the California ISO's recommendation. The CPUC assigns the responsibility for securing the additional reserves to the three major IOUs. There are additional requirements for demand response and an emergency load reduction program. Comments on the proposal are due next week.

### State-Led Market Assessment

With a grant from the U.S. DOE and led by the Governor's office in Utah, Western state energy offices have sponsored an evaluation of the state-by-state benefits of integrated electricity markets. The consultants conducting the study, Salt Lake City-based Energy Strategies, held a quarterly <u>update last week on their analysis</u>. Last year they analyzed scenarios of a range of market functions, from an EIM to a full regional transmission organization; and options for the geographic footprints of the markets. The consultants estimated the cost savings for consumers in each state from those alternative market designs.

The report presented an initial qualitative assessment as a the benefits from the same alternatives for state policy policy objectives included increased use of clean energy providing affordable, reliable power to consumers. In general, scorecard found only "fair" benefit from current bilateral "very good" to "excellent" ratings in more integrated markets. invited comment by March 17 on their assessment and will hold discussion in May.

You Know What Happens After Dinner, Right



"scorecard" of objectives. The technologies and the initial markets and Energy Strategies another public A Los Angeles restaurant owner takes his obsession with one movie to an astonishing level. Café Jack sits on Western Avenue, likely most notable because it looks like a boat docked on the street. It has a white bow with railings and yellow trim below the two story cabin where the dining rooms are. The whole thing was assembled by Jack Shin, who collected souvenirs to create an homage to his favorite movie, *The Titanic*. It gets worse — Café Jack is named after Leonardo DiCaprio's starring character, Jack Dawson. As is Mr. Shin, who took the name himself. And then he named his son Jack. But back to the seemingly floating restaurant. It has a warren of dining rooms and outdoor seating on a life raft. The menu features sushi and spaghetti but also a good enough reputation that it has stayed — ahem — afloat during the pandemic.

# Montana News Mark Reller

### PSC Appeals to U.S. Supreme Court

After losing multiple times at the Montana Supreme Court the Montana Public Service Commission is <u>appealing a case</u> regarding renewable energy contract terms to the U.S. Supreme Court. At issue, is rate making for alternative energy projects.

District Judge James Manley sided with a renewables developer, finding that the PSC violated the developer's due process rights by making decisions "based on bias and policy preferences." In the court's opinion, he wrote that the commission's decision to eliminate carbon pricing from the renewables project was "arbitrary, capricious, and characterized by the abuse of discretion." He concluded that the renewables developer was entitled to a carbon adder based on precedent established by a different previous project, reviewed by the PSC.

The PSC appealed Manley's decision to the Montana Supreme Court, arguing that it isn't the commission's job to make renewable energy economically viable, but rather to set fair rates for consumers. Last September, the Montana Supreme Court again sided with renewable energy developers. Now the PSC has appealed to the U.S. Supreme Court. Part of their argument is that that Federal Courts should address the issues in play rather that State Courts.

#### MicroGrids

Suppose a Texas size storm takes down the grid, or a California Utility routinely toggles off the grid to protect against wildfire starts, what's a person to do? Well some are <u>turning to microgrids</u> and turning their back on the local utility. Microgrids were reported to be a \$9B market last year and forecast to be a \$40B market by 2030.

### Montana Attorney General Joins Suit on Social Cost of Carbon

The Montana Attorney General joins 11 other states in <u>suing</u> the Biden Administration, claiming they have overstepped their authorities in setting the social cost of carbon. The suit argues that congress, not the executive branch should decide such issues. In addition to Biden, the lawsuit names as defendants the federal agencies that would use social costs in cost-benefit analyses, including the U.S. Environmental Protection Agency, the Department of Energy, the Department of Transportation, the Department of Agriculture, and the Interior Department.

# Washington News Liz Klumpp

### Washington EFSEC Hearing for Scout Clean Energy Horse Heaven Hills Wind Project

EFSEC is hosting a public hearing on the 1,150 MW Horse Heaven Hills Wind Project March 30, proposed for construction south of Kennewick, Washington. Scout Clean Energy has requested an expedited process for the site certification. This project has faced some local opposition.

#### Legislative Update

A number of energy and salmon related bills continue past cut-off periods for further consideration in the Washington legislative session. Now, both a carbon tax bill and a cap and trade bill have had hearings where testimony debated the merits of each. The State Senate Energy Chair is sponsoring the cap and trade/invest bill, so the carbon tax supporters have a tough hill to climb to get passage out of committee. The virtual sessions, while peculiar like other work during the pandemic, could be a case study in citizen politics. High school students, farmers, household managers, etc., are testifying along with the usual lobbyists representing environmental groups, trade associations, corporations, state agencies, and public utilities. So many are testifying in t-shirts and fleece; it is a remarkable shift. That said, it's not my observation that testimony gets bills passed, though it can occasionally kill a bill.

Thank you,

### Cynthia Case

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 From:
 Cook, Joel D (BPA) - K-7

 Sent:
 Friday, June 24, 2022 2:50 PM

To: Cook, Jeffrey W (BPA) - TP-DITT-2; Shaheen, Richard L (BPA) - T-DITT-2

Subject: RE: Notes from today's Brownbag

#### Thanks

From: Cook, Jeffrey W (BPA) - TP-DITT-2 < jwcook@bpa.gov>

Sent: Friday, June 24, 2022 10:28 AM

To: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>; Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov>

Subject: FW: Notes from today's Brownbag

#### Joel and Richard

Since we were at the PAC mtg missed the brown bag session with our customers (see list below of those participating). I heard and also read through the notes that it was well received and we got some good feedback (none of it a big surprise). I highlighted some of the points I thought were interesting but passing onto you all for reading pleasure and awareness. I do think the GI NOPR will help some of these areas and the TSEP reform work we are doing as well will help but certainly no "silver bullet" will fix it all.

Look forward to the discussion on the TSEP Project Builds from the CS report and the direction/risk BPA wants to take moving forward.

Jeffrey W. Cook, PE VP Transmission Planning and Asset Management Bonneville Power Administration 360-418-8981

(b)(6) (cell)

From: Sheckells, Katie (BPA) - TSB-TPP-2 < kksheckells@bpa.gov>

Sent: Thursday, June 23, 2022 2:46 PM

To: Green, Laura E (TFE)(BPA) - TSE-TPP-2 < legreen@bpa.gov >; Cook, Jeffrey W (BPA) - TP-DITT-2 < jwcook@bpa.gov >;

McConnell, Brian S (BPA) - TSR-DITT-1 < bsmcconnell@bpa.gov >; Fredrickson, Rebecca E (BPA) - TSQ-TPP-2

<refredrickson@bpa.gov>

Subject: Notes from today's Brownbag

Another good brown bag session today. Here are my notes if you missed it. Wanted to highlight that in addition to our planning organization there were a lot of implications for many other organizations – Strategic Planning, TBM refresh, all of the market work underway, tariff, rates...etc. Am very interested in how this information will be used going forward. Jeff any insights into next steps after the brown bags?

# **BPA T Planning Brown Bag**

Thursday, June 23, 2022 1:00 PM

Meeting Date: 6/23/2022 1:00 PM Location: Webex (updated)

Link to Outlook Item: click here

# Invitation Message Content

<<BPA T Planning Brown
Bag\_23Jun22\_Agenda.pdf>> Added by Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2
Attachment from Outlook

# **Participants**

# Notes

Context Setting - Ricky:

• Where we have been historically - resilient, reliable system, deliver clean low cost energy to the region, while being mindful of environmental impact. Integrated 7GW of renewables, incredible load growth across the region. At the same time a lot of things are changing - BPA needs to adapt. Implications of changes - large queues: interconnection 65GW on a system that has 35GW peak load historically. WA, OR clean targets, electrification, growth in data centers. See modest load growth overall, but pockets of historic growth. Queue congestion/management issues. Recent NOPRs from FERC aimed at addressing some of those issues. We have an evolving system, different usage - S>N in Portland area, interest from offshore wind - drive for more Tx, need to launch those projects now to meet customer needs in the future.

#### Panelists:

Nicole Hues - Renewable NW Spencer Gray - NIPPC Roger Gray - PNGC Lauren Tenney Denison - PPC

Nicole - interested in working with BPA on how to be more flexible and how to plan for the future. Meet state energy standards along with BPA's requirements.

Spencer - PTP BPA customers. Think of Tx system as BPA's crown jewel, the part of the system BPA owns. Long history of innovation. Underscore that you have a suite of customers that appreciative of the role and want to work on constructive solutions. Active all over the country and well aware that many Tx providers are facing challenges with large GI queues and challenges building Tx. Cluster study approach that BPA helped pioneer is something other parts of the country would do well in using. Constructive solutions - first ready, first served model they would be eager to engage on. Have seen it work well with other Tx providers. Would welcome additional BPA role as being Tx provider/constructor of first resort for the region. Cluster studies have shown need for cross cascades - advantages of being federal and drawing on federal credit - to extent region can leverage that to invest in no-regrets Tx that is likely to pay off over time. Federal Government could play a helpful role to the region.

Roger - BPA's 75% of NW grid, it is a huge legacy role and hope it will remain huge role going forward. Comments are critical, but not towards Tx planning function. As planners the next 10-30 years are going to more challenging than they have been. Transformation in renewable, load growth, changes in society - will create huge needs. Tx is fundamentally the transportation system - need to be able to move effectively and reliably. Believe we are heading toward failure right now - not because of technical studies, institutional failures - utilities industry lack of willingness to change status quo. Will not meet carbon goals. Unless we go to decentralized microgrids Tx is going to remain precious. Take a long time to build Tx - big advocate of RTOs - not going to build overnight.

Solutions from easiest/cheapest to hardest/more expensive: redispatch in short term (EIM), short term and less expensive fixes (RAS), inside the fence sub work, demand response, siting of gen/storage in right location, new Tx NortherGrid is failing right now - they were designed to say no

Lauren - already covered a lot of the items she planned to cover. As resources and Tx availability become more constrained it is more clear Tx is necessary for public power. Role of BPA planning in meeting regional needs - thoughtful

and diligent - how can BPA spend resources for best value for their customers, most certain of areas of growth. Priority for PPC members is negotiating new Power contracts - really important for Tx to be part of that discussion. Needs to be paired with access to the Tx. Might end up with customers going out and looking for non-federal resources, planning needs account for that. Improve service to transfer customers, particularly where there are low cost options. Ability to provide additional insight into what the system is able to do now and where upgrades could help - example is the deep dive process Chris Jones has led. Interconnection projects continue to be a big problem for their customers. Happy to see some of the things BPA is pursuing like the secondary capacity model.

Your perspective on BPA's role going forward? The region and NW is evolving, we have aggressive shift towards clean energy legislation.

How would you advise BPA in meeting competing challenges?

Lauren - tough balancing act, a lot of demand on where BPA spends its resources and where it expands the system. Need to be thoughtful about the risks taken on.

Roger - role is to do what BPA does well today as well as how to evolve statutory obligation. LA dept of water and power had 3 times the amount of investment as the IOUs - driven by strategy of robust Tx system, LADP never had blackouts or impacted by energy crisis - today they have lower rates than the others. BPA can play a continued role in that - borrowing authority and revenue financing are a barrier - RTOs don't have capital limits - this is an institutional issue.

Transfer service is BPA virtual RTO - fan of expanding it, acquiring Tx economically. RTO to deal with issues of fairness and equity. Need to get right signals for generation siting. Integrating Power and Tx contracts in provider of choice - get rid of conflicts between them. Have perverse incentives to put things in the wrong places - Tx and Power tell them to put things in different places.

Spencer - Incremental requests for expansion, where costs were born by first user - not serving us well with legislation to move to clean energy. Resource Adequacy will help send signals for Tx needs. Seeing FERC consider in their NOPR longer term planning - this is something BPA could take up on their own. Keeping up with shift across the country to keep up with longer term shifts. "build it and they will come" concept when they are at the front door vs. speculative - BPA needs to be more closely in touch with state legislatures and what PTP customers are required to comply with. Focus on no regrets options where it is evident Tx upgrades will be needed. Ability to take on risk that individual customers don't have appetite or ability to take on. When pacific intertie was built that was largely in response to congress coughing up funds - BPA and congressional delegation were responsive to move more power to the southwest - time right now is analogous to that. We have clear signals from states in shift of resources.

Nicole - Big picture view of BPA's role, original mission, reinterpreting what it means to electrify the rural west, making sure BPA is benefiting full region, this is beyond serving preference customers needs. Envision BPA taking larger role working with states, cities, counties - being more proactive in those relationships, helping to meet goals. BPA has taken a more narrow view. It is time for BPA to start envisioning what it looks like to participate in RTO, what does it mean for its assets to participate in that. Looking forward to BPA learning from EIM participation. We could all end up under one tariff - BPA needs to think of what it would mean to be under FERC rule. Need to not think as non-federal being a competitor, need to break down barriers to getting clean resources on - this needs to be part of provider of choice conversations. BPA should feel threatened by other resources coming on. The "build it they will come" sentiment - often shown the data on generators in GI process, only a small amount commit to building - main reason they don't go forward is because of Tx because of cost or they are backlogged so long they lose their financing - concept of first ready, first served is of interest to them. BPA has enormous opportunity with moving MT resources to WA.

Roger - need some entity to think big and broadly, current model is optimizing at a BA level, new problems are going to need a different solution. Tx is way harder to build today because of permitting. Federal government has broadest condemnation rights, benefit of RTO is they determine the benefit of the greatest good rather than each utility doing it on their own. Recovery of costs is really important, today utilities are concerned about stranded costs, RTO provides a way to account for it. The demand is there, the demand is driven away by the institutions - it goes away as soon as they

see the price tag. What we have today is equivalent of the 1950's interstate - what car goes on it first pays for it, never would have been built.

Nicole - finance entity expects you to check some boxes, one of those critical pieces are interconnection or Tx agreement, has to match up with your power purchase agreement. Example - Puget puts out an IRP then RFP, that is your signal that it will get built, Puget will use it - there needs to be bigger collaboration between BPA and IOUs.

Chris - challenge is our tariff doesn't allow us to pick winners and losers with those responding to the RFP, how do we study all this requested demand - how do you advise we address that type of situation?

Nicole - there will always be developers that drop out for different reasons, but first ready/first serve model is something to look at, puts pressure on developers who are really serious and gives more transparency to your process. Hear complaint that there are projects just sitting there because they can't get permits, etc. There will always be winners and losers, can't let that get in the way of getting projects built.

Roger - need to have an institution do planning more holistically. In addition to resources also seeing big shifts in loads (data centers, etc)

Spencer - region is in need of a forum that is independent that utilities, generators, BPA can go to have an open forum to talk through the issues with technical issues - example wind forum that was in place. We are lacking a place to go collectively to air those concerns.

Chris - what are most important scenarios for BPA to study given the uncertain variables? Biggest drivers, electrification, load growth, etc?

Nicole - regardless of future of system there are probably a lot of important improvement/upgrades that could happen to BPA system - grid enhancement technology, RAS, battery storage as Tx resource, more robust/efficient system.

Offshore wind, we should be planning right now for how we will deal with offshore wind.

Roger - you can never forecast the future perfectly, big believer in scenario planning - then do what if, what if offshore takes off in 10 years....which plan/solution covers the most scenarios. Those are the robust solutions - those are the "nobrainer" you need no matter what. Then you get to the we will only this one if events.

Lauren - double down on Rogers suggestion of scenario planning, breadth of future options is getting wide. Looking at impacts of electrification, day ahead market, load shifts...

Spencer - confidence intervals, how confident are we in the scenarios. Example - renewable portfolios - high confidence they will be met, offshore wind developing at projected pace - skeptical. Adding that to the idea of scenario planning.

Ravi - how willing are publics to support BPA building Tx that could increase network rates without insurances of takers. Lauren - ideas thrown out about larger view strategic approach needs to be part of the conversation. How willing are preference customers to take that on, there is a large range of willingness. Laying out rate impacts, strategic benefits, societal benefits - all of that will help determine what they are willing to support. It is an important and broad discussion about where do those impacts position us long term.

Roger - echo Lauren, can't assume all preference are similarly situated and have same views.

Nicole - need to be careful not to look at these situations in a silo. There could be upgrades that benefit IOUs and Publics - look for opportunities to get biggest bang for the buck. BPA should explore opportunities to partner with private Tx developers - they build then sell it to BPA.

Lauren - PPC members continue to ask if there are opportunities for them to take on some of the burden, can they build it.

Chris - NOPRs on GI reform and Tx planning, do you believe these reforms will end with improvements that will move the needle?

Spencer - think so, it is overdue for FERC to step into this space, hasn't done much since Order 1000 - figuring out how their reforms can work in a bi-lateral world. Think they are on the right track. Encourage BPA looking at these proposals, you have greater discretion to take them up, think about how to be best in class, would be a shame if non-jurisdictionals didn't follow suit. NorthernGrid is not giving developers confidence that innovative Tx will get done, hope FERC will compel organizations like that to do more. There is more congressional interest in Tx now than in a very long time.

Ravi - a powerflow study requires balance between demand and supply, currently big imbalance, with lack of integrated approach in region, how do you see that paradigm workout to balance and deliver a Tx system?

Roger - this is the fundamental difference in how resource and Tx planners see the world - have to think about how we do these models and how resources might be 400% - combination of resources.

Spencer - would like to work with you to support BPA to do that analysis efficiently. NIPPC is prepared to help work through that. From competition standpoint it is good to have a bunch of resources chasing smaller load - it is good for the utilities.

Nicole - offer to work with her or her staff, more than happy to share what they know

### Katherine Sheckells

she/her/hers

Associate Director | Transmission Marketing and Sales | TSB

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 From:
 Reller, Mark D (BPA) - AIR-MSGL

 Sent:
 Friday, May 13, 2022 10:55 AM

To: Manchester, Kathleen L (CONTR) - AIT-7; Klumpp, Elizabeth C (BPA) - AIR-WSGL;

Williams, John J (BPA) - AIR-BOISE; Warner, Joshua P (BPA) - AIR-7; Marker, Douglas R (BPA) - AIR-7; Peacock, Julie (BPA) - AIR-7; Aggarwal, Ravi K (TFE) (BPA) - TPL-TPP-2; Johnson, Anders L (BPA) - TPLE-TPP-2; Kaseweter, Alisa D (BPA) - AI-7; Harwood, Holly C

(BPA) - AIR-7; Baskerville, Sonya L (BPA) - AIN-WASH

Cc: Cook, Joel D (BPA) - K-7; Cook, Jeffrey W (BPA) - TP-DITT-2; Altman, Brian D (TFE) (BPA) -

TSE-TPP-2; Sheckells, Katie (BPA) - TSB-TPP-2; Fredrickson, Rebecca E (BPA) - TSQ-TPP-2;

Gardner, Amy M (BPA) - TEPS-TPP-1; Normandeau, Mike (BPA) - PSE-RONAN;

McCracken, Michael A (BPA) - TFK-KALISPELL

Subject: Montana Weekly -- May 13 2022

Attachments: weekly May 13 2022.docx

# Pre-Approval In Peril

A Missoula judge has struck down a law that granted NorthWestern Energy the ability to secure reimbursement for new energy-generating assets from its customers. The law was deemed to specific as it only applied to a single company.

Missoula judge strikes law that gave NorthWestern Energy unfair advantage | State & Regional | missoulian.com

# **Numeric Not Narrative**

The Environmental Protection Agency thwarted Montana lawmakers' attempt to loosen water quality standards yesterday, telling the state that it acted out of turn by adopting a new regulatory framework without first obtaining federal approval.

In a May 10 letter to the Montana Department of Environmental Quality, the EPA asserted that a law passed by the Montana Legislature last year runs afoul of the federal Clean Water Act. The agency said it's concerned that the state's repeal of numeric standards for nitrogen and phosphorus in water bodies as codified in Senate Bill 358 has led to degraded water bodies and lacks a grounding in science.

EPA nixes Montana's nutrient regulatory framework (montanafreepress.org)

### **Bankruptcy Begins**

It is now official, Talen Energy has filed for bankruptcy citing high debt and citing price competition with gas and renewables. They claim the bankruptcy will not disrupt business at Coltrip and that wages, healthcare and other worker benefits will be protected. No changes to Talen Montana's role as operator and a co-owner of Colstrip Steam Electric Station are anticipated. In their view the process will greatly strengthening TES's financial position, and thus the action will help bolster Talen Montana's ongoing commitment to Colstrip and the State of Montana.

https://helenair.com/news/colstrip-operator-talen-energy-files-for-bankruptcy/article\_4369f7b8-cf21-50b0-a7f4-18d6958c9ae8.html

# Colstrip Savior? Renewable Enabler? Market Connector?

What would help extend Colstrip, enable more Montana renewable energy projects and help make markets more robust? How about a 600 KV, 350 mile, 2 GW (possibly 3 GW) \$1.5 B to \$2 B DC connector line between Colstrip and Bismarck North Dakota, that interconnects the western grid with SPP and MISO? That is the goal of a company called Grid United and it's VP Brant Johnson (brant.johnson@gridunited.com (346)-450-5878) who I met with this week in Helena. The project is called the Northern Plains Connector and is its development is being funded by former hedge fund manager and Enron energy trader turned billionaire John Arnold. The project would allow Colstrip power to flow to markets in the Midwest who are less averse to coal electrons plus allow for a deeper market for NorthWestern to meet it's pending capacity needs. Renewables could also benefit by economic dispatch into the MISO and SPP footprint. The project has been aired with the Montana DEQ but has yet to start to Montana Major Facility Siting Act process. Landowners and legislators in Eastern Montana have been contacted regarding the proposed route and permission to energy and survey letters will be sent soon. The project also has the ear of the Governor Gianforte because of the potential to extend Colstrip's life. Early modeling work suggests that 70% of the time flow would be east to west and the remainder west to east. If all goes well, the firm is targeting operation by 2028.

https://www.gridunited.com/ https://northplainsconnector.com/

# **Getting Greener**

The US achieved a new record in April 2022 – for the first time, the US generated 20% of its electricity from wind and solar power, according to new data released today from global energy think tank Ember.

US hits a record 20% of electricity from wind and solar in April - Electrek

From: Cooper, Suzanne B (BPA) - P-6

Sent: Friday, November 17, 2023 8:22 AM

To: Johnson, G Douglas (BPA) - DK-7; Cathcart, Michelle M (BPA) - PG-5; Cook, Joel D (BPA) -

K-7; Hairston, John L (BPA) - A-7; James, Daniel M (BPA) - D-7; Scruggs, Joel L (BPA) - DK-7; Cooper, Suzanne B (BPA) - P-6; Koehler, Birgit G (BPA) - PG-5; Armentrout, Scott G

(BPA) - E-4; Shaheen, Richard L (BPA) - T-DITT-2

Cc: Habibi, Maryam A (BPA) - DKP-7; Wingert, Kevin M (BPA) - DKP-7; Pruder

Scruggs, Kathryn M (BPA) - E-4

Subject: FW: [EXTERNAL] Fwd: On Camera Interview Request - LSRD Documentary

Attachments: LSRD Interview messages v1.docx

Hi Doug, I think these are all the right points to make. In thinking especially about the documentary, I made a couple comments in the document aimed toward making the material understandable by the general public. I suspect the imagery and commentary from those who want the dams removed will do this. If a viewer hasn't experienced the detrimental impacts of a blackout, for example, they may think 'oh, lights are out for hours or a couple days'.

From: Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>

Sent: Thursday, November 16, 2023 9:36 PM

To: Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Cook,Joel D (BPA) - K-7 <jdcook@bpa.gov>; Hairston,John L (BPA) - A-7 <jlhairston@bpa.gov>; James,Daniel M (BPA) - D-7 <dmjames@bpa.gov>; Scruggs,Joel L (BPA) - DK-7 <jlscruggs@bpa.gov>; Cooper,Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <br/>

Cc: Habibi, Maryam A (BPA) - DKP-7 <maasgharian@bpa.gov>; Wingert, Kevin M (BPA) - DKP-7 <kwingert@bpa.gov>; Pruder Scruggs, Kathryn M (BPA) - E-4 <kpruder@bpa.gov>

Subject: RE: [EXTERNAL] Fwd: On Camera Interview Request - LSRD Documentary

Thanks. Please see the attached. I think this covers all the bases we would want to cover for the Washington 1889 Magazine story and the Documentary interview request. In instances such as this, we want the answers – not the questions. This way regardless of the question, we can bridge or pivot to one of the points in the attached. This language was pulled from existing documents completed over the past couple of years.

For both, I can always follow up with the reporter to provide information for questions I can't or choose not to answer on camera.

Please let me know if you think we have missed anything we want to say about the LSRDs. At this points, we are threading a needle given where the CEQ/FCMS process is. I would prefer to stick to the points in the attached. It is all factual and public. Thanks.

From: Cathcart, Michelle M (BPA) - PG-5 < mmcathcart@bpa.gov>

Sent: Thursday, November 16, 2023 4:45 PM

To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov >; Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov >; Hairston, John L (BPA) - A-7 < ilhairston@bpa.gov >; James, Daniel M (BPA) - D-7 < dmjames@bpa.gov >; Scruggs, Joel L (BPA) - DK-7 < ilscruggs@bpa.gov >; Cooper, Suzanne B (BPA) - P-6 < sbcooper@bpa.gov >; Koehler, Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov >; Armentrout, Scott G (BPA) - E-4 < sgarmentrout@bpa.gov >; Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov >

Cc: Habibi, Maryam A (BPA) - DKP-7 <maasgharian@bpa.gov>; Wingert, Kevin M (BPA) - DKP-7 <kwingert@bpa.gov>;

Pruder Scruggs, Kathryn M (BPA) - E-4 < kpruder@bpa.gov>

Subject: RE: [EXTERNAL] Fwd: On Camera Interview Request - LSRD Documentary

I do think it is important for our perspective to be out there – the folks that are for dam breaching will be chomping at the bit for this sort of visibility, and the only hope for it to be balanced is for us/Corps to have our voices included. I think we also need to hit on why we can't just use wind/solar to replace the dams, so someone from Transmission might also be helpful to talk about balancing, voltage support, the challenges with inverter-based resources, and the shortcomings of current storage technologies too. I added Scott A and Richard to this string too.

Michelle Cathcart (She/Her/Hers)

Vice President | Generation Asset Management

BONNEVILLE POWER ADMINISTRATION













From: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov> Sent: Thursday, November 16, 2023 4:32 PM

To: Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>; Hairston, John L (BPA) - A-7 < jlhairston@bpa.gov>; James, Daniel M (BPA) - D-7 < dmjames@bpa.gov>; Scruggs, Joel L (BPA) - DK-7 < jlscruggs@bpa.gov>; Cooper, Suzanne B (BPA) - P-6 <<u>sbcooper@bpa.gov</u>>; Cathcart, Michelle M (BPA) - PG-5 <<u>mmcathcart@bpa.gov</u>>; Koehler, Birgit G (BPA) -PG-5 <bgkoehler@bpa.gov>

Cc: Habibi, Maryam A (BPA) - DKP-7 < maasgharian@bpa.gov>; Wingert, Kevin M (BPA) - DKP-7 < kwingert@bpa.gov>;

Pruder Scruggs, Kathryn M (BPA) - E-4 < kpruder@bpa.gov>

Subject: RE: [EXTERNAL] Fwd: On Camera Interview Request - LSRD Documentary

### My two cents:

If we choose to engage in this, I believe it is critical to make sure we cover all topic areas are including, ocean conditions, over harvest, impacts due to development along rivers and streams, hatchery competition with natural fish, predation, impact to operations and the restrictions in being able to produce more carbon free energy, changes to operations not beneficial to fish. In other words the whole picture and not just LSR Dams and fish.

I continue to question why plaintiffs haven't attacked the dams closest to the ocean and work up stream if really believed the dams where the cause of lower fish numbers.

Joel D. Cook

Chief Operating Officer, K-7they

BONNEVILLE POWER ADMINISTRATION

C:(b)(6)

P: 503-230-7640 I jdcook@bpa.gov

From: Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>

Sent: Thursday, November 16, 2023 3:58 PM

To: Hairston, John L (BPA) - A-7 < jlhairston@bpa.gov>; Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>; James, Daniel M (BPA)

D-7 <dmjames@bpa.gov>; Scruggs,Joel L (BPA) - DK-7 <jlscruggs@bpa.gov>; Cooper,Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <bgkoehler@bpa.gov>

Cc: Habibi, Maryam A (BPA) - DKP-7 < maasgharian@bpa.gov >; Wingert, Kevin M (BPA) - DKP-7 < kwingert@bpa.gov >;

Pruder Scruggs, Kathryn M (BPA) - E-4 < kpruder@bpa.gov>

Subject: FW: [EXTERNAL] Fwd: On Camera Interview Request - LSRD Documentary

I received the message below from John Carlos Frey, who is doing a full-length documentary film about the controversy surrounding the LSRDS. Based on what I have learned via the Internet about Mr. Frey, he seems credible and objective. Here is some information about Mr. Frey:

John Carlos Frey is also the author of the book, Sand and Blood about the stealth war on the US Mexico border.

### Mr. Johnson

Thank you for the brief conversation yesterday about our project. Included is some information about the proposed documentary film. We are independently producing a full-length feature documentary film about the ongoing controversy that includes breaching the 4 lower snake river dams. We are reaching out to all the individuals involved from power companies, the Army Corps of Engineers, agribusiness, Congress, activists, environmentalists and the like. I would like to request an on camera interview with a representative from Bonneville Power who we understand to be a key voice in our story.

(b)(4) They have not yet agreed to premiere our project but as we put the film together I have an agreement to give them the 'first look'. They are very interested in the subject matter are looking forward to what we gather in the field. We are at the very beginning of production and traveling to the Pacific Northwest for the next few months. We will be in your area the week following the Thanksgiving holiday Nov. 27 - Dec. 1. We are hopeful any of those dates would fit within your schedule.

Topics of discussion for the interview would include:

- 1) The value of hydropower in the PNW
- 2) Bonneville's role in managing power resources
- Bonneville's role with respect to the lower Snake river dams
- 4) Natural resource and environmental concerns and power management
- 5) Managing hatcheries and fish loss mitigation

I have included my current resume so you can have some info about me. If you require more detailed information, please let me know. Most of my work can be readily found on the internet.

I look forward to your response.

Best regards,

John Carlos Frey

(b)(6) nobile

I would be happy to talk to Mr. Frey – but I think we could also engage a Power Services Executive or the John Hairston to talk to him. The documentary is not likely to air until at least the spring of 2024 or possibly beyond. Please let me know how you suggest we proceed. Call me at (b)(6) if you'd like to discuss. Thanks.

From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, March 5, 2021 3:32 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, March 5, 2021

Attachments: 030521.pdf

Hello all,

Attached is the Regional Relations report for Friday, March 5, 2021. Have a wonderful weekend.

# Public Interest Organizations Josh Warner

#### Texas and California: A Contrast

In a compare/contrast piece looking at Texas' recent experience with a severe outage situation and California's outages of last summer NRDC's Ralph Cavanagh wrote <u>A Tale of Two Grids: Texas and California</u>, drawing three primary lessons from the experience. First, large, well-managed regional grids are essential for maintaining clean, reliable and affordable electricity service. He states that during its weeks of extreme heat, California avoided more outages by taking advantage of its connections to other western states. He says that transmission lines to the Pacific Northwest alone can carry ten times as much power (7,900 MW) as all of Texas's very limited interconnections with its neighboring states (800 MW).

Second, the fastest, cheapest and cleanest ways to relieve power grids' weather-related stresses are on the demand side. Read this as energy efficiency creates lower demand in the first place, especially weatherization of homes.

And finally, Texas's unique residential electricity marketplace is a cautionary tale. Cavanagh is quick to point out that NRDC supports competition at the wholesale level, but that most retail customers do not have the desire or wherewithal to appropriately hedge the risk that comes when prices can soar exponentially in a short amount of time. In a humorous quip he says that, "at the time retail competition was first introduced, more than twenty years ago, a Texas enthusiast told me during a public debate that 'for the first time my mother will be able to hedge her fuel price risks in the marketplace,' and I wondered aloud why on earth she would want to add that responsibility" to her life.

He concludes by saying, "the best long-term price hedging strategy for electricity users everywhere is a diverse portfolio of inexpensive clean electricity resources led by energy efficiency."

### **OSEIA** is now OSSIA

The Oregon Solar Energy Industries Association is changing its name to the Oregon Solar + Storage Industries Association. The move reflects the increasing importance and prominence of storage in the move to a cleaner energy economy. They say their work will not necessarily change as they already advocate for storage. To ease your mind, the pronunciation of the new acronym is the same as the original.

# Idaho News John Williams

#### Statehouse News

<u>House passed HCR-007</u>: This legislation would authorize the Legislative Council to continue an interim committee to undertake studies of natural resource issues, particularly the water resources of the state. This Interim committee has heard during the past several years, presentations on the CRT and other issues related to BPA. This Resolution was passed out of the Senate Resources and Environment Committee with a do-pass. Legislation sent to the senate floor.

<u>House passed HB-117</u>: This is an FY 2021 supplemental appropriation bill for the Office of Energy and Mineral Resources. It provides \$157,600 for increased State Energy Program (SEP) grants, which are used for energy auditing and assisting in state-specific energy management goals. This Bill was passed out of the Senate Finance Committee with a do-pass. Legislation sent to the senate floor.

<u>Senate Joint Memorial 103 Columbia – Snake River System</u>: A Joint Memorial stating findings of the Legislature, opposing the removal or breaching of the dams on the Columbia-Snake River System and its tributaries, and recognizing certain benefits provided by the Port of Lewiston. The Idaho Legislature recognizes and supports the international competitiveness, multi-modal transportation, and economic development benefits provided by the Port of Lewiston and the Columbia-Snake River System. Idaho has sovereignty of its water resources and benefits from the multiuse system that provides transportation of commodities, fish and wildlife habitat, recreation, hydropower, flood control, and irrigation. Referred to Senate Resources and Environment Committee.

Idaho Republicans want to blame China for the COVID-19 pandemic — the deaths and economic disruption. The House on Monday approved a joint memorial that would make it the official position of the Idaho Legislature to call for sanctions against China over its handling of the coronavirus pandemic. The message would be sent to the U.S. president, Idaho's congressional delegates, U.S. Senate president and U.S. House speaker. The memorial still needs approval from the Idaho Senate.

(Norimine, Hayat. Idaho Statesman)

### Sierra Club of Idaho's View of Idaho Power's IRP Kick-off

Idaho Power has started its Integrated Resource Plan (IRP) process. It does this process every two years, which creates a master plan for the utility that outlines how it will meet the region's energy needs for the next 20 years by choosing a portfolio of energy resources that are the "least cost and least risk" through its modeling. As climate and clean energy advocates, this process is a big deal to us. It's an opportunity to steer the utility toward phasing out dirty fossil fuel energy and investing in local, clean, renewable energy and energy efficiency. Climate science and justice demand that we "decarbonize" our electric grid by the end of this decade, and Idaho Power simply isn't on that track.

Idaho Sierra Club actually has a seat on Idaho Power's IRP Advisory Council, alongside our clean energy partners at Snake River Alliance and Idaho Conservation League, and about twenty other stakeholders who range from industry, research, and government representatives. This Advisory Council meets monthly during the IRP process to review Idaho Power's analyses and plans and offers feedback, and the meetings are open to the public.

The first IRP Advisory Council meeting for this year's process was on February 9, 2021. You can see the agenda and materials for that meeting – and all the IRP meetings – on Idaho Power's IRP website. There were several items of interest for us as clean energy advocates, particularly the discussions on Idaho Power's clean energy goal, its carbon outlook, and its Valmy Coal Plant study. In 2019 Idaho Power announced a corporate goal to provide 100 percent Clean Energy by 2045. During its IRP Advisory Council presentation on February 9, they touted their commitment to this goal, including plans for exiting coal plants and building new renewable energy.

However, we noted several inconsistencies in what they talk about and what's actually happening. For example, while we applaud their efforts to exit all their coal plants by 2030, they're still planning to burn methane gas and build new polluting methane gas plants. They plan to meet the power lost from the coal plants by building a massive transmission

line in 2026, and don't plan to develop any significant quantities of renewable energy and battery storage until after 2030 (see the table from the 2019 IRP). Additionally, their carbon emissions actually increase during the 2020s and don't come close to meeting a "Clean by 2045" target in the long run. Lastly, they weren't able to answer the question of how this year's modeling process, which typically aims primarily to reduce costs, will account for their "Clean by 2045" goal.

As part of their resource analysis, Idaho Power has to consider additional costs around their fossil fuel resources such as coal and methane gas that emit the climate change pollutant carbon dioxide (CO2). Their presentation on February 9 outlined state, regional, and federal climate policies that could increase the cost of fossil fuel resources through things such as carbon prices that make polluters pay for the social and environmental costs of carbon emissions.

Idaho Power is conducting a study this year to determine whether it's actually feasible to exit Valmy earlier than planned, and will make that determination in the coming months. During their presentation on February 9, we heard what the study would look like, and had a few concerns. Rather than considering replacing the power from Valmy with new, local renewable energy resources, Idaho Power is simply looking at whether it could buy (potentially dirty) replacement power on the market through its transmission lines. We think there's a huge missed opportunity here, and are urging Idaho Power to analyze other clean energy replacement options. (Sierra Club of Idaho)

### Phosphate Mine Company Will Clean Up Waste to Settle Shoshone-Bannock Tribes Lawsuit

A phosphate mining company has reached a toxic-waste cleanup agreement with the Environmental Protection Agency and the Shoshone-Bannock Tribes over mining waste in southeastern Idaho. Officials with P4 Production LLC, a Monsanto subsidiary, said in a prepared statement Thursday that they worked with the tribes and EPA to develop the remediation plan for the Ballard Mine near Soda Springs.

"We fully support this plan and will continue to work collaboratively and transparently throughout this process," the company wrote in an email to The Associated Press. "As members of the Soda Springs community, we have great respect for the people and the environment in this historic and beautiful area of Southeast Idaho."

The cleanup agreement was filed in federal court this week. After a public comment period, it can go into effect. The agreement is expected to resolve lawsuits filed by the EPA and the Shoshone-Bannock Tribes over the waste left at the mining site.

Under the proposed agreement, P4 Production wouldn't admit fault, but it would pay hundreds of thousands of dollars to the EPA, the tribes and other agencies to cover the costs of responding to toxic waste releases from the mining site. P4 Production would also have to make an additional \$89 million available to the EPA as a guarantee that the cleanup work will be completed.

Investigations into the possibility that waste from the phosphate mines in the region could be hurting humans began in 1996, after several horses pastured in the area developed selenium poisoning and had to be put down. Environmental regulators began examining each of the mining sites to determine the impact of any waste.

Seasonal ranchers were also deemed at increased risk because they may eat beef from cattle that grazed on plants and drank the water in the region. The investigation concluded that the area was safe for recreational campers and hikers, however, because they likely wouldn't be exposed to dangerous amounts of the toxins.

The Shoshone-Bannock Tribes have worked with the EPA to monitor and respond to toxic releases from the Ballard Mine when they occur. The tribes contend in one of the lawsuits that they haven't been fully reimbursed by P4 Production for that work, and they want a judge to order that they be compensated for past and future work at the site. (Boone, Rebecca. /Idaho Press)

### **Nevada News**

NV Energy today issued a request for proposals to design, engineer, procure, deliver and install a 350-kilowatt community based solar project at Mojave High School, a Title 1 school located in North Las Vegas, Nevada. This project

will be the first of several community-based solar resource projects developed as part of the Expanded Solar Access Program, which was established by Assembly Bill 465 during the 2018 Nevada Legislative Session. This project will make renewable energy available and create cost savings that will directly benefit low-income customers. Each of these projects will also provide workforce training and certification benefits during construction as contemplated under the law. (NV press release)

NV Energy's plan to avoid energy supply disaster this coming summer (RA). In Texas last month, a massive winter storm froze the state's electrical grid and left millions without access to reliable electricity, natural gas or even clean drinking water for days. In California and across the southwest, a scorching heat wave six months ago contributed to an overstressed grid that knocked out the power supply for millions, leaving them without air conditioning as temperatures soared into the triple digits. Nevada is not Texas, nor is it California. The state avoided rolling blackouts during the August 2020 heatwave (though NV Energy still issued a rare voluntary request for customers to curtail power use during times of peak demand), and hasn't seen similar severe winter weather that knocked out many grid operations in Texas last week.

But 2020 wasn't an anomaly. Issues of grid management and resource adequacy — having enough power to meet demand, the same issue that befell California last year and Texas this year — aren't going away anytime soon. The future for the planet is an increase in extreme weather events, and Nevada is in the bullseye of states most likely to experience massive temperature swings and the full effects of climate change. Over the past six months, NV Energy officials have been answering questions about the August near-crisis through an investigatory docket opened by regulators at the Nevada Public Utilities Commission, focusing on both what exactly drove the utility to request customers curtail power use on August 18 and 19, but also on broader issues of resource adequacy and how best to avoid a California or Texas-style grid disruption. The electric utility company has also taken steps to prepare for next summer beyond answering those questions. In late December 2020, it filed an amendment to its Energy Supply Plan that proposes to spend an additional \$61.3 million to help prepare for an expected hot summer and additional demand in 2021.

The dollars will help fund projects or infrastructure developments aimed at increasing capacity during hot summer months, budgeting for a hotter-than-normal summer in internal supply planning and raising the required reserve percentage to help with any temperature variances or unexpected increases in demand. But that additional spending will still leave the utility continuing to rely on open market purchases to meet expected demand — around 900 megawatts per month between June and August 2021. (A megawatt represents enough power for several hundred residential homes, though exact figures vary on source of energy and average residential electrical use).

But that reliance on market purchases to meet expected demand for next summer could be a potential cause for concern. PUC staffers wrote in an investigatory docket that they were concerned a similar seasonal heat wave and subsequent curtailment of open market power in 2021 "may not be a plan for success."

The investigatory docket also revealed another stress factor on the grid: unexpected load demand from large casinos and businesses that previously filed to leave utility service, but whose alternative electric providers faced the same constraints on electric power and were unable to deliver the promised load, leaving NV Energy to fill in the gaps. And while NV Energy has invested in expanded large-scale battery storage technology, its move to adopt higher standards of renewable energy over the next decade will also add stress to the grid, because of the simple fact that solar energy is intermittent. Dealing with that combination of factors is a problem that the PUC, NV Energy and other interested parties will likely deal with in future utility planning filings and will be affected by NV Energy's moves to sizably increase its reliance on renewable energy and a proposed major, billion-dollar transmission upgrade.

Dylan Sullivan, a senior scientist for the National Resource Defense Council, said that smart grid management planning would avoid any potential or perceived conflict between an increased reliance on renewable energy and the reliability of the state's power supply. "Sometimes it's presented as we have to make a choice between renewables and reliability," Sullivan said. "We really don't have to make a choice if we plan. We can have an affordable, reliable and highly renewable energy system, but we do have to plan for it, we do have to look at what happens when a bunch of things go

wrong." NV Energy plans resource adequacy in a few ways. It's required by law to file an "Energy Supply Plan," which is the utility's strategy and estimates of how much electricity it will need to procure for customers, and how it plans to obtain that electricity. The last Energy Supply Plan was approved in November 2019, but the utility regularly files amendments to the plan. The utility also uses a seasonal "laddering" approach for market purchases, meaning it discusses and makes further adjustments to planned market purchases every quarter based on more timely weather forecasts and other more up-to-date market conditions.

The docket identified another stress factor that affected the state's grid during those hot August days — servicing many of the large businesses that had previously filed to leave utility service and work with providers on the open market. That normal strategy of relying on open market purchases to fill the gap between supply and demand almost failed during the week of August 17. During that afternoon at around 4 p.m., NV Energy fell short of its required operating reserves — the required contingency backup that the utility typically plans for. Twelve minutes into that hour, the company tapped into power provided by the Northwest Power Pool reserves — a grid oversight body covering power networks in eight states and two Canadian provinces. Tapping into resources from the Northwest Power Pool was like cashing in an insurance policy — helpful to have in place for times of emergency, but evidence that something went wrong. (Again, no NV Energy customers, residential or commercial, experienced outages.)

In its filings, NV Energy said the issue was with limitations on market purchases and curtailment — decisions by grid operators (largely in California) to stop the flow of electricity out of the area to ensure that adequate electricity is available in their service area.

These "704B" customers (named after the provision in state law) are some of the most well-known entities in the state: MGM Resorts, Switch, Wynn Resorts, Caesars Entertainment, Sahara Las Vegas and the Peppermill Resorts in Reno. Before state lawmakers in 2019 added new limits, those companies would generally file an application and agree to pay a seven-to-eight figure "exit fee" in return for the right to buy power (presumably cheaper) on the open market. But those businesses aren't totally free of NV Energy. As the balancing authority or grid operator, NV Energy still manages transmission for 704B customers, meaning they're obligated to provide balancing services and manage the flow of electricity for those customers. The utility also acts as a provider of last resort, meaning that the customers pay a tariff (fee) to ensure that NV Energy will provide power if any of their normal providers had a disruption in service.

Planning for next summer. Even if NV Energy was to sit on its hands and not do anything to prepare for the 2021 summer, past contracts for large-scale solar and battery resources are scheduled to be operational before summer strikes. That includes 70 megawatts of solar energy at the Techren Solar Project near Boulder City, a 50-megawatt solar plant earmarked for an Apple data facility and a 101-megawatt solar field and 25-megawatt battery storage facility near Battle Mountain. But even with that expanded capacity, NV Energy is still planning to rely on market purchases during summer months of 2021 to meet anticipated demand goals. (Snyder, Riley. *The Nevada Independent*)

# Oregon News Julie Peacock

## **FERC Approvals OSU Wave Test Site**

This week the Federal Energy Regulatory Commission approved Oregon State University's wave energy testing facility. The PacWest project will be located about six miles off of Newport and provide testing berths for researchers who will connect wave energy converters allowing them to refine deployment and maintenance practices. FERC approval follows approval last month from the Bureau of Ocean Energy Management. The site has one more review prior to final approval.

## **Legislative Update**

Bills are still being introduced in the Oregon Legislature (the bill filing deadline was February 23, but bills are still being released from Legislative Council), bills of interest this week are:

• <u>HB 3348</u>: this bill would increase the cap on cumulative generating capacity from net-metered projects for the state's utilities. Currently, utilities are not required to allow net-metering when the aggregate capacity of net-

- metered projects on the utility's system equals 1.5 percent of the utility's single hour peak load. This bill increases the threshold to three percent.
- <u>SB 825</u>: would create an income tax credit for energy production. The tax credit would be for 50 percent of the
  taxes due for energy production. It also creates the Task Force on Free-Market Energy Projection. This task force
  is required to review existing laws on energy production to ensure all forms of energy production are regulated
  equally.

## Hearing of the Week:

- Study of an RTO: (SB 589: Starts at about 1hr and 20 minutes) requires the Oregon Department of Energy to study the cost and benefits of a Regional Transmission Operator. An amendment was introduced which would create a working group to complete the study and then make a report to the legislature. Spencer Gray from the Northwest Intermountain Producers Coalition testified in support of the bill. He said the elements that should be considered in a study like this include the type of market functions an RTO should include. Senator Art Robinson expressed some concerns about state control over the RTO. Gray indicated that some states have a strong oversight role, such as at the Southwest Power Pool where there is a state oversight committee. Nicole Hughes from Renewable Northwest testified that the West's energy market is fractured and disorganized and it results in inefficiencies. She called development of an RTO inevitable. Senator Lee Beyer said he spent four years negotiating an RTO and at the last minute the BPA Administrator pulled the rug out from under the process. He said he was supportive of an RTO, but was curious what kind of policies would be put in place and what the outcome would be. Hughes said that states will have to decide how their regulatory structure might change to accommodate an RTO.
- Northwest Power and Conservation Council nominee Chuck Sams received a hearing in the Senate Rules Committee. Next, his nomination will go through the full Senate.

# Montana News Mark Reller

#### Net Meter Cap Could Increase

In what I perceive as a surprise step forward, HB 448 has passed one chamber, meaning it will survive transmittal and now get a Senate committee hearing. The bill increases the cap on net meter systems from 50 Kw to 350 Kw. Similar bills have failed in the past in Montana. See HB 448 at <a href="LAWS Detailed Bill Information Page">LAWS Detailed Bill Information Page</a> (mt.gov)

#### Smart Meter Bill Dies

Senator Chris Pope's SB 340 "Advanced Meter Infrastructure Act" which advocated for time of use rates, smart meters, and demand response programs, was tabled in committee.

# Washington News Liz Klumpp

# WUTC and Commerce Host Resource Adequacy Meeting May 11

The legislation that created the Clean Energy Transformation Act also amended the state's Integrated Resource Planning (IRP) statute. The IRP law now directs the WUTC and the Department of Commerce to host an annual Resource Adequacy meeting and deliver a report on Resource Adequacy to the legislature. This annual report shifts to a report once every four years around 2024. Materials, call-in numbers, etc. are available at <a href="Commerce's website">Commerce's website</a>. The agencies are still developing an agenda that will permit 'stakeholders to discuss the current, short-term, and long-term adequacy of energy resources to meet the state's electric needs, and address specific steps the utilities can take to coordinate planning in the light of significant changes to the NW power system...'

### Legislative Update: House Passes Governor's Clean Fuels Standard Third Consecutive Year

The State Senate or the State House passed the following bills prior to the upcoming March 9 legislative deadline. Now each bill will be debated in the opposite house. Note: the Cap and Trade bill is still alive, but neither House nor Senate has passed it yet. Because it is a budget bill, it will be in play till the end of session.

<u>Clean Fuels E3SHB 1091:</u> Washington State House passed Governor Inslee's low carbon, clean transportation fuels program for third year in a row. The State Senate has failed to pass it for two years due to concerns that it would result in decreased revenues for transportation projects. The Democrats have stated their intent this year is to pass the economy-wide cap and trade bill, which is intended to raise transportation project revenues. House passed 52-46 (57 Democrats in House).

<u>Solar PV Recycling HB 1393</u> delays the implementation of a solar PV take back and recycling program by two years. By July 2025, PV manufacturers must have PV take back and recycling program on file with Department of Ecology and report to Ecology on the implementation of its program. House passed 93-2.

<u>Environmental Justice E2SSB 5141</u> establishes the Environmental Justice Council. Bill also establishes environmental Justice plan implementation, equitable community engagement and public participation, tribal consultation, assessment, and budget and funding obligation requirements for the departments of Health, Ecology, Agriculture, Natural Resources, Commerce, and Transportation, and the Puget Sound Partnership. Senate passed 28-21 (29 Democrats in Senate).

<u>Utility Wildland Fire Prevention</u> <u>ESB 5158</u>: The Commissioner of Public Lands (DNR) must convene a Utility Wildland Fire Prevention Advisory Committee by August 1, 2021 to provide a forum for the Department of Natural Resources, electric utilities, small and industrial forest landowners, and other fire suppression organizations of the state to identify and develop solutions to issues of wildfire prevention and risk. Senate passed 46-0.

<u>Salmon Recovery – Net Ecological Gain E2SHB</u> 1117 inserts a goal of salmon recovery in Growth Management Act. Requires the Department of Fish and Wildlife to adopt rules that establish criteria for net ecological gain and consistency with applicable regional salmon recovery plans that certain counties and cities must meet through the adoption of comprehensive plans. Requires development regulations that protect critical areas to apply certain mitigation requirements. House passed 58-38.

Recognizing treaty-reserved fishing rights HB 1172: Testimony explains that Washington voters passed Initiative 456 in 1984, which declared tribal treaty rights were not enforceable. The current law is unenforceable under U.S. Supreme Court precedent. Testimony indicates this bill is an opportunity to correct a historical, racist error. House passed 98-0.

<u>Invasive Species SB 5063</u> extends the authorization of the Washington State Invasive Species Council from June 30, 2022, to June 30, 2032. Senate passed 49-0.

<u>Reducing GHG Transportation Emissions E2SHB 1287</u> requires DOT to maintain a mapping and forecasting tool that provides essential EV charging. Requires electric utilities to forecast loads for EVs. Directs the State Building Code Council to adopt for regulations in support of EVs. House passed 65-31.

<u>Fuel Cell Vehicles 2SSB 5000</u> establishes an eight-year pilot tax incentive program for up to 650 fuel cell electric vehicles. Allows a temporary partial sales and use tax exemption to reduce the price of fuel cell electric vehicles. Senate passed 49-0.

## Governor Inslee Reappoints Kathleen Drew as Washington EFSEC Chair

Kathleen Drew's two-year appointment chairing the Washington Energy Facility Site Evaluation Council runs from February 2021 through 2023. EFSEC makes recommendations to issue siting permits to the Governor, who makes the actual decision to permit. In her first term, EFSEC facilitated the siting for Desert Claim Wind Power and Columbia Solar. Drew served one term as a state senator in the 1990s.

Thank you,

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From: Wright, Troy S (CONTR) - AIR-7
Sent: Friday, September 22, 2023 1:01 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, September 2, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, September 22, 2023.

Have a great weekend!

# Draft POC policy concerns from NWEC

The Northwest Energy Coalition shared thoughts on Bonneville's Provider of Choice process and draft policy in a recent post. They are concerned that with the expectation of significant load growth in the NW because of clean energy policies and new economic activity. They also mention that there was significant amounts of federal funding available to, "accelerate the clean energy transition, improve reliability, keep customer costs stable, and comply with state policy requirements." They continue:

BPA's draft policy does not provide sufficient direction to respond to these changes. In particular, there is no clear strategy for utilities and BPA to acquire sufficient new resources, especially energy efficiency and also renewables, storage and demand response, in time to meet the load growth challenge.

NWEC has made similar previous comments on the Provider of Choice process.

The Bureau of Ocean Energy Management held a meeting of its Floating Off-Shore Wind Task Force and a subsequent public meeting. BPA sits on the task force. The event was well-attended—there were 51 task force members and 180 public attendees at its max.

Among some of the key takeaways from the information presented at the meeting:

- The original call areas are reduced in size by considerable amounts to form the current draft "wind energy areas". This is largely due to restrictions the Department of Defense and the Coast Guard put in place (50% reduction and 18% reduction, respectfully). Areas that the trawling association highlighted also reduced the areas. Impacts associated with protected bird and marine habitats were also considered. In the end, the Coos Bay area is reduced from its original size by 70% and the Brookings Call Area is reduced by 55%. The presentation is available here.
- BOEM has put together visual simulations studies from Newport down to California, and these will be presented
  at the upcoming public meetings next week on the coast (info here).

WEST COAST NEWS Doug Marker

Comments posted on proposed Independent Western Market Entity; Public meeting scheduled for next Friday Consultants posted the comments received last week on the proposal by state utility regulators to create an independent non-profit entity to contract for wholesale market services. The consultants also <u>summarized the comments</u>. The consultants will host a webinar next Friday to discuss next steps for the proposal.

Comments had generally common themes. One theme was focusing on establishing the legal ability for an independent entity to contract for market services, particularly for contracting with the California ISO. Several commenters, including BPA, said that the initiative should clarify that the market services could be provided by the Southwest Power Pool as well as CAISO. Many commenters reiterated the importance of independent governance for the new entity, but to draw from the examples of the recently created governance structures for the Western Resource Adequacy Program, SPP Markets Plus, and the CAISO energy imbalance market.

#### California legislature approves state central buyer for offshore wind

In the closing weeks of the California legislative session, Governor Gavin Newsom and legislative leaders reached an agreement on authorities for the state to encourage renewable energy development. A major provision was authorizing the state Department of Water Resources to sign long-term purchase agreements for offshore wind projects. This places the state in the position of assuming risk for the uncertain costs of bring offshore wind to production. California's goal is to develop 25 gigawatts of offshore wind capacity by 2045. Both the California Senate and Assembly approved the proposal before the Legislature adjourned last week.

#### Bi-directional EV charging mandate dies in California assembly

A California Senate bill would have required electric vehicles sold in California to be capable of bi-directional charging. This would have ensured that EVs are capable of discharging electricity back into homes and buildings, ideally at times of peak system demands or in power outages. While the bill passed the Senate earlier this year, auto manufacturers opposed the bills, arguing it would add thousands of dollars to the costs of EVs. The bill was watered down in the Assembly to be only a study, and the bill's sponsor pulled it from further consideration before coming to a vote last week.

#### It's a great airport, Charlie Brown!

Charles M. Shulz, the beloved creator of the "Peanuts" cartoon strip in Santa Rosa until the end of his life. He left many legacies to the communities in Sonoma County and the affection was returned by naming the local airport for him. The "Peanuts" theme continues through the airport with sculptures of Snoopy in his Sopwith Camel chasing the Red Baron. There are original cartoons on the walls of the terminal. The information booth is a replica of Lucy's "Psychiatric Help, 5 Cents" stand. The only problem is that the airport announcements are, of course, made, by adults and so all you hear is "Mwa mwa mwa".



# **Energy, Transmission and Politics**

- <u>Planned outages</u> in the Flathead this past to upgrade a transmission switch week made headlines. Impacted
  residents were provided advance notice by the Flathead Electric Coop.
- The Montana Public Service Commission is <u>nearing a decision in the NorthWestern Energy rate case</u>, which has many Montanans concerned re: a significant rate increase. A decision is expected at the end of the month or in early October
- <u>Squirrels responsible for Missoula outages this week</u>, which impacted thousands of customers over a two-day period.
- There will be no federal oil and gas lease sales in Montana this year. The BLM Montana-Dakotas State office is wrapping up 2023 with a single December lease sale in North Dakota. This was the first full year of federal leases offered under regulatory reforms championed by President Joe Biden, who steered oil and gas leases toward competitive bidding, while also increasing royalty payments (from 12.5% to 16.67%), on par with the Montana state rate. Required amounts for cleanup bonds were also increased for the first time in 63 years (up from \$10,000 to \$150,000). Bonus opinion of Montana conservative talk show host here.
- A settlement agreement between Solenex, the federal government, and tribal and environmental groups marks
  the end of a 40-year energy development fight in the <u>Badger-Two Medicine in NW Montana</u>, an area often
  described as the spiritual homeland of the Blackfeet Tribe.
- A high-altitude dam tucked away in the Beartooth Mountains will now be called <u>Rowe Dam at Mystic Lake</u>,
   Northwestern Energy says, in honor of the company's recently retired CEO, Bob Rowe, who led the company for 14 years, including the purchasing of 11 hydro projects in Montana.
- Montana Renewables LLC, a subsidiary of Calumet Specialty Products, is <u>adding camelina oil as a new feedstock for production</u> of renewable fuels at the manufacturing plant in Great Falls that produces renewable diesel and sustainable aviation fuel.
- Montana's AG faces alleged ethics violations related to professional conduct during litigation related to legislative subpoena powers (re: a separation of powers conflict between the legislature and the Montana Supreme Court in 2021).

### Water, Weather and Fisheries

The <u>2023 Fall Mack Days lake trout fishing tournament</u> is now underway through November 12 on Flathead Lake. A single elusive tagged lake trout is worth \$10,000 if caught.

- Warming waters and other factors along many of the state's rivers appear to be contributing to <u>alarmingly low</u> <u>numbers of the state's renowned rainbow and brown trout</u>; observations of "zombie trout," with afflictions such as blindness, whirling disease, red sores and lesions are also more frequent.
- The Flathead County Commissioner will move forward with a property purchase and agreement for a <u>first of its kind</u> septage facility. Unprecedented growth in the area has necessitated immediate action to protect water quality and public health, as sewer connections are limited.
- Montana PBS special feature on wild trout populations in Montana, which have been decreasing in many drainages.
   The feature includes interviews with Trout Unlimited staff, and highlights partnerships with production agriculture.

#### British Columbia Energy/Water-Related News

- Opinion piece submitted by Kathy Eichenberger, Government Director for the Columbia River Treaty & BC Lead, Canadian Negotiation Delegation: "[...] A key objective for the Canadian negotiating workforce is to realize extra flexibility for a way B.C. could unilaterally function its treaty dams (the Hugh L. Keenleyside, Duncan and Mica dams). This could enable us to regulate operations to help ecosystems, Indigenous cultural values, and socioeconomic pursuits, reminiscent of recreation and tourism. [This includes] looking at minimal elevations, notably throughout the summer season months, on Arrow Lakes Reservoir."
  - o Relatedly, residents continue to express frustration at the Arrow Lakes Reservoir lake levels.
- The BC Environmental Assessment Office has issued two penalties to Coastal GasLink Pipeline related to noncompliance of erosion & sediment control, and providing false information, resulting in a \$340,000 fine.
- Meeting the growing industrial demand for clean electricity is one of the challenges B.C.'s minister of Energy, Mines, and Low Carbon Innovation, Josie Osborne, faces. "BC's abundant, clean and relatively low cost hydro power has long been touted as one of the province's greatest industrial advantages. But it has become such a drawing card that some are now wondering whether B.C. will actually have enough power to satisfy the demand from all the projects being proposed in B.C., from liquefied natural gas plants with electric drive to green hydrogen plants."

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

## Troy Wright (CONTR)

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From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, June 4, 2021 3:44 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, June 4, 2021

Attachments: 060421.pdf

Hello everyone,

Attached is the Regional Relations report for Friday, June 4, 2021. Have a nice weekend.

# Public Interest Organizations Josh Warner

#### Public Interest Quarterly

The Public Interest Quarterly meeting with the Administrator and representatives of public interest organizations took place virtually this week. Administrator John Hairston had an opportunity to share with and listen to representatives from a number of organizations including the Northwest Energy Coalition, Save Our wild Salmon, Renewable NW, GridForward, NRDC and the Oregon Citizen's Utility Board. Rachel Dibble presented an update on resource adequacy as well as summer preparedness. It was a good conversation with some comments from participants that the NW Power Pool RA process has not been open enough and feedback from non-utility stakeholders has not been incorporated sufficiently. It was made clear that the NWPP RA is not a BPA process. On summer preparedness the issue of exports and wheel-throughs from and through California was raised with conversation about how to move forward and support for BPA's concerns about CAISO's proposal.

There was also a conversation, led by Kevin Farleigh, about the Provider of Choice initiative. Kevin gave an update on the timeline as well as possible opportunities for input. The group did raise the idea that they want to make sure various stakeholders are able to provide substantive input prior to the Concept Paper being released at the end of 2021. A specific topic that was brought up was flexible demand and demand response and making sure the contracts with customers are, at a minimum, not a barrier to DR and maybe an even encourage DR and other flexible demand ideas.

John was able to provide some highlights on some of his current priorities, including EIM, rate case settlements and transitioning BPA back to a more in-person stance in response to falling COVID numbers. He also talked about the many important changes in the executive team and the opportunity that presents for individuals as well as the organization. There was conversation about any involvement BPA may have in receiving funds from a future federal infrastructure funding package. Thank you to John, Rachel and Kevin for providing their time and expertise.

# Idaho News John Williams

# Statehouse News

Last week Governor Brad Little denounced Lt. Governor Janice McGeachin's executive order saying it was an "irresponsible abuse of power." Little was out of the state on Thursday which provided McGeachin the ability to become acting governor. She used that power to sign an executive order prohibiting the state and its political subdivisions, including public schools, to enforce mask mandates. Little signed another executive order when he returned Friday restoring control for local entities to enforce mask mandates. "The action that took place was an irresponsible, self-serving political stunt," Little said. "Taking the earliest opportunity to act solitarily on a highly politicized, polarizing issue without conferring with local jurisdictions, legislators, and the sitting Governor is, simply put, an abuse of power." In a campaign fundraising post Thursday on her campaign website – McGeachin is running against Little, challenging him for

governor in the 2022 GOP primary – she wrote, "I just ended Idaho's mask mandates; the status quo has got to go!" In an op-ed piece distributed to Idaho newspapers in May of 2020, McGeachin decried "government's heavy hand" in the response to the coronavirus pandemic, writing, "The effects of the executive branch's unilateral decisions will impact us for years." Governor Little has not indicated that he will run for reelection, but many observers believe he will. (Russell, Betsy Z. Idaho Press Tribune)

#### **Anderson Ranch Dam**

Agencies working on project design of Anderson Ranch Dam raise. The Idaho Water Resource Board and Bureau of Reclamation discussed a proposal on May 21 to delay federal environmental approval for the proposed 6-foot raise of Anderson Ranch Dam to allow for completion of additional analysis needed to address critical questions about project construction. The discussion occurred during the regular May bimonthly meeting of the Idaho Water Resource Board. The project will stay on track to meet federal WIIN Act requirements which requires a cost-share agreement between Reclamation and a partner or partners capable of funding the non-federal project costs, as well as initiation of project final design by December 16, officials said.

With this modified schedule, a final environmental impact statement and record of decision for the Boise River Feasibility Study are expected in 2023, following detailed design analysis that will fully define any reservoir-restriction requirements during construction, Bureau of Reclamation officials said. The additional analysis and design work will provide the critical additional information required to complete the final environmental impact statement for the board and water users to evaluate refined project costs, and to inform the decision whether to proceed with construction, officials said. Products also will include revised construction timelines and options to mitigate potential impacts to existing Anderson Ranch Reservoir water users during project construction, officials said.

"Pausing completion of environmental compliance activities will allow us to address critical issues raised during the public comment period while allowing design to proceed as scheduled, thereby maintaining the schedule for project completion," said Bryan Horsburgh, Snake River area office deputy manager. If built, the project would add 29,000 acrefeet of storage water to Anderson Ranch Reservoir. An agreement with the Board will allow the Bureau of Reclamation to initiate the next steps in project development to meet WIIN Act deadlines, but requires the water board to commit additional funds to cover the non-federal share of the design analysis costs. The board voted to move forward with the contract-negotiation process under the modified project schedule. "This is a really important project. We've got several more hurdles to clear but this will keep the project moving forward," said water board Chairman Jeff Raybould.

In other actions, the IWRB heard from more than 10 people representing Elmore County and the Mountain Home community about the importance of finding more water for economic growth and sustainability. Speakers included Elmore County commissioners, Mountain Home City Council members, local legislators and local water users. They discussed the declining condition of the Mountain Home Plateau Aquifer and importance of securing additional water supplies to support existing agriculture and domestic users, and to allow new municipal and commercial growth in the area. They appealed to the board to consider expanding the Treasure Valley Ground Water Model that's been under development for several years to include the Mountain Home area. Terry Scanlan of SPF Water Engineering presented information about the aquifer conditions and recent efforts by Elmore County to perform ground water recharge and plan water supply projects. He noted that a better understanding of the underlying aquifer would help the local community make more informed water management decisions and help IDWR with water right administration. He encouraged the board to consider taking advantage of the existing Treasure Valley Ground Water Model development effort and technical modelling committee to expand the model into Elmore County and the Mountain Home area. "Declining ground water levels are threatening the economy of Elmore County," he said. Ground water pumping exceeds aquifer recharge by 40,000 acre-feet, officials said, meaning the aquifer is being overdrawn by about 40,000 acre-feet per year, forcing farmers and domestic users to deepen their wells. Elmore County Commissioner Bud Corbus stressed the need for support in order to sustain and grow the community. (Stuebner, Steve. Idaho Water Resource Board)

#### **Nevada Passes Transmission Legislation**

Nevada passes clean energy bill requiring state to join RTO, accelerating \$2B transmission project. The Nevada legislature on Monday approved a sweeping clean energy bill that aims to accelerate construction of a massive transmission project, increase spending on electric vehicle infrastructure and require that the state join a regional transmission organization (RTO) by 2030.

Senate Bill 448 puts legislative backing behind the planned \$2 billion "Greenlink Nevada" transmission upgrade, which would construct two new 525-kilovolt transmission lines that would essentially link the entire state. Under the legislation, utility NV Energy would have to complete construction of the project by the start of 2029, earlier than the planned 2031 completion date. SB 448 passed the state assembly in a 32-10 vote after passing the Senate unanimously. Governor Steve Sisolak who supported legislation is expected to sign it.

SB 448, introduced by state Senator Chris Brooks, a Democrat from Las Vegas, advances Nevada's goal to reach 100 percent carbon-free resources by 2050, set in a 2019 bill that also raised the state's Renewable Portfolio Standard to 50 percent by 2030. The new bill goes further, requiring utilities to forecast a path to achieve an 80 percent reduction in carbon dioxide emissions from 2005 levels by the end of the decade.

A crucial piece of that bill is the accelerated construction of the Greenlink Nevada project, anchored by more than 600 miles of new transmission lines connecting the western part of the state to the East and to Las Vegas. The new lines would effectively create a transmission triangle that would connect population centers to open areas with significant potential for geothermal and solar energy production. Although the Greenlink West line, connecting Reno to Yerington to Las Vegas, was approved for construction by the Public Utilities Commission in March, the second Greenlink North line was only approved for permitting, amid concerns from the gaming and resort industry that the project would raise customer costs. SB 448 puts the weight of the legislature behind construction.

The bill also sets Nevada on a path toward joining a competitive wholesale energy market with other western states, creating an 18-member task force to examine the steps Nevada would need to participate in an RTO. Although the bill sets a requirement to join an RTO by 2030, there are options to delay or bypass that requirement. Clean energy advocates highlighted the RTO language, saying in a letter that joining one would help Nevada play a "leading role in the design of the market that offers the most benefits to the state's economy and economic recovery."

"Modernizing Nevada's energy system through strengthened interstate cooperation will benefit ratepayers with lower costs and increased reliability, while maximizing the performance of the electric grid system-wide, allowing for higher levels of renewable energy integration to cost-effectively meet state decarbonization goals, and stimulating the economy," said the supporters, including Google, EDF Renewables, Enel, and several conservation groups. Additionally, the bill requires NV Energy to file a plan by September 2021 to invest \$100 million in electric vehicle infrastructure, including charging stations along interstate highways, at outdoor recreation spots and in urban areas where people may not be able to charge vehicles at home. At least 40 percent of that infrastructure would have to be located in, or benefit, traditionally underserved communities.

Energy storage facilities would see financial assistance in the form of an expanded renewable energy tax abatement program, which currently offers reductions in sales and use taxes and property taxes to certain renewable energy plants. The bill would also allow owners of apartments, multi-family homes and commercial buildings to take advantage of the net metering program for rooftop solar, potentially expanding the state's residential solar rollout. NV Energy has supported the bill. (Plautz, Jason. Smart Cities Dive)

#### Wyoming News: Advance Nuclear Technology

TerraPower and PacifiCorp, announced efforts to advance a Natrium™ reactor demonstration project at a retiring coal plant in Wyoming. The companies are evaluating several potential locations in the state.

"I am thrilled to see Wyoming selected for this demonstration pilot project, as our great state is the perfect place for this type of innovative utility facility and our coal-experienced workforce is looking forward to the jobs this project will provide," said Wyoming Governor Mark Gordon. "I have always supported an all-of-the-above energy portfolio for our

electric utilities. Our state continues to pave the way for the future of energy, and Wyoming should be the place where innovative energy technologies are taken to commercialization."

The development of a nuclear energy facility will bring welcome tax revenue to Wyoming's state budget, which has seen a significant decline in recent years. This demonstration project creates opportunities for both PacifiCorp and local communities to provide well-paying and long-term jobs for workers in Wyoming communities that have decades of energy expertise. "This project is an exciting economic opportunity for Wyoming. Siting a Natrium advanced reactor at a retiring Wyoming coal plant could ensure that a formerly productive coal generation site continues to produce reliable power for our customers," said Gary Hoogeveen, president and CEO of Rocky Mountain Power, a business unit of PacifiCorp. "We are currently conducting joint due diligence to ensure this opportunity is cost-effective for our customers and a great fit for Wyoming and the communities we serve."

"I commend Rocky Mountain Power for joining with TerraPower in helping Wyoming develop solutions so that our communities remain viable and continue to thrive in a changing economy, while keeping the state at the forefront of energy solutions," said Wyoming Senate President Dan Dockstader, Lower Valley Energy Board of Director Vice Chairman.

"Wyoming has long been a headwaters state for baseload energy. This role is proving to be ever more important. This effort takes partnerships, and we welcome those willing to step up and embrace these opportunities with us," said Wyoming Speaker of the House Eric Barlow. The location of the Natrium demonstration plant is expected to be announced by the end of 2021. The demonstration project is intended to validate the design, construction and operational features of the Natrium technology, which is a TerraPower and GE Hitachi technology.

"Together with PacifiCorp, we're creating the energy grid of the future where advanced nuclear technologies provide good-paying jobs and clean energy for years to come," said Chris Levesque, president and CEO of TerraPower. "The Natrium technology was designed to solve a challenge utilities face as they work to enhance grid reliability and stability while meeting decarbonization and emissions-reduction goals."

Wyoming's Governor Gordon committed in early 2021 to lead the state in becoming carbon net negative while continuing to use fossil fuels through the advancement and utilization of next-generation technologies that can provide baseload power to the grid, including nuclear and carbon capture solutions. Wyoming is the largest net energy exporter in the United States and finding carbon solutions will ensure the state continues to provide energy to consumers across the nation while decreasing CO2 emissions.

In October 2020, the U.S. Department of Energy (DOE), through its Advanced Reactor Demonstration Program (ARDP), awarded TerraPower \$80 million in initial funding to demonstrate the Natrium technology. TerraPower signed the cooperative agreement with DOE in May 2021. Next steps include further project evaluation, education and outreach as well as state and federal regulatory approvals, prior to the acquisition of a Natrium facility. (Governor's press release)

# Oregon News Julie Peacock

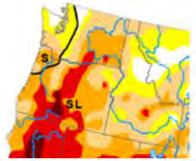
#### **Legislative Update**

The Oregon Legislature is still in session. The Clean Energy Standard bill has moved to Ways and Means and as of Friday has not been scheduled for a hearing. There are different perspectives on the likelihood that the bill will pass, with OPB reporting last week that it hasn't seen much opposition. In response, Senator Jeff Golden commented in his newsletter, "This bill's prompted "little friction" compared to the climate bill of the last two sessions, but you could probably say the same thing about the Korean War."

#### Passed Legislation:

<u>5B 59</u>: which extends the Columbia River Enhancement Fund to 2026 and clarifies what funds can be used for. It passed and has been signed by the Governor.

<u>HB 2654</u>: authorizes electric cooperatives to use an electric easement for broadband services. It passed and has been signed by the Governor.



## Oregon Drought 2021

As greater parts of Oregon slide into deeper drought conditions, state agencies are warning of possible impacts, tempers are flaring, and a few wildfires have started burning.

The map shows the current drought conditions in the Northwest released June 3, by the U.S. Drought Monitor.

# **ODFW Warns Emergency Regulations are Expected**

This week the Oregon Department of Fish and Wildlife said they anticipate that the drought impacting 72 percent of the state will impact fishing. They said that many streams are already at 25 percent of the normal water flow. In some areas the flows that occurred in April are more typical for summer. ODFW is advising people to be aware of some of the changes they may make as a result of the low water conditions including: trout stocking changes, early release of fish, emergency closures/regulation changes, bag limits may be removed, or fish relocation.

ODFW said that with climate change droughts are expected to become more frequent and severe. The agency is in the process of identifying coldwater refuges, support flow restoration projects, and improve habitat where possible.

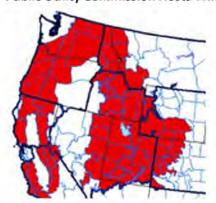
#### **Reclamation Shuts Primary Irrigation Canal at Klamath Project**

In <u>mid-May the Bureau of Reclamation</u> announced it would close the primary irrigation canal at the Klamath Project. This effectively leaves farmers and ranchers without a source of water in an area experiencing a severe drought. The decision was made to protect two endangered species—the Lost River and shortnose sucker fish. Yurok Tribe biologists have also said 97 percent of a sample of juvenile salmon captured on a stretch of the Klamath River last month were infected with c. Shasta, a fatal parasite that thrives in warm, shallow water.

In reaction to the water shutoff, tempers are simmering in the region with some citing concerns that landowners may attempt to force open the irrigation gates. Two people recently purchased the property next to the irrigation headgates and are using the property as a "water crisis information center". In 2001, after the Bureau of Reclamation planned to end water flows during another summer drought and landowners broke through the fence and turned the water back on. Ammon Bundy, famous for a takeover of the Malheur Wildlife Refuge in 2016, has said people should be prepared to use force and that he would bring allies to the region.

Meanwhile the Klamath Tribe, for which the Lost River and shortnose sucker fish are a central element to their way to life, have said the Bureau "made the only decision reasonably available". Last week, the U.S. Department of Agriculture announced \$1.8 million for drought relief. Those funds can be used for people who have lost access to water to cover things like a water hauling program.

## **Public Utility Commission Hosts Wildfire Mitigation Meeting**



This week the Public Utility Commission hosted electric and telecommunication entities to discuss their wildfire mitigation plans.

The Oregon Department of Forestry (ODF) started the meeting with a presentation on the 2021 Fire Season outlook. (The chart at the left is a map of significant wildfire risk across the West for July 2021.)

ODF Deputy Chief of Operations Ron Graham said that they have already seen 2.7 times as many fires as they usually do by this point in the year. (These fires are on ODF protected lands in the state.) So far there have been a total of 292 fires with 290 of those fires being determined to be human caused. The 10 year average for

this point in the year is 122. So far, 96 percent of fires have been kept to 10 acres of less.

Idaho Power: Doug Dockter said Idaho Power has created a Fire Potential Index (FPI) score that they use internally to determine on a daily basis the possibility of wildfire risk. They cross reference those zones with the Wildfire Risk Zones identified by their team. In circumstances where there is a high risk FPI and it is in a high risk wildfire zone they put out a stop work order. They have continued their wood pole inspection and treatment programs but they have newly decided to install "mesh wraps" around their wooden structures in their identified red and yellow fire risk zones.

Commissioner Letha Tawney asked how IPC was communicating with Bonneville on our newly released Public Safety Power Shutoff policy since the systems are so interconnected. Dockter said that the IPC transmission staff has had discussions with BPA to understand the communications protocol BPA will be using. He also said their load service operators are also coordinating with Bonneville. He said that he feels they are taking the steps they need to make to coordinate with Bonneville.

<u>Pacific Power:</u> Allen Berreth said parts of their wildfire mitigation plan include expanded vegetation management, enhancing their inspection process, deploying covered conductors, actively monitoring fire weather conditions, and increasing coordination with public safety partners. Berreth said a key component of their wildfire mitigation plan was the customer outreach they are completing to make sure their customers are aware of mitigation construction projects and their associated timelines.

Berreth said the decision to invoke a PSPS is not a hard and fast mathematical formula. Making the decision involves situational awareness from staff and local emergency services. Pacific Power's notification timeline begins 72-48 hours in advance where the potential for an event is identified and they begin to notify community groups and emergency management agencies. At 24 hours they will notify customers of a possible event.

Chair Megan Decker asked how Pacific Power was balancing the system hardening capital investments with other mitigation approaches that didn't require the same level of capital. Berreth said those were some of the elements they were including in their risk modeling.

Portland General Electric: Larry Bekkedahl and Bill Messner presented on PGE's approach to wildfire mitigation. They have created a new organizational structure to manage wildfire through a Wildfire Operations Program management group, a Wildfire Analytics Research and Development, and a Business Continuity and Emergency Management Group. Messner said PGE is adding 23 new weather stations to enhance their situational awareness (up from their current two). They have two high-definition cameras that emergency managers can also have access to. Messner said over the last few years they have worked to develop their relationships with emergency managers and ODF. He indicated that ODF has even suggested new areas for PGE to consider as high risk beyond what the utility has already identified.

Bekkedahl said PGE does not believe that PSPSs are long-term solutions, but they are looking for technology and resiliency measures as alternatives. He said over time PSPSs would evolve to a greater level of granularity that would impact fewer and fewer customers.

# West Coast News Doug Marker

#### CPUC Defers on Revisiting Rules for Resource Adequacy Imports

I'm catching up since we didn't do a Regional Relations report last week. The CPUC released a proposed decision in the proceeding where it is considering current rules for resource adequacy imports. Last year, the CPUC approved restrictive definitions of qualifying import RA in the first phase of this current proceeding. The definitions disadvantaged BPA's system resources. We commented on alternatives, and worked with the California ISO on compatible recommendations, to improve the incentives for hydro-based systems to market RA to California. Nevertheless, the CPUC's proposed decision is to stick with last year's definitions for now. The CAISO is continuing to confirm more favorable rules in its own RA enhancements process. So, the can is kicked ahead again.

### California Assembly Votes Against Net Metering Reform Bill

California is returning to the debate about the fairness of rate subsidies for rooftop solar. This week a bill meant to pressure the California PUC to reduce rate subsidies was defeated in the state Assembly. Meanwhile, the CPUC is slowly returning to the issue through its "NEM 3.0" proceeding.

Critics of the current net energy metering (NEM) rate design say that the subsidies given to homeowners with rooftop solar come from increased rates on the 90 percent of residential customers without home solar. Advocates defend the subsidies as expanding clean, distributed generation through the state and that the value of those benefits matter for reducing system costs and advancing clean energy. The CPUC's current proceeding revisits whether the amount of surplus rooftop generation returned to the utility should be credited at retail rates. AB 1139 would have given the CPUC a deadline to adopt a new net metering rate by next June or cut the rate to a utility's avoided cost.

The issue made legislators choose between the supporters from labor unions and low-income community groups, and opponents from the residential solar industry and some environmental groups. A third of Assembly members ducked the vote.

# U.S. Will Open California Coast to Offshore Wind

Last week, the Department of the Interior announced agreement with California to open two areas of ocean for offshore wind energy development. The Department said it will offer leases next year for an area off the central coast, near Morro Bay; and another area off the north coast near Humboldt Bay. The wind generation is expected to be from floating turbines, anchored far enough at sea that they will not be easily visible from the coastline. Development in the two areas combined could amount to 4.6 gigawatts of nameplate capacity – I haven't seen estimates of annual capacity factors for wind turbines in those locations, but they should be good.

These would be significant resource developments if realized. The central coast location would tie in to the state's transmission system near the retiring Diablo Canyon nuclear station. I don't know the remaining hurdles for environmental review or other potential impacts, but the Interior Department announcement represents resolving federal government concerns such as from the military.



#### The Award for Best Teleworking Location Goes to...

High on San Francisco's Telegraph Hill is Pasquale's Tower. There is no public way to get to it — it's located at the end of tiny Dunne's Alley behind a wrought iron gate topped with barbed wire. It doesn't even have a street address. The tower itself is four rooms, one stacked on top of the other. As best as can be determined, it was built around 1930 by an Italian immigrant who placed a blue dome at the top of the tower to recall buildings of the Mediterranean. Newspaper investigations have been unable to find an original building permit. It's just there, peeking from below the Coit Tower. In the 1950s there it was advertised for rent at \$150 a month, noting that it was "ideal for bachelors and the young in heart."

# Montana News Mark Reller

#### NorthWestern Energy Applies for GAS PLANT Preapproval

The NorthWestern Energy filed for <u>preapproval</u> for a 175 MW natural gas plant near Laurel, Montana, a small industrial town just west of Billings, Montana. Also in the <u>application</u> is a 50 MW storage battery. Not included but mentioned in the application is a 100 MW power purchase contract from Powerex. Gas for the plant would come from Wyoming and other parts south via a pipeline recently purchased by NWE that formerly carried crude oil, but is being converted to natural gas. A small section of new pipe will be needed to connect to the new plant, and that new section will pass under the Yellowstone River. The acquisitions help narrow the gap on the NWE existing and project capacity deficits. NWE estimates their capacity deficient is 555 MW when a 16 percent planning reserve margin is included. The projects, if approved, will add about 7.4 percent to the typical <u>residential bill</u>.

In the filing, NWE states it plans to use both the gas plant and the battery in the EIM. Their expected EIM go live date is prior to the plant construction and is reported in the application to be June 16, 2021.

Some small protests have already occurred and the City and County of Missoula, who have strong green energy goals, have <u>filed</u> to be included as interveners.

#### Puget Sound Energy to Buy Montana Wind Energy

PSE <u>announced</u> a 20 year contract to purchase 350 MW of Montana wind, from the <u>Clearwater Wind Project</u> near Colstrip.

# Declining Numbers and Fish Kills Stump Biologists

Southwest Montana's fishing is a big draw. But recent fish kills along with a <u>declining</u> trend in overall numbers per mile have officials concerned, especially as we enter another long hot summer with the associated increasing water temperatures that are known to stress fish and limit fishing opportunity.

# Washington News Liz Klumpp

## Puget Sound Energy Buys 20 Years of Wind Power in SE Montana and Its 2019 Fuel Mix

The Seattle Times covered the story that Puget Sound Energy (PSE) signed a 20-year contract to buy the output from NextEra's 350 MW Clearwater Wind Project in SE Montana. Clearwater expects to be on-line by end of 2022. Site is 60 miles north of Colstrip.

PSE's 2019 fuel mix report to Washington indicates it relied on coal, natural gas, petroleum and unspecified power to serve 73 percent of its retail loads. CETA directs Washington utilities to rely on carbon-free power equal to 80 percent of retail loads by 2030. Washington's <u>fuel mix disclosure site</u> includes all the generators and their output that each utility relied on to serve loads. PSE has been specifying its purchases from BPA for some years, even though these equal a fraction of one percent of PSE's loads.

Other carbon-free power purchases or investments by PSE in the last 18 months include these:

- Hydropower contract extension for 40 MWs from the Colville Tribe and Douglas PUD a 5.5 percent share of Wells Hydro for three years.
- 2. Hydropower contract for 2022-2026 for a 5 percent slice of the Chelan PUD's Rock Island and Rocky Reach projects (in addition to an existing contract with Chelan),
- 3. Investing \$1 million in solar grants to 15 organizations serving vulnerable communities with an expected output (load reduction) of 560 MWh,
- Purchase in Aug. 2020 of 200 MWs from Avangrid's under-construction Golden Hills Wind farm in Sherman Co., Ore,
- 5. Purchase 100 MWs for 5 years from BPA starting Jan. 2022,

- 6. Winning \$2.7 million in state funding to co-fund solar-storage micro grid project in rural Tenino includes an initial 1 MW/2 MWh battery at Blumaer substation, and
- 7. Collaborating with Mitsubishi Power on developing a) green hydrogen production, storage and transportation facilities, b) utility scale battery storage systems and hydrogen gas turbine combined cycle facilities.

	Puget So	und Energy	
	Utility	Fuel Mix	
Fuel		Percent	Total MWh
Biogas		0.14 %	31,058
Biomass		0.06 %	13,108
Coal		31.98 %	7,082,124
Geothermal		0.02 %	3,660
Hydro		17.17 %	3,802,122
Natural Gas		27.92 %	6,180,741
Nuclear		0.27 %	59,591
Other Biogenic		0.00 %	0
Other Non-Biogenic		0.00 %	0
Petroleum		0.04 %	8,860
Solar		0.87 %	193,072
Unknown		0.00 %	0
Waste		0.00 %	0
Wind		8.26 %	1,827,750
Unspecified		13.27 %	2,937,304
Total		100.00 %	22,139,390
BPA Claims		Utility Unspecified Purchases	
Fuel	MWh	Туре	MWh
Hydro	432,617	Unspecified Purchase	2,909,279
Nuclear	59,591	Total	2,909,279
SubTotal	492,208		
BPA Unspecified Purchase	28,026		
BPA Total	520,234		
- N. S.	Claims on	Power Plants	
Plant Name	Fuel	MWh	Total MWh

# **UTC's Utility Wildfire Public Meeting**

The Washington Utilities and Transportation Commission (UTC) hosted its only <u>utility wildfire meeting</u> last week, which included speakers from the 3 IOUs, Michelle Cathcart for BPA, DNR, NW Interagency Coordination Center, USFS, and US Fish & Wildlife. UTC posted the presentations. UTC is not writing rules for electric utility wildfire procedures or practices.

Washington Department of Natural Resources' (DNR) Loren Torgeson shared slides summarizing some **important** outcomes of the DNR Utility Wildland Fire Task Force's work. This is now a permanent task force. See the UTC link above for all of DNR's slides.

#### Model Agreement Roadmap:

- DNR will identify sensitive habitat areas and designate removal thresholds or other operational restrictions that would apply to DNR's management of that habitat area.
- 2. DNR will share GIS data, and define a process to share new data as it is updated, that identifies the sensitive habitat areas.
- DNR will partner with utilities to establish an ongoing training program to ensure utility staff have the knowledge to work within operational restrictions that would apply to DNR's management of the habitat area.
- 4. Utilities may remove any trees on DNR-managed lands outside of the right of way in non-habitat areas that pose a danger to utility facilities without consultation, provided that pictures are taken, notice is sent to DNR, and DNR is compensated for the value of any merchantable timber removed. As part of the agreement, merchantability standards will be established.
- Utilities may remove trees on DNR managed lands outside of the right of way in habitat areas without consultation provided that utilities are operating within operational restrictions that would apply to DNR's management of the habitat area.
- 6. Utilities are responsible for any mitigation required by regulating entities due to utility operations within habitat areas.
- 7. Utilities will coordinate with DNR if upcoming routine vegetation maintenance is planned in habitat areas.



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The utilities report talking to one another and to companies in California. Avista hired Esource to verify its fire risk. Lidar helps Avista quantify the actual number of dead trees close enough to fall in its lines. Avista is replacing 2,000 wood pole distribution lines in 2021 with steel. Avista also has some fire fuel reduction agreements with local tribes. Neither PSE nor Avista are including PSPS in their 2021 wildfire plans. Utilities discussed use of fault-sensors, building overall resiliency into their grid modernization systems (aka grid hardening), and partnering with DNR on fire fuel reduction messages. Pacificorp's Allen Berreth indicated it is occasionally relocating lines in vulnerable locations in eastern Washington as it rebuilds lines. PacifiCorp has also added a weather forecasting team and is installing its own weather stations. PSE indicated its service territory has a low to medium fire risk.

The Northwest Interagency Coordination Center speaker indicates that the Northwest will be competing for federal firefighting resources with the rest of the west in 2021. The message from natural resource agency speakers was essentially, "watch out and be careful" as they identified March and April precipitation levels in areas in Washington and beyond were the 4<sup>th</sup> lowest on record. USFS is trying to enhance reliability of electric grid as it works with utilities; in Region 6, USFS has about 250 permits with 76 power providers crossing USFS lands.

Avista's slide on costs and methods of assessing vegetation fire risk.

# Quantifying the Risk of Distribution Vegetation

Satellite 2020 2021

450 miles (pilot project) 7,650 miles 100% Distribution





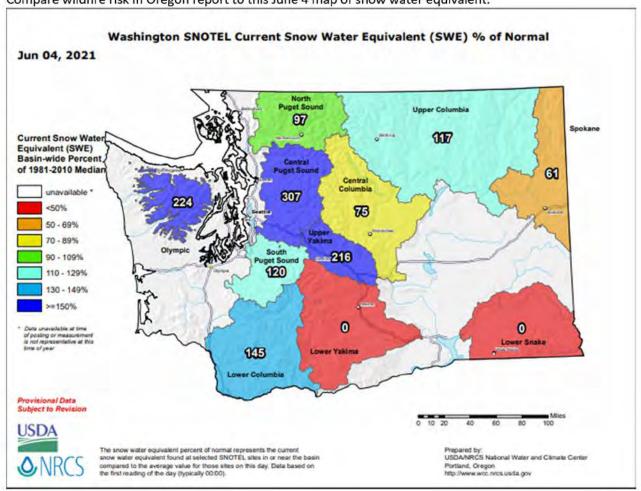
Starting in 2021, Avista is contracting with AiDash to capture and analyze Satellite based data on 100% of electric distribution lines.

> Leveraging Technology with Satellite Imagery





Compare wildfire risk in Oregon report to this June 4 map of snow water equivalent.



# Cynthia Case

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From: Manchester, Kathleen L (CONTR) - AIT-7

Sent: Friday, October 21, 2022 2:52 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Cc: Brown,Frank E (BPA) - PES-SEATTLE; Kennedy,David K (BPA) - EC-4; Racicot,Lynda S

(BPA) - N-7

Subject: Regional Relations report for Friday, October 21, 2022

Attachments: 102122.docx

Hello all,

Attached is the Regional Relations report for Friday, October 21, 2022.

# Public Interest Organizations Josh Warner

#### SOS on NOAA

In an article entitled Biden Administration delivers definitive report on science and salmon recovery, Save Our wild Salmon fully endorses the recent study from NOAA – Rebuilding Interior Columbia Basin Salmon and Steelhead:

Consensus Recovery Science Report. They say the, "report is the U.S. government's definitive review of what science says is needed to recover endangered salmon and steelhead in the Columbia-Snake River Basin." The punchline from the paper that SOS highlights is this:

For Snake River stocks, the centerpiece action is restoring the lower Snake River via dam breaching. Restoring more normalized reach-scale hydrology and hydraulics, and thus river conditions and function in the lower Snake River, requires dam breaching."

The article does also say include other threats and limiting factors from NOAA's paper:

- Large-scale tributary and estuary habitat and water quality degradation.
- Hydrosystem impacts, including direct mortality, and indirect mortality, where delayed effects from transiting the hydrosystem occur during the first year of ocean residence.
- Impassable human-constructed barriers prohibiting access to much of the habitat historically accessible throughout the basin.
- Predation from pinnipeds, native and non-native fishes, and colony nesting waterbirds that are taking advantage of habitats altered by the Columbia River Systems.

This does acknowledge other impediments to salmon recovery in addition to the hydrosystem. The piece concludes by saying: "The science debate is over. Now it is a race against time to replace the services of the dams and begin dam removal as soon as possible

# Idaho News John Williams

#### News from Idaho power

This past summer, Boise State University participated in the <u>Flex Peak program</u> from Idaho Power which Incentivizes commercial and industrial customers to reduce their electric load when demand for energy is high. The university and Idaho Power agreed upon weekly demand reduction targets during peak events, and a cash incentive will be paid based on the university's overall success at meeting these goals.

When Idaho Power projected there would be peak demand on their grid during evening hours in the summer, they issued a request for electric use reductions. The university quickly worked to identify opportunities for HVAC and lighting load reductions across campus. These were implemented in close collaboration with building coordinators and cross-referenced against the registrar's class schedule to avoid disrupting classes, events and research. The program saw seven events called this summer and the university met its goals all but once, on a day when extensive fall semester evening classes reduced the ability to implement demand reduction measures.

"Thanks to the great work from our HVAC, building automation, custodial and dispatch teams we were able to exceed our target during six events. The quick work of these teams to respond really benefits the university, as well as our regional power grid. I appreciate how supportive the entire campus community has been of this effort." — Brian Emtman, Boise States Director of Energy and Utilities

During the summer 2022 Flex Peak events the university:

- Reduced demand during events by an average of 968 kW. This is equivalent to the electric demand of more than 150 typical households.
- Earned an incentive payment of over \$18,000 from Idaho Power.

This was the university's first time participating in the program and representatives from Idaho Power congratulated Boise State on the "very impressive results" for its first season. Idaho Power and an advisory panel representing customer groups and regulators continue work this week on the utility's 20-year energy plan. The focus of the 2023 Integrated Resource Plan (IRP) is to predict how much energy the company will need to serve its growing number of customers and identify the best way to ensure that energy remains reliable, affordable and clean. Idaho Power develops a new plan every two years.

Idaho Power enlists the help of its customers to create the IRP through the Integrated Resource Plan Advisory Council (IRPAC), which includes representatives from public-interest groups, industry and agriculture, as well as state and local lawmakers, public utility commissioners and other interested parties. The panel meets monthly via Webex to discuss various aspects of power production. The October meeting will focus on load forecasting, cogeneration and small power production, and natural gas prices.

#### **Nevada Regional Transmission Coordination Task Force**

The Nevada Transmission Task Force held its second meeting on October 12 that focused on presentations from SPP, WPP, and CAISO. This Task Force was created through legislation and signed by the Governor. The goal is to create an RTO (I represented BPA back in the late 1990s on the Interim MWISO) or join one. Representatives from the environmental and renewable groups are pushing for a west wide RTO that can market and deliver their resources because NV Energy has met their carbon resource moving forward. Senator Chris Brooks Chairs the Task Force open the meeting with remarks on California's Assembly Concurrent Resolution No. 188 Independent System Operator: regional cooperation study (Doug Marker is our point of contact for California's affairs).

ACR 188 would request that by February 28, 2023, the Independent System Operator, in consultation with the California balancing authorities, produce a report that summarizes recent relevant studies on the impacts of expanded regional cooperation on California, identifies key issues that will most effectively advance the state's energy and environmental goals, including any available studies that reflect the impact of regionalization on transmission costs and reliability for California ratepayers, includes relevant updates to specified transmission development and resource diversity estimates,

and discusses regional transmission organizations in Colorado, Nevada, and other regional states, collaboration between states on energy policies to maximize consumer savings while respecting state policy autonomy, and engagement between neighboring states on the future of regional transmission organizations in the west.

Senator Brooks called on the presenters to present and the following are their summary highlights:

#### Southwest Power Pool

- Brief overview of background, and mission/vision.
- Core value is to build relationships
- Became a FERC approved RTO in 2004
- Invested in over \$10 billion in transmission
- 2021 2025 strategic plan (increase RTO footprint)
- 2019 launched Western reliability Coordination services
- 2021 launched WEIM service
- WRAP developed by WPP and SPP chosen to serve as Program Operator for WRAP
- Design issues being explored: markets+
- RTO commitments Colorado, Wyoming, Montana, and Utah?

SPP explained the difference between RTO west and market+ in hopes that there will be a merger for those in market + to integrate into RTO West.

#### **Western Power Pool**

- Brief History on NWPP, Columbia River Treaty and Pacific Northwest Coordination Agreement, and British Columbia Hydro and Power Authority
- Incorporated in 1999 and transitioned to full-time staff
- Initiated WRAP effort in 2019
- WPP governance is in a time of transition ~ WRAP is FERC jurisdictional WPP will need to become a Public Utility per the Federal Power Act to administer WRAP
- Requires a fully independent board
- Current board is 'semi-independent', has no governance oversight of existing (non-FERC-jurisdictional) programs
- WPP will ensure that legacy programs (RSG, WFRSG, NorthernGrid, etc.) are maintained
- WPP will act as WRAP Program Administrator (PA) partnering with SPP as Program Operator (PO)

#### Interoperability Principles - draft

The Western Resource Adequacy Program (WRAP) has always embraced an objective of compatibility with existing and future western organized market, including those being developed and operated by CAISO and SPP. The WRAP will continue to support the development and evolution of these western organized markets and the ongoing ability for WRAP participants to participate in such markets, while ensuring that the reliability and economic benefits of WRAP are maintained or enhanced.

### CALISO

- 20-year overview of resource and transmission development plan
- Current market activities (WEIM)
- Responsible for identifying and developing solutions to meet future needs of ISO-controlled grid
- Identified Significant transmission projects in the Western Interconnection
- WEIM governance structure includes stakeholder engagement and shared authority for the Board and the WEIM Governing Body
- ACR 188: Setting stage for conversations on regional electric grid collaboration
- September 2022 heat event showed coordination among utilities in the west who responded. Conservation, demand side management, batteries, and end-user consumers reducing their electric consumption help during peak hours.

Note: Senator Brooks is resigning from the state Senate to work on renewable resource development in the private sector. A key constituent told me that he is asking the Governor to stay on the Task Force. Brooks made his mark in the legislature, In 2017 and 2019, Brooks led the legislative charge to boost the state's Renewable Portfolio Standard to 50 percent by 2030 - a measure vetoed by Republican then-Gov. Brian Sandoval in 2017, but ultimately signed by Democratic Gov. Steve Sisolak in 2019. (BPA engaged in the PUCN rulemaking on compliance for its public customers in Nevada)

Brooks also played a key role in the <u>2017 legislation</u> that restored favorable net-metering rates to rooftop solar customers. He shepherded a bill that <u>increased carbon emission monitoring</u> and set a net-zero carbon emission target for 2050, and another that <u>modified the process</u> in which large businesses or entities could leave NV Energy. In 2021, he sponsored and helped pass an <u>omnibus energy bill</u> that greatly expanded transmission capacity and built out the state's electric vehicle infrastructure.

#### Nevada - election season

It may be an off year in the presidential contest, but the 2022 election season in Nevada has major implications for the balance of power in the U.S. Senate and the trajectory of policy within the swingy Silver State. Democrats dominate now but are playing defense in a cycle expected to be less favorable to the party in control in the White House. Plus, new maps drawn through redistricting will introduce fresh dynamics for congressional and legislative races, and it's unclear whether they will produce Democratic gains as designed.

Senate seat: Incumbent Sen. Catherine Cortez Masto won a close race in 2016, but now faces headwinds, including sagging approval ratings for President Joe Biden and rising inflation and economic concerns. She has seized upon the Supreme Court's rollback of abortion access, highlighting her stance in favor of abortion access. She'll face off against former Attorney General Adam Laxalt, a prominent supporter of former President Donald Trump who led efforts to overturn results of the 2020 election based on claims of large-scale fraud. His campaign for U.S. Senate has largely focused on economic issues. While he cheered the rollback of Roe v. Wade, he has also downplayed abortion's importance in the campaign. Current polls show Laxalt with a 2% lead.

House seats: Democrats are expected to hold on to 3 of the 4 US House seats. Although the 3<sup>rd</sup> congressional district seat could turn into a tossup which could help flip the House to the Republican Party. Republican Mark Amodei in the 2<sup>nd</sup> congressional district is seen as safe. BPA's customers are located in Amodei's district.

Governor race: Steve Sisolak beat out former Attorney General Adam Laxalt (now running for the US senate seat) with a 4% victory in 2018. Now, he's running for a second term, and he'll face off against GOP Sheriff Joe Lombardo, the Las Vegas Metropolitan Police Department head. The Nevada Interactive forecast shows Governor Sisolak with 43.1% to Lombardo's 44.5% with 12% undecided. Lombardo has a 57% chance of winning which probably means a different direction on energy policy as well as a new staff in the Governor's office of Energy.

Former President Barack Obama will head to Las Vegas next month to campaign for Gov. Steve Sisolak and Sen. Catherine Cortez Masto — two of the most vulnerable incumbent Democrats nationwide — just one week before Election Day, Nevada Democratic Victory announced Wednesday (10/19/22) morning.

State legislature: Ballotpedia has identified seventeen battleground races in the Nevada State Assembly 2022 elections, ten of which are Democratic-held districts while the other seven are Republican-held districts. Based on analysis of these districts' electoral histories, these races have the potential to be more competitive than other races and could possibly lead to shifts in a chamber's partisan balance.

All 42 seats are up for election in 2022. Heading into the 2022 election, the Democratic Party controls 25 seats and the Republican Party controls 16 seats with one vacancy.

Nevada has had a Democratic <u>trifecta</u> since 2018. If the Republican Party flips five or more seats, then the Democratic Party will lose its trifecta. If the Democratic Party loses no more than four seats and maintains control of the state

Senate and the governorship, they will keep their trifecta. This is one of 28 state legislative chambers Ballotpedia identified as a battleground chamber this year. (The Nevada Independent)

# West Coast News Doug Marker

## California ISO Describes Plans for Regionalization Report

Monday I joined the California ISO's stakeholder call for a staff discussion of how they will respond to direction from the state legislature for a report on regionalizing governance of the CAISO. Legislation passed this summer called for a report by February 28 on the benefits to California of regional cooperation and ISO regionalization. The CAISO staff posted a list of existing studies they believe support the requested report. They have requested comments on those studies and suggestions for others by next Wednesday, October 26.

I am preparing comments pointing out that California has state laws and policies that affect regional cooperation for electricity resources that are beyond the authority and functions of the CAISO. Examples are rules for imported electricity for resource adequacy, and rules for greenhouse gas accounting.

## Southwest Power Pool Hires Carrie Simpson for Western Market Development

SPP announced yesterday it has hired Carrie Simpson, recently of Xcel Colorado, to lead its western market development initiatives. Simpson led Xcel's engagement in regional market development, including support for the Western Market Evaluation Group. Earlier, Simpson worked for six years at SPP on new market services. This is a significant designation of leadership by SPP as its outreach and policy support for its Markets Plus initiative has been distributed among SPP's executives.

SPP also announced that Kara Fornstrom is leaving her role in coordinating stakeholder communications for the Markets Plus initiative. Fornstrom is a former Wyoming utility regulator and had the responsibility to coordinate Markets Plus engagement with Western constituencies, including state regulators and public interest groups.

## California Electric Car Sales Accelerate Far Ahead of Nation

Nearly 18 percent of new cars sold in California so far this year are zero-emission vehicles. That share of sales has doubled in over two years and compares to the national percentage of five percent this year. The state's tracking report, released this week, also shows that the various Tesla models account by far for more of the vehicle sales than from other manufacturers. California requires that 35 percent new vehicle sales be electric by 2026.

#### Children in the Corn

As Halloween nears, families in the Sacramento area the world's largest corn maze near Dixon, just off I-5. year's Cool Patch Pumpkin maze covers more than acres and is traces through 3.6 million stalks of corn. farm hosts estimate that it takes from 30 minutes to hours to complete the maze "depending on how preparation you do beforehand." They ask visitors get lost to not call 911. Instead, just pick a row of follow it to come out on one side and then walk back the maze to find its front. That would be good advice other contexts at the nearby State Capitol...



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# Washington News Liz Klumpp

# Washington Ecology and Commerce Producing Low Carbon Energy Siting Report

Departments of Ecology and Commerce are conducting a study on how to improve the environmental review and permitting processes for siting low-carbon energy projects in Wash. Ecology maintains the working materials at this website. Draft recommendations address topics like early tribal consultations, incorporating environmental justice concerns early, etc. One strategy category covers joint federal/state/local process coordination. This includes a potentially practical suggestion to develop a NEPA-SEPA integration template, another recommendation is to consider developing a standard MOU to guide state and federal coordination of environmental reviews. I received an early draft version of the report to review. If others are interested in reviewing this, let me know. The draft report will get discussed at their Nov. meeting.

## Washington Doubles Revenue Forecast from CCA to \$480 Million in 2023, \$900 Million in 2025

Washington Department of Ecology has more than doubled its forecast of revenues the state can expect to earn from the Climate Commitment Act (CCA or cap and invest). Ecology bases this increase on \$27 per ton allowances and due to increasing its estimate on the number of allowances that will be sold. Seattle Times covered this <u>story</u> indicating that the 2023 legislature will likely try and appropriate these additional funds. Currently, 45% of expected CCA revenues are directed to transportation projects that reduce GHG emissions, like electric ferries, which aligns with the largest share of GHG emissions in the state – the transportation sector. Legislators can imagine the funds being invested in buildings to support electrification with heat pumps or to reduce GHG emissions in large duty trucks or school buses, etc.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Kathie Manchester <a href="klmanchester@bpa.gov">klmanchester@bpa.gov</a>. These meetings occur the first Wednesday of every month.

#### Kathie Manchester

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From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, May 7, 2021 3:26 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, May 7, 2021

Attachments: 050721.pdf

Hello all,

Attached is the Regional Relations report for Friday, May 7, 2021. Have a wonderful weekend.

# Public Interest Organizations Josh Warner

# **NWEC Enthusiastic About Washington Legislative Session**

The NW Energy Coalition is excited by a number of the bills passed in the Washington legislative session this year. Those bills include a clean fuels standard, cap & trade and the Climate Commitment Act as have been discussed in the Washington Report over time. In addition, NWEC is enthusiastic about some specific budget items that were funded this session. They include:

- \$10 million for the Weatherization Plus Health program, including \$5 million specifically for the Community Energy Efficiency Program (CEEP).
- Almost \$10 million to fund energy retrofits for public buildings.
- More than \$56 million for the Clean Energy Fund.
- Funding to Commerce to begin implementing building emission reduction actions from the State Energy Strategy, including code training and workforce development.

They see these as important to moving forward with a clean energy transition.

# Idaho News John Williams

#### **Idaho Statehouse News**

This year's legislative session will be Idaho's longest in state history. Both the House and Senate on Wednesday approved a resolution that allows legislators to recess for six days, starting Thursday, and return on May 12. By then, the session will have lasted 122 days and counting — shattering the previous record of 118 days in 2003. The plan when they return is to deal with any actions Governor Brad Little chooses to take on legislation. He has five days to decide whether to veto bills after they arrive on his desk. The question will be whether little vetoes four new bills fast-tracked through the legislative process to curb the governor's emergency powers. Little last month vetoed previous versions of the bills. The House and Senate will each need a two-thirds majority vote to override a veto. (Norimine, Hayat. The Statesman)

#### **Idaho News**

a. The Director of the Idaho Department of Water Resources (IDWR) has issued a water order predicting a 40,500-acrefoot shortfall to senior priority surface water rights in the Eastern Snake River Plain (ESPA) region in the 2021 irrigation season. The projection this year is for 2.6 million acre-feet of runoff from April to July at the Heise gauge of the Snake River, which is 80 percent of normal. The shortfall prediction means that certain ground water users may be subject to curtailment in the 2021 irrigation season if they are not participants in, or not in compliance with, an approved mitigation plan with a ground water district. (Press release)

b. Wheat prices for farmers have flirted with \$8 a bushel over the past week and are substantially higher than they were this time last year. In fact, they are higher than they have been in a long time. "Wheat prices are higher than they have been in quite a few years," said Soda Springs wheat and barley farmer Scott Brown. Wheat prices were in the upper \$7 a bushel range last week. That's about \$2.50 per bushel higher than they were this time last year. "That's a pretty good price," said Ririe wheat farmer Gordon Gallup. "Wheat prices are pretty bullish right now."

The last time wheat prices were this high was in January 2013, according to grain marketing specialist Clark Johnston, owner of JC Management Co., a consulting and grain merchandising company. The last really big wheat rally was in July 2012, when wheat prices were pushing \$9 a bushel, Johnston said. By comparison, the low wheat price over the past 10 years was \$3.60 per bushel in August 2016. Idaho and U.S. wheat farmers suffered through depressed wheat prices for several years following the 2012 and 2013 wheat rallies but that's not the case right now. Johnston said several factors are behind the current wheat price rally, including the fact that corn prices are up significantly. When corn prices rise, so do wheat prices because when corn prices rise, people start feeding their livestock more wheat. Wheat export markets for U.S. farmers are also good right now because of favorable exchange rates, he said, and wheat crops in some major wheat-growing states could be down this year. (Ellis, Sean. Idaho Farm Bureau Federation)

c. SEL founder opposes breaching plan. Edmund O. Schweitzer III expresses concerns about Representative Mike Simpson's dam proposal: Clearwater Paper, Vista Outdoor and Avista staying on the fence. The founder of the region's largest private employer, Schweitzer Engineering Laboratories, opposes a proposal by Congressman Mike Simpson to help threatened and endangered salmon by breaching the four lower Snake River dams. The Pacific Northwest is "blessed" to have an abundance of clean, renewable and affordable hydroelectric power, said Edmund O. Schweitzer III in a prepared statement. The resource is an "invaluable" part of the energy mix because it provides a reliable baseload that works even when there isn't enough sun or wind to produce electricity with other types of renewable energy, said Schweitzer, whose company makes high-tech products used to protect, monitor and control power systems all over the world. "As we introduce more solar and wind, our country needs more hydro; not less!" he said in the statement. "Our local economies rely on this low-cost source of electric power and we have a great deal of concern about any plan or proposal that jeopardizes this resource and the reliability of the electric power system."

The region's two other largest private employers, Clearwater Paper and Vista Outdoor, as well as the area's largest electricity utility, Avista, are not taking a stance for or against Simpson's \$33 billion plan, which would need congressional approval to move forward. Much of the money is intended to replace lost hydropower production, help communities that would be changed if slackwater ended, and assist farmers in north central Idaho and southeastern Washington in covering increased costs of shipping grain. "The proposal is thought provoking and has generated a lot of discussion," according to a prepared statement from Clearwater Paper. "We are carefully monitoring community opinion and government input as well as feedback from environmental, recreation and business organizations as the proposal is discussed, changed, and vetted," according to Clearwater Paper's statement. Simpson's proposal contains \$275 million for Clearwater Paper to reconfigure parts of its Lewiston operation. The systems the company uses to draw water into the plant for its manufacturing processes, as well as those that release some of that water back into the river after it's been treated, are all designed for the Clearwater River's present levels at slackwater.

Some money has also been earmarked in Simpson's plan to reduce odor, which Clearwater Paper officials said has been decreased over the years with a number of investments. "It is not currently feasible to eliminate the odor associated with (the type of) pulping process (used in Lewiston) given current technologies and costs," according to Clearwater Paper's statement. The four lower Snake River dams also help the maker of tissue and paperboard move raw materials. About 60 shipments a year of sawdust are barged to Lewiston from Columbia City, Oregon, where the sawdust is gathered from mills in Oregon and Washington. The positions of Avista and Vista Outdoor on Simpson's proposal are similar to Clearwater Paper's outlook. Simpson's proposal could have a significant impact on the communities Avista serves for a variety of reasons, according to a prepared statement from the utility.

The salmon and steelhead in the lower Snake River are an important "regional resource and central to the culture, values and identity of Native American tribes in the basin," according to a prepared statement from Avista. At the same time, the dams generate power that can be dispatched whenever it's needed to maintain grid reliability and support

intermittent renewable energy, according to the statement from Avista. The company added that it does not use power from the four lower Snake River dams for its customers. "Gauging the precise extent and nature of the proposal's potential implications is difficult without more specific information about replacement generation and other measures (conservation, demand response, transmission upgrades) that the proposal does not yet define," according to Avista's statement.

Simpson's approach of bringing all sides to the table is how the best policies are formed, said Fred Ferguson, Vista Outdoor's vice president of public affairs and communications, in a prepared statement. Vista Outdoor is the parent company of CCI/Speer, a Lewiston ammunition maker. "As more specifics are shared with the public, we will review the details so that we can better understand the impacts to regional transportation and energy networks," he said. "These existing networks impact our operations, so understanding how they might change will matter a great deal to our business and supply chain." (Williams, Elaine. The Lewiston Tribune)

#### **Neighbor State News**

Nevada: The fight over what solar projects should be supported!

The Gemini Solar project, which received federal approval for construction last year, is seen in two very different ways among environmentalists. Some support the massive array — the biggest in the United States — because its infusion of renewable energy will reduce reliance on coal-fired power plants and thereby cut down on carbon emissions from the electric grid. But others believe the project's benefits don't outweigh the environmental risk it poses to the 11 square miles of Mojave Desert it will cover about 30 miles northeast of Las Vegas. The opponents argue that while solar arrays are definitely needed, they should be built in areas that are already developed — think residential rooftops, parking structures and cleared plats in Las Vegas — instead of on undeveloped land.

Which side is correct? Unfortunately, there are no pat answers on this one. More study is needed, and people on both sides of the issue would do well not to dig in but rather give the issue the extensive, good-faith discussion it deserves. One thing we know for sure, though, is that we need to keep moving forward on solar energy, particularly in sunny places like Southern Nevada. It's a critical need in addressing climate change.

The Gemini Solar facility fits that bill. It's designed to generate 690 megawatts of electricity and will include a battery system that can store 380 megawatts for use after nightfall or during peak times like early evening. The first phase of the project will generate 440 megawatts exclusively for Nevada, while the second phase will provide 250 megawatts for Nevada, Arizona or California. If built on schedule, the solar farm is expected to go online in 2022.

However, the project is under litigation from environmental groups, so the timeline is uncertain. The same goes for the large-scale Yellow Pine solar project near Pahrump. The demand for more solar power, combined with environmental challenges of building in undeveloped areas, beg for industry and state leaders to encourage development in incorporated areas. Solar is our future in Southern Nevada. We need to keep working together to ensure we can add capacity in both developed and unincorporated areas and do it with as little harm to our wild lands as possible. (Editorial – Las Vegas Sun)

<u>Utah:</u> Governor Cox orders water conservation measures at all state facilities.

In response to <u>ongoing concerns</u> about extremely dry conditions, Governor Spencer J. Cox issued an executive order forbidding irrigation at state facilities between 10 a.m. and 6 p.m., requiring that sprinklers are shut off during rain storms and making sure landscape watering systems are operating efficiently. Executive Order 2021-10 also encourages local governments to implement similar water restrictions on public landscaping, urges irrigation companies to delay the start of the irrigation season and asks all Utahns to reduce water use by taking shorter showers, converting turf to waterwise landscaping and replacing appliances with water-efficient models. "Last year, Utah experienced one of the driest and hottest years on record and we anticipate another tough drought year ahead," Governor Cox said. "State government is committed to doing its part to conserve water and we encourage all Utahns to use this most precious resource wisely and sparingly." (Press release)

Wyoming: Wyoming's Integrated Test Center will host one of two projects selected by the U.S. Department of Energy (DOE) for Phase III funding of a large-scale pilot carbon capture project. DOE announced today it has awarded \$99 million to two projects for Phase III of their Demonstration of Large-Scale Pilot Carbon Capture Technologies funding opportunity. Membrane Technology and Research (MTR) was awarded \$51,699,939 from DOE, and with additional non-federal funding, this project will bring over \$64 million in research dollars into Wyoming.

"I am delighted that Membrane Technology and Research (MTR) has been selected to move forward in this process, and that Wyoming has been chosen to host this important demonstration of cutting edge carbon capture technology," Governor Mark Gordon said. "This is exactly the type of research that was envisioned when the ITC was developed and Wyoming will continue to support these efforts. Membrane technology is a most promising version of carbon capture, and now it can move forward to the pilot project phase," the Governor added. "This is also an example of technology that, if commercially successful, can be exported for carbon capture projects at home or abroad. The more carbon capture technologies that are available, the more likely it is that Wyoming coal will be an important part of our future electricity supply."

The Integrated Test Center and MTR have been working together since 2018 when MTR selected the ITC as its testing location as part of the Phase II tasks related to this funding opportunity. "We could not be more thrilled for MTR and we are excited to welcome them onsite as they start working on this next phase of testing," said Jason Begger, Managing Director of the ITC. "At this scale, we will be able to demonstrate carbon capture technology at a sufficient level to demonstrate to utilities the next step can be a commercial version." MTR will be operating in the large test bay at the ITC and utilizing approximately 10MWe of flue gas from Dry Fork Station. (Press Release)

# Oregon News Julie Peacock

## Perennial Wind Chaser Might Find Buyer

Last month, the developer of Perennial Wind Chaser told the Multnomah County Circuit Court that it planned to cancel the project and would be filing to terminate its siting certificate with the Energy Facility Siting Council. However, late last week the company announced in a statement that the project is reviewing a potential offer from a buyer. The project could potentially be the last natural gas facility built in Oregon, if legislation pending in the Oregon Legislature were to pass. The project was being sued by environmental groups who said they violated state rules by beginning construction prior to having Department of Environmental Quality permits.

#### Counties Back to High Risk

As of today, the Governor has moved the 15 counties that were classified as extreme risk back to high risk for COVID-19. Those counties included Multnomah, Clackamas, and Marion. This change allows for indoor dinning to reopen at reduced capacity. The Governor is drawing criticism because she indicated that she would move the counties back as long hospitalized patients did not grow by 15 percent. It grew by 14.9 percent.

#### Blumenauer Hosts Conversation with Simpson

This Tuesday, Representative Earl Blumenauer hosted a conversation with Representative Mike Simpson where they discussed Simpson's proposal on the lower Snake River Dams. Simpson said he started this conversation four or five years ago after he started to hear from cooperatives and energy organizations that Bonneville was facing financial challenges. Simpson said he wanted to figure out how to get Bonneville to be more competitive and found that there were several additional costs that Bonneville pays, including fish and wildlife mitigation costs. Simpson received a question about whether the proposal would raise Bonneville rates. He said it remains to be seen, but he didn't think it would and it would depend on what resources are used to replace the power. Blumenauer for his part said this was a conversation that was long overdue and thanked Simpson for sticking with it.

You can watch the entire exchange here.

## Jordan Cove Permits Pulled by State

<u>Permits issued to the Jordan Cove Energy Project</u> by Coos County and the Town of Coos Bay were overturned by the state land use board this week. The permits were challenged by conservation non-governmental organizations and tribes. They would have allowed for dredging and other site work in the Coos Bay estuary. Two weeks ago, developers said they were pausing the liquefied natural gas project and the pipeline it was to build along with it.

## **Legislative Update**

Next Friday is the deadline to have scheduled bills for a work session in the second chamber. Bills are slowly working their way through, however, the Clean Energy Standard bill has not been scheduled. Stakeholders have said it is still alive and will move soon. It has until May 28<sup>th</sup> to make it to the second chamber. It is currently in the House Committee on Revenue.

Other bills that are still making their way through the legislative process:

- SB 589: requires the Oregon Department of Energy to study the cost and benefits of joining a Regional Transmission Operator.
- SB 318: clarifies the Public Utility Commission's authority to implement resource adequacy programs for electricity service suppliers.
- HB 3141 A: eliminates the sunset for the Public Purpose Charge; reduces the overall charge by removing energy
  efficiency as a subset of the PPC. (Energy efficiency is part of the regular integrated resource planning process
  under the 2016 bill SB 1547.)
- SB 59 A: extends the sunset of the Columbia River Fisheries Enhancement Fund
- HB 2281 A: allows the Department of Agriculture to conduct background checks on hemp growers. Will allow
  the Department of Agriculture to complete filing a Hemp Plan with the USDA under the Farm Bill. Once there is a
  final Hemp Plan Bonneville will be able to support energy efficiency projects at hemp farms.

# West Coast News Doug Marker

## California Energy Agencies Review Readiness for Summer Heat Events

The leadership of the California PUC, the California Energy Commission, and the California ISO held a webinar Tuesday to review their actions since last August's blackouts to be ready for extreme weather events this summer. They presented cautious optimism that their measures since last summer will allow California to avoid blackouts this summer.

The agencies listed their recent actions to add resources, design demand reduction, and improve their collaboration to avoid more rounds of blackouts in another West-wide extreme heat wave. Acknowledging those efforts, CEC staff said California could fall short of needed resources in the hours when solar generation falls off. The CEC said it used conservative assumptions for the availability of imports and had not incorporated contingency measures to reduce critical hour demand.

The CPUC reported that it has directed procurement of 564 megawatts of incremental gas, biomass, and firm imports ready for this summer. President Marybel Batjer acknowledged that this short term procurement required fossil generation. The CPUC has also added demand response of between 167 and 367 megawatts available in critical hours and increased the effective planning reserve margin for 17.5 percent from 15 percent, totaling 1000 megawatts of authorized procurement by the three large IOUs.

The CAISO team described their market enhancements for 2021 which have been approved by the CAISO Board of Governors and filed with FERC. One issue that the CAISO presentation flagged was continuing to understand how to integrate battery storage on the grid to be available to discharge energy at needed times, including the design of appropriate market incentives.

Assumptions for imports was a significant variable. The CEC analysis limited imports for resource adequacy to their average of the last five years. They assumed no additional economic imports during their scenario of a West-wide heat wave. A questioner asked how analysts are taking into consideration poor water conditions this year. The CEC staff said

that the Pacific Northwest is still near 90 percent of normal so they are assuming that their conservative estimate for imports is reasonable.



wish the birds weren't so prolific with their droppings.

# Answer to the Riddle - Anywhere They Want To

The return of the California Condor is a remarkable story, but perhaps with unintended consequences. When I was growing up in the southern San Joaquin Valley, the near extinction of the condors was a major story. The population had dwindled to a few dozen and wildlife agencies eventually took the remaining 27 birds into a captive breeding program. Today, there are several hundred condors soaring across California – and apparently some like to party. About twenty of the gregarious birds have adopted the back deck of a Tehachapi woman's home. Which was cute until they began knocking over plants and smashing crockery – like party guests anywhere who stay too long. The woman has done her best to shoo the birds away, but it's a challenge for a five-foot tall woman against birds with nine-foot wing spans. The woman has maintained good cheer with the attention but does

# Washington News Liz Klumpp

#### WUTC Hosts EPRI and GTI Low-Carbon Resources Initiative

The Washington Utilities and Transportation Commission hosted a joint Low-Carbon Resources Initiative presentation by the Electric Power Research Institute and the Gas Technology Institute. The UTC has posted the presentation and will post the video recording <a href="here">here</a>.

### Department of Commerce Surveying Utilities on Arrearages

Governor Inslee's moratorium on telecom, energy, water utility disconnects was extended through July 31. The state's energy emergency lead is teaming with a WSU researcher to survey the utility community one last time on arrearages to ascertain financial magnitude of arrearages by provider and statewide, the populations in arrearages, and length of time that customers have not been paying bills. If the Governor terminates COVID-19 emergency status before July 31, then this moratorium expires simultaneously. I shared BPA's press release that we suspended our reserves surcharge for 2020 and 2021 and indicated the interim savings to the region.

## Washington DNR Goal to Site 500 MWs of Solar by 2025 on DNR Lands for Lease Revenue

The Department of Natural Resources (DNR) has a goal of siting 500 MWs of solar on DNR properties for the purpose of diversifying the state's revenues and supporting the transition to a decarbonized economy. DNR staff reached out for a conversation on BPA activities and coordination. I forwarded some publicly available materials to assist staff, but indicated that renewable energy developers should have this information if they are connecting to BPA's system. I briefly described our processes for interconnection and for transmission service. DNR is trying to make their lands attractive to renewable energy developers.

Thank you, Cyndee

#### Cynthia Case

(CONTR) Vanderhouwen
Administrative Assistant | Regional Relations, DIR-7
BONNEVILLE POWER ADMINISTRATION
bpa.gov | P 503-230-3683 | cdcase@bpa.gov

From: Baskerville, Sonya L (BPA) - AIN-WASH
Sent: Friday, March 31, 2023 10:50 AM

To: Cooper, Suzanne B (BPA) - P-6; Cook, Joel D (BPA) - K-7; Hairston, John L (BPA) - A-7;

Armentrout, Scott G (BPA) - E-4; Klumpp, Elizabeth C (BPA) - AIR-WSGL

Subject: FW: Update: Gov. Inslee's battery manufacturing event in Moses Lake - need more TX

and power

Exactly. And just today, DOE reported they will be announcing soon new regulations regarding manufacturing efficiencies for electrified appliances, that includes an assumption of efficient transportation for movement of the manufactured goods as a component of driving down the carbon content of the manufactured product. And of course, that means barging when barging is available in a location.

Sonya Baskerville BPA National Relations

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On Mar 31, 2023 1:35 PM, "Klumpp, Elizabeth C (BPA) - AIR-WSGL" <ecklumpp@bpa.gov> wrote: If I think about this for any time at all, I can't fathom the government deciding, let alone financing, the removal of carbon-free power generators like the LSRDs. And demand for additional electricity infrastructure and carbon-free generation from these kinds of new manufacturing loads to produce battery components doesn't reflect increasing loads from electrification of natural gas uses and vehicle gasoline consumption.

From: Klumpp, Elizabeth C (BPA) - AIR-WSGL Sent: Thursday, March 30, 2023 4:40 PM

To: Hairston, John L (BPA) - A-7 <jlhairston@bpa.gov>; Cook, Joel D (BPA) - K-7 <jdcook@bpa.gov>; Shaheen, Richard L (BPA) - T-DITT-2 <rlshaheen@bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 <mmcathcart@bpa.gov>; Cooper, Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>; Baskerville, Sonya L (BPA) - AIN-WASH <slbaskerville@bpa.gov>; Cook, Jeffrey W (BPA) - TP-DITT-2 <jwcook@bpa.gov>; Cook, Joel D (BPA) - K-7 <jdcook@bpa.gov>; Miller, Mike P (BPA) - TE-DITT-2 <mpmiller@bpa.gov>; Normandeau, Mike (BPA) - PSE-RONAN <mrnormandeau@bpa.gov>; Miller, Jennifer R (TFE)(BPA) - TSE-TPP-2 <jrmiller@bpa.gov>; Thompson, Kim T (BPA) - PS-6 <ktthompson@bpa.gov>
CC: Johnson, Anders L (BPA) - TPLE-TPP-2 <aljohnson@bpa.gov>; Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2 <rkaggarwal@bpa.gov>; Bustamante, Richard (BPA) - TPP-OPP-3 <rxbustamante@bpa.gov>; Egerdahl, Ryan J (BPA) - PGPR-5 <rjegerdahl@bpa.gov>; Makowski, Nathanael J (BPA) - TOOC-DITT-2 <njmakowski@bpa.gov>; Marker, Doug R (BPA) - AIR-7 <drmarker@bpa.gov>; Johnson, G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Scruggs, Joel L (BPA) - DK-7 <jlscruggs@bpa.gov>

Subject: Update: Gov. Inslee's battery manufacturing event in Moses Lake - need more TX and power

#### Internal.

Last Thursday, Gov. Inslee's staff invited BPA to join a panel discussion on battery manufacturing in Moses Lake. It was short notice, so I represented BPA at this on Tuesday.

In case folks outside of TX want to know what we've got going on with batteries, attached are my brief talking points that I prepared with Nathanael Makowski, Ricky Bustamante, Ravi, and Dmitry. (Thank you, engineers!) As it turned out, I didn't make any of these points.

Exec Summary: 2 battery component manufacturer's each got \$100M grant from USDOE to start producing product. REC Silicon, shuttered since 2018 because of tariffs, will be on-line again by end of year. All 3 plants will be new, big loads in Moses Lake within 8-18 months if all goes as intended. BPA will be responsible for TX service to interconnect

loads with Grant PUD. It's conceivable that BPA's TX timelines may be the slow cog in this machine. Maybe not? Each plant will be hiring 300 skilled employees in the near-term.

Fortunately, I arrived an hour early and met and spoke with CEOs/managers for each of the battery component manufacturers, REC Silicon, and local govt reps. That is when I learned why BPA was invited. These 3 manufacturing plants need power and need to interconnect to the grid. One of the manufacturers told me one-on-one that BPA told Grant PUD we'd be able to interconnect their load in 7 years – imagine their extreme disappointment. (Later, I spoke with TX AE Jen Miller and she confirmed that Grant PUD submitted a load interconnection request in Dec.) The battery component manufacturers think they'll have their plants up and running in 12-18 months. The one plant is strategizing to bring on manufacturing capability in 8 MW increments – after initial build out.

Gov.'s staff second question to the panel was, "So, let's talk about Power. We have all the right people in the room and manufacturers who need power." Grant's GM suggested I go first. I indicated that when it comes to power, BPA's role won't be serving the manufacturing loads as there are federal statutes that preclude BPA from serving new large loads (at PF rates), but BPA will have a role expanding the TX capacity to help deliver power to Grant PUD to serve these loads. I said we are building transmission, we have workforce issues – when we try and hire 8 electrical engineers, we can hire 4 –and siting will always be a challenge. But, siting and building transmission is what we do and we'll keep doing it.

Then, Grant PUD's GM talked and it's clear to me, but maybe not clear, that Grant isn't sure how it's going to serve these loads. They want to serve these loads – with huge employment opportunities. The GM mentioned he has resource adequacy concerns (which I'm not sure anyone else in the room understood). During unofficial chatter afterwards some mentioned whether these manufacturers would need to secure their own power supplies – but that was very unofficial chatter.

You can see why Grant PUD wants to put net requirements load on BPA in post-2028 contracts.

Background: USDOE gave each of the two a \$100 million grant to manufacture their products: <u>Group14 Technology</u> (Woodinville, Wash.) and <u>Sila</u> (Alameda, Cal.). <u>REC Silicon</u> has U.S. plants in Moses Lake and Butte. The variable power prices in Butte means that REC plant will come back on-line last. REC has a ten-year contract for a significant portion of their output. REC is largest global manufacturer of silicon (silane) outside of China. (I'm told it does trade on Norwegian stock exchange, but board is Korean controlled.) REC has developed some efficiency processes that enable it to use 10% of the electricity to produce its product. I think both the battery component companies have plants in Asia. Group14 mentioned its Korean plant opened this month. They both want to be in production mode in 12-18 months.? The two plants are locating in Moses Lake to get direct access to REC Silicon's product.

All three of these plants need to hire 300 employees in near-term and 500 employees in long-term. That's 1,000 trained employees in Moses Lake soon. That is going to be a big hurdle. One plant hopes to attract manufacturing employees away from Louisiana. Big Bend Community College opened a beautiful, new, tech facility in 2021 and it is ready to provide training/education to feed the job demand now. Gov. indicated an interest in getting the college the \$3-5 million it would need to design and implement the new curriculum.

These plants will be a big deal in the U.S. Washington State sees the job opportunities for skilled labor to be very important as well as the fact that the batteries will be part of the solution to decarbonize economies. Moses Lake is going to need more infrastructure to make this happen: housing, training, electricity, etc. Reps from the Port attended.

Dave Howe, USDOE participated on the panel virtually. Howe awarded the two \$100M grants. Gov. asked him how Wash. can be competitive to get more of the remaining \$3.2 Billion+ for clean energy.

The Gov. also mentioned Washington submitted an application to USDOE to create a hydrogen hub. My understanding is hydrogen electrolyzers are big loads and inefficient, but have value when there is a lot of surplus renewables on the grid (not yet).

Thanks,

Liz Klumpp

Washington Liaison | Bonneville Power Administration | m. (b)(6)

o. 360-943-0157

From: Wright,Troy S (CONTR) - AIR-7
Sent: Friday, November 3, 2023 3:15 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, November 3, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, November 3, 2023.

Have a great weekend!

# Stay, we need more time

In a press release, Earthjustice, who represents a number of fishing, conservation, and renewable energy groups in the long running litigation on dam operations, announced that a notification has been submitted to the court to extend the litigation stay for 45 days until December 15<sup>th</sup>. Earthjustice Senior Attorney Amanda Goodin said:

"Extinction is not acceptable. Salmon are too important to Tribal Nations and to the ways of life, economies, and ecosystems of the Pacific Northwest. On an issue this important, we need to take more time to see if we can move forward outside of the courtroom."

The release says that at the end of the litigation stay extension the plaintiffs and federal defendants will either request a multi-year stay or resume litigation. They go on to say the additional 45 days will allow the parties in the litigation to present a proposed package of actions and commitments to other regional sovereigns and parties to the litigation and then work toward final review and approval of those actions and commitments.

As we are aware, Earthjustice reiterates that while negotiations are ongoing no one involved in the litigation is permitted to discuss the actions and commitments under consideration.

IDAHO NEWS John Williams

# Quagga Mussel update

The Idaho AG department continues to take samples of the Snake River near Twin Falls where the Quagga Mussel Larva was found. So far, the samples have been good. However, the treated areas will remain closed for the time being.

# Idaho Power/IDACORP, Inc. announces third quarter 2023 results, increases bottom-end 2023 earnings guidance

• Net Income - Third Quarter 2023: IDACORP's net income decreased \$1.1 million for the third quarter of 2023 compared with the third quarter of 2022, due primarily to lower net income at Idaho Power. At Idaho Power, customer growth increased operating income by \$4.6 million in the third quarter of 2023 compared with the third quarter of 2022, as the number of Idaho Power customers grew by approximately 14,000, or 2.3 percent, during the twelve months ended September 30, 2023. Usage per customer decreased operating income by \$17.2 million in the third quarter of 2023 compared with the third quarter of 2022. Greater precipitation and more moderate temperatures in Idaho Power's service area led agricultural irrigation customers to use less energy per customer to operate irrigation pumps and residential and commercial customers to use less energy per customer for cooling purposes in the third quarter of 2023 compared with the third quarter of 2022. The revenue impact of the decrease in sales volumes per customer was partially offset by the FCA mechanism (applicable to residential and small commercial customers), which increased revenues in the third quarter of 2023 by \$7.2 million compared with the third quarter of 2022.

Transmission wheeling-related revenues decreased \$2.8 million during the third quarter of 2023 compared with the third quarter of 2022, resulting primarily from lower wheeling volumes as energy prices in the western United States were less volatile, reducing transmission system demand and revenues.

Total other O&M expenses in the third quarter of 2023 were \$4.9 million lower than in the third quarter of 2022, due primarily to lower maintenance expenses at hydropower facilities and jointly-owned coal plants as a result of fewer planned maintenance projects, as well as the timing of regulatory deferrals.

• Net Income - Year-To-Date 2023: IDACORP's net income increased \$13.0 million for the first nine months of 2023 compared with the first nine months of 2022, due primarily to higher net income at Idaho Power. At Idaho Power, customer growth increased operating income by \$11.4 million for the first nine months of 2023 compared with the first nine months of 2022. Usage per customer decreased operating income by \$18.1 million during the first nine months of 2023 compared with the first nine months of 2022, due primarily to the lower usage per customer in the third quarter of 2023 described above. The revenue impact of the decrease in sales volumes per customer was partially offset by the FCA mechanism (applicable to residential and small commercial customers), which increased revenues in the first nine months of 2023 by \$6.2 million compared with the first nine months of 2022.

Transmission wheeling-related revenues increased \$4.0 million during the first nine months of 2023 compared with the first nine months of 2022, resulting from Idaho Power's Open Access Transmission Tariff rates being 1 percent higher and due to elevated energy prices in the western United States in the first quarter of 2023 compared with the first quarter of 2022.

# Risch leads bill to stop widely opposed Lava Ridge Wind Energy Project

U.S. Senator Jim Risch with Senator Mike Crapo, Congressman Mike Simpson, and Congressman Russ Fulcher (all R-Idaho) today introduced the Don't Develop Obstructive Infrastructure on our Terrain (Don't DO IT) Act. The Don't DO IT Act would require the Secretary of the Interior deny any wind or solar energy project proposed on public land that is disapproved of by the State legislature.

Idaho's State legislature unanimously passed a resolution in March 2023 expressing opposition to the Lava Ridge Wind Energy Project in Southern Idaho, a 370 turbine project spanning 146,000 acres. Among other concerns, the proposed Lava Ridge project would visually compromise the Minidoka National Historic Site, a relocation site where more than 120,000 Japanese-Americans were incarcerated during World War Two. "Idahoans have been loud and clear on Lava

Ridge: Don't DO IT! Yet, the Department of the Interior is still moving full speed ahead," said Risch. "The Don't DO IT Act will empower Idaho and other states to prevent the federal government from implementing unwanted, obstructive, and misaligned wind and solar energy projects on public land, like Lava Ridge."

The "Don't DO IT Act," by its sponsors, it would require the U.S. Secretary of the Interior to deny any wind or solar energy project proposed on public land that is disapproved of by the State Legislature.

# Idaho Advanced Nuclear Energy Tech Hub approved by U.S. Department of Commerce

The University of Idaho College of Engineering and a consortium of Idaho leaders in advanced nuclear energy innovation have been recognized by the U.S. Department of Commerce's Economic Development Administration (EDA) for their ability to strengthen workforce development and the region's capacity to manufacture, commercialize and deploy technology. U of I is part of the Idaho Advanced Energy Consortium leading the development of the Intermountain-West Nuclear Energy Tech Hub. The EDA's tech hub designation is part of a new economic development initiative, the <u>Tech Hubs program</u>, to bring funding to regions across the nation identified for their high potential to become epicenters for globally competitive innovation. Initial funding of \$500,000 and official EDA designation opens opportunity for up to \$75 million in additional federal funding to the state to carry out the nuclear energy tech hub's mission. (UI news)

# New NV transmission line will slash energy costs, says White House

This past Monday, the White House announced \$1.3 billion in new federal funding to create three new, massive electrical transmission lines in the Southwest and New England. Cheaper, cleaner, and more reliable electricity may be in Nevada's future after the White House vowed to deliver the largest electric grid infrastructure investment in U.S. history. Three new transmission lines will be built, one between Nevada and Utah, another from Arizona to New Mexico, and a third through Vermont and New Hampshire before extending into Canada.

In Nevada, the balance between cost and reliability is a growing issue for power utilities. In recent years, a combination of coal plant retirements, population growth, regional competition for scarce resources, and extreme weather, pose both reliability and economic risks for electricity providers. The proposed 214-mile transmission line between Nevada and Utah is expected to deliver 1,500 megawatts of additional electrical capacity to the region — enough to power an additional 1,000 homes — according to the DOE's Grid Deployment Office. Most of that power would come from solar generation in Utah, Nevada, and California, and wind generation in Wyoming and Idaho.

Renewable power delivered through the Nevada-Utah line has the capacity to reduce greenhouse gas emissions by 19.5 million tons of CO2 between 2028 and 2050, or about 850,000 tons per year. Between Nevada and Utah, the line is expected to create 4,100 direct and indirect jobs and stimulate roughly \$761 million in total economic activity, according to the DOE's Grid Deployment Office.

TransCanyon, the transmission developer for the proposed "Cross-Tie" line from Nevada to Utah, expressed hope the project would also provide access to new markets for bottling up existing renewable energy in the region, including new markets for surplus California solar power. TransCanyon was formed by Berkshire Hathaway Energy, which owns NV Energy, and Pinnacle West Capital, whose main subsidiary is Arizona Public Service, the primary electricity provider in Arizona. The 214-mile line between Nevada and Utah would be the first regional transmission line ever built connecting the two states. Construction is expected to start in early 2025. TransCanyon is now under contract negotiations with the federal government, which is expected to be settled in the coming months. The transmission program is administered by the DOE's Grid Deployment Office and funded through the Bipartisan Infrastructure Law and Inflation Reduction Act. (Jeniffer Solis/ Nevada Current)

# Historic rate hike inspires slew of bills to scrutinize electric utilities

Rocky Mountain Power's proposed 30% rate hike is under scrutiny at the Public Service Commission and down the street at the Wyoming Capitol. Lawmakers have advanced six draft bills intended to ensure Wyoming electricity customers pay only what's necessary for utilities to provide reliable energy without lining executives' pockets or footing the bill for other states' demands for renewable energy.

The legislative efforts attempt to fill perceived regulatory gaps in a rapidly changing utility landscape, according to Corporations, Elections and Political Subdivision committee members who debated the bills Friday in Cheyenne. Though some measures were criticized as redundant of existing utility practices and Wyoming Public Service Commission authority, and for adding to the under-staffed commission's workload, they're also intended to send a message.

Lawmakers said they're responding to rising utility costs, in general, and worry the industry's ongoing shift from fossil fuels to renewable sources of electric generation will result in continually rising rates and less reliable power. Panel members repeatedly pointed to Rocky Mountain Power's request to hike electric rates by nearly 30% — the largest hike Wyoming has seen in more than 10 years and a move lawmakers believe is, in large part, the result of anti-coal and natural gas policies in several West Coast states where the utility's parent company, PacifiCorp, also operates. (Dustin Bleizeffer, WyoFile)



PacifiCorp's Gateway West transmission project will help boost new renewable energy projects in Wyoming. (PacifiCorp)

# **OREGON NEWS**

# Hannah Dondy-Kaplan

# Grant funding for storage

Portland State University will receive a \$500,000 grant through the U.S. Economic Development Administration to lead a group of 23 companies, government agencies and nonprofits that are committed to turning the region into a global powerhouse for smart, grid-level, energy storage. BPA, along with PGE, Pacificorp, PNNL and others are participating in the consortium. The group seeks to promote investments in clean energy storage and the software technologies that make energy available at a moment's notice. The Portland metro area was identified as an existing hub for research around battery storage, and the work will expand upon that.

# Representative Earl Blumenauer announces retirement

Longtime Portland-area Representative (and occasional user of the BPA Cafeteria) Earl Blumenauer will not seek reelection after his 27 years in Congress. This leaves Suzanne Bonamici, who was elected in 2012, as Oregon's most senior representative. The race has already started, with Multnomah County Commissioner Susheela Jayapal stepping down so she can run. WEST COAST NEWS Doug Marker

# California PUC will consider extending Diablo Canyon nuclear operations for five more years

California is hedging its bets on the transition to clean, but variable, generation. The California Public Utilities Commission is considering extending the operations of the two nuclear generators at PG&E's Diablo Canyon station to 2029 and 2030. The two generators had been scheduled to close in 2024 and 2025 under an agreement reached in 2016. California continues to struggle to bring enough new renewable generation online to reliably replace the 2,200-megawatt nuclear station. Last year, the California Legislature authorized extended operations of the plant and the U.S. Department of Energy is providing a \$1.4 billion loan to finance extended operations. The U.S. Nuclear Regulatory Commission is still considering the necessary license extension for the plant. The CPUC could vote on the proposed extension on November 30.

# CPUC delays vote on PG&E rate hike

Consumer costs for electricity in California continue to rise. Citing costs for undergrounding transmission lines in fire-prone areas, Pacific Gas and Electric is seeking an average 26 percent rate hike. A coalition of labor, seniors, and consumer advocates formed this week to protest the rate increase, saying that PG&E shareholders should bear more of the costs to remedy past utility maintenance neglect. The CPUC was scheduled to vote on the proposed rate increase yesterday but deferred its decision until at least November 16.

# Californians are more willing to live near wind and solar generation than transmission

A new study attempted to measure "not in my backyard" sentiment about clean electricity development. The Los Angeles Times and UC Berkeley (scheduled to lose tomorrow to the Oregon Ducks) asked Californians whether they are comfortable with solar, or wind generation being built near their homes and then their comfort with new high voltage transmission nearby. For wind turbines, 56 percent said they were comfortable or very comfortable. For solar, 69 percent responded they are comfortable or very comfortable. But for new high voltage transmission, only 42 percent responded they are comfortable or very comfortable. Analysts who conducted the poll told the Times they guess that the negative responses for transmission are based in fears of health impacts from transmission lines.



# But power poles have their fans

It's not all grim for our electric industry. Culver City celebrates electric power through an art installation that imagines power poles as the tall fir trees they once were. Filling out the profile of fir tree boughs are illuminated photos of early days of city development and its electric power. There are images of early advertisements for electric irons, the labor-saving wonder of home electric service. The photos show the heroic — early high voltage towers — and the prosaic — sneakers flung over the wires. Sure, many of us have taken family and friends to visit Bonneville Dam. But next time you're in the L.A. area, consider a visit to celebrate how electricity gets to your home.

# Montana - Energy, Transmission & Politics

- Montana, Oregon and Washington will be part of the "Northwest hydrogen hub", which is slated to be home to
  eight "nodes," where hydrogen is produced, each with "downstream projects" where the hydrogen will be
  transferred for use nearby or across the region. One facility will be in St. Regis, Montana near the Idaho border,
  three are slated for Oregon and four for Washington. According to the U.S. Commerce Dept., the Montana tech
  hub was one of 31 designated nationally out of 198 applications.
- PGE will take ownership of 208 MW of the turbines at the Clearwater wind project and buy power from 103
  additional MW of turbines. The PGE clean energy spend will apparently pay off for the utility's customers, a
  \$430M investment.
- The US House of Representatives passed the Energy & Water appropriations bill on October 26, which authorizes spending for more than \$57B in energy & water programs including the BoR and US ACE water projects. "If you ask any Montanan, they'll tell you that whiskey is for drinking and water is for fighting. This bill was written with those Montanans in frontside focus, it authorizes more than a hundred million toward rural water projects and redirects the Bureau of Reclamation and Army Corps of Engineers' time away from Biden's culture and climate wars," says Montana representative Ryan Zinke. "There's no time for them to sit in training about CRT and DEI. They need to be taking care of business that Montanans need tended to continue their way of life."
- The Montana Department of Environmental Quality (DEQ) is seeking public comment and suggestions for 'non-regulatory, innovative, voluntary' approaches for a federally funded greenhouse gas reduction program, part of the \$3M Climate Pollution Reduction Grant that DEQ was recently awarded.
- Montana Conservation Votes and other plaintiffs have filed a lawsuit, claiming that the <u>new districts drawn for</u>
   <u>Montana's utility regulation commission</u> (the PSC), that Republican lawmakers passed last session violate the
   <u>Montana Constitution by diluting urban representation</u> and unduly benefiting Republicans.

#### Montana – Water, Weather & Fisheries

- U.S. Senator Jon Tester worked with five Republicans and four Democrats to negotiate the IIJA and was the only member of Montana's Congressional delegation to vote for the bill, securing \$26M in funding from the NOAA to support soil moisture and snowpack monitoring and improve drought and flood forecasting in Montana and four other Upper Missouri River Basin states. This investment will come from the IIJA is slated to deliver critical information to improve weather prediction in Montana. "This investment marks a partnership between Montana's leading climate and water-resource researchers and NOAA, and will be funding a pilot project to study the Upper Missouri River Basin," Tester said. These observations are projected to dramatically improve forecasting for droughts and floods, as well as redefine Montana's state-of-the-art soil moisture and snowpack monitoring.
- The Western Montana Conservation Commission (WMCC) met for the first time this week. The new Commission combines two previous legislatively created advisory commissions the Flathead Basin Commission, created in 1983 to protect the high quality of water in the Flathead, and the Upper Columbia Conservation Commission, created in 2017 to bolster the prevention of aquatic invasive species into the Montana portion of the CRB headwaters. The MWCC has advisory non-voting seats for BPA, BoR, and the US ACE. The Montana CAE represents BPA on the Commission, which will merge the focus of the Flathead Basin Commission with the geographic scope of the Upper Columbia Conservation Commission protecting "aquatic resources" throughout western Montana.
- In a <u>study recently published by the scientific journal</u> Limnology and Oceanography, a Flathead Lake Biological Station team of researchers studied alpine lakes in Montana's Northern Rocky Mountains and Glacier National Park. The <u>study investigated</u> what the loss of our glaciers, glacial lakes, and the unique habitats they provide might mean for the biogeochemical and ecological characteristics of our mountain ecosystems and the human <u>services</u> they provide. As glaciers recede, they can leave behind newly formed lakes born from glacial meltwater. However, in high alpine elevations, there are also lakes fed only by snowpack meltwater. While the

two types of lakes may look similar on the surface, the study found that phosphorus and nitrate concentrations were three times higher glacial lakes phosphorus and nitrate concentrations were three times higher compared to non-glacial lakes.

# British Columbia - Energy, Natural Resources & Water

- BC Hydro recently applied to the BC Utilities Commission to raise rates 2.3%. If approved, this would be the
  sixth consecutive year the Crown Corporation applied for a <u>rate increase</u>. "BC Hydro is committed to keeping
  electricity rates stable and affordable," said Chris O'Riley, president and CEO of BC Hydro. "Our rates application
  would keep electricity rates among the lowest in North America, while supporting important investments in our
  system to serve B.C.'s growing population and the shift to clean electricity in vehicles, homes, and businesses to
  reduce carbon emissions."
- The Province of BC is making changes to enable safer, more effective stewardship of the landscape, including forests and the revitalization of cultural and prescribed fire and new compliance and enforcement measures in proposed amendments to the <u>Forest and Range Practices Act and Wildfire Act</u>. If passed, amendments will help address public and First Nations' interests in how forests are managed, giving government new tools to manage Crown land timber harvesting. These changes support actions underway to better care for forests in the face of climate change and extreme weather events.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

# Troy Wright (CONTR)

Administrative Services Assistant | Intergovernmental Affairs, AIR-7

BONNEVILLE POWER ADMINISTRATION

bpa.gov | P 503-230-3683 | tswright@bpa.gov











From: Cook, Joel D (BPA) - K-7

Sent:Tuesday, October 5, 2021 9:02 AMTo:Dibble,Rachel L (BPA) - B-3Cc:Zimmerman,Nita M (BPA) - B-3

Subject: RE: Several Western Power Providers Announce Plans to Explore Market Options

Yes,

She called me back yesterday. I told her we are ready and willing to participate in broader market development activities including RTO's should they choose to engage with us.

From: Dibble,Rachel L (BPA) - B-3 <rldibble@bpa.gov>

Sent: Tuesday, October 5, 2021 8:57 AM
To: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>

Cc: Zimmerman, Nita M (BPA) - B-3 < nmzimmerman@bpa.gov>

Subject: RE: Several Western Power Providers Announce Plans to Explore Market Options

Have you talked to Carolyn at NV Energy yet? Let me know how that goes so we can factor in needed resources to our planning. Thanks.

From: Dibble, Rachel L (BPA) - B-3

Sent: Tuesday, October 5, 2021 8:30 AM

To: Hairston, John L (BPA) - A-7 < <u>ilhairston@bpa.gov</u>>; Cook, Joel D (BPA) - K-7 < <u>idcook@bpa.gov</u>>; Cooper, Suzanne B

(BPA) - P-6 <<u>sbcooper@bpa.gov</u>>; Shaheen,Richard L (BPA) - T-DITT-2 <<u>rlshaheen@bpa.gov</u>> **Subject:** FW: Several Western Power Providers Announce Plans to Explore Market Options

FYI - The announcement we heard about last week came out today.

Also an article in Business Wire

Several Western Power Providers Announce Plans to Explore Market Options | Business Wire

From: Johnson, Rebecca < RJohnson@WAPA.GOV>

Sent: Tuesday, October 5, 2021 8:50 AM

To: LeBeau, Tracey < LeBeau@WAPA.GOV >; Howard, Kevin < HOWARD@WAPA.GOV >; Waugh, Teresa

<Waugh@wapa.gov>; WAPA\_SPP\_RTO <WAPA\_SPP\_RTO@WAPA.GOV>; Meiman, Lisa <Meiman@WAPA.GOV>

Subject: Several Western Power Providers Announce Plans to Explore Market Options

Importance: High

# Several Western Power Providers Announce Plans to Explore Market Options

Company Release - 10/5/2021 DENVER--(BUSINESS WIRE)—

Several electric providers that serve millions of customers in the Western United States announced plans today to evaluate regional market solutions together.

Members of the informal Western Markets Exploratory Group (WMEG) are exploring the potential for a staged approach to new market services, including day-ahead energy sales, transmission system expansion, and other power supply and grid solutions consistent with existing state regulations. The group hopes to identify market solutions that can help achieve carbon reduction goals while supporting reliable, affordable service for customers.

The group, which began discussions this summer, includes Xcel Energy-Colorado (PSCo), Arizona Public Service, Black Hills Energy, Idaho Power, NV Energy, Inc., PacifiCorp, Platte River Power Authority, Portland General Electric, Puget Sound Energy, Salt River Project, Seattle City Light, and Tucson Electric Power.

Discussions are in the early stages and are focused on developing long-term solutions to improve market efficiencies in the West. That includes incorporating lessons learned from existing regional markets as well as other efforts across the West.

"We are excited to join with the other companies to explore creating new ways of sharing resources to better serve our customers with affordable and reliable power," said Alice Jackson, president of Xcel Energy-Colorado. "We believe that a Western energy market is key to transforming the electricity system throughout the West, integrating more renewables onto the system, while reducing costs and maintaining reliability."

"Today's announcement represents the next step toward achieving Nevada's vision for a clean energy economy," said Doug Cannon, NV Energy president and chief executive officer. "By exploring opportunities to greater diversify and maximize Western energy resources, we will help bring cost savings, improved reliability and carbon reduction benefits to not only Nevada, but to the entire region."

"PacifiCorp has long believed that further connecting the West with new transmission, clean energy resources and market efficiencies will unlock greater savings, reliability and improved environmental outcomes for our customers across the six states we proudly serve," said Stefan Bird, President and CEO of Pacific Power, a unit of PacifiCorp. "Partnering with our neighboring electricity providers and exploring potential models to deliver on that promise is something we are excited to be a part of."

Many of the companies in the group are currently participating in, or preparing to join the California Independent System Operator's Western Energy Imbalance Market, or have announced plans to evaluate energy imbalance services. WMEG's discussions will not impact participation in or evaluation of those markets in the short-term, as the group is focused on long-term market solutions.

# About Xcel Energy

Xcel Energy (NASDAQ: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit xcelenergy.com or follow us on Twitter and Facebook.

#### About Arizona Public Service

APS serves more than 1.3 million homes and businesses in 11 of Arizona's 15 counties, and is a leader in delivering affordable, clean, and reliable energy in the Southwest. The company is committed to serving customers with 100% clean power by 2050. As owner and operator of Palo Verde Generating Station, the nation's largest producer of carbon-free electricity, and with one of the country's most substantial renewable energy portfolios, APS's current energy mix is 50% clean. With headquarters in Phoenix, APS is the principal subsidiary of Pinnacle West Capital Corp. (NYSE: PNW)

# About Black Hills Corp.

Black Hills Corp. (NYSE: BKH) is a customer focused, growth-oriented utility company with a tradition of improving life with energy and a vision to be the energy partner of choice. Based in Rapid City, South Dakota, the company serves 1.3 million natural gas and electric utility customers in eight states: Arkansas, Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. More information is available at <a href="https://www.blackhillscorp.com">www.blackhillscorp.com</a>.

### About Idaho Power

Idaho Power, headquartered in vibrant and fast-growing Boise, Idaho, has been a locally operated energy company since 1916, Today, it serves a 24,000-square-mile area in Idaho and Oregon. The company's goal to provide 100% clean energy by 2045 builds on its long history as a clean-energy leader that provides reliable service at affordable prices. With 17 low-cost hydroelectric projects at the core of its diverse energy mix, Idaho Power's residential, business and agricultural customers pay among the nation's lowest prices for electricity. Its 2,000 employees proudly serve more than 595,000 customers with a culture of safety first, integrity always and respect for all.

IDACORP Inc. (NYSE: IDA), Idaho Power's independent publicly traded parent company, is also headquartered in Boise, Idaho. To learn more, visit idahopower.com or idacorpine.com.

# About NV Energy

NV Energy provides a wide range of energy services to more than 1.5 million customers throughout Nevada and a typical tourist population of 54 million annually. NV Energy, Inc. is a holding company whose principal subsidiaries, Nevada Power Company and Sierra Pacific Power Company, do business as NV Energy. NV Energy is headquartered in Las Vegas, Nevada. Information about NV Energy is available on the company's website, <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="YouTube">YouTube</a> pages, which can be accessed via <a href="Twitter, Facebook">Twitter, Facebook</a> and <a href="Twitter, Facebook">Twitter,

# About PacifiCorp

Innovating to power a better future for the West, PacifiCorp operates the largest grid in the western United States, serving the growing energy needs of 2 million customers through 17,645 miles of transmission lines over a service area of 141,503 square miles. Our operating divisions are leaders in providing safe, reliable and sustainable low-cost power. Pacific Power serves 815,823 customers in Oregon, Washington and California. Rocky Mountain Power serves 1,232,717 customers in Utah, Idaho and Wyoming.

# About Platte River Power Authority

Platte River Power Authority is a not-for-profit, community-owned public power utility that generates and delivers safe, reliable, environmentally responsible and financially sustainable energy and services to Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their utility customers. For more information, visit prpa.org.

#### **About Portland General Electric**

Portland General Electric (NYSE: POR) is a fully integrated energy company based in Portland, Oregon, with operations across the state. The company serves approximately 900,000 customers with a service area population of 2 million Oregonians in 51 cities. PGE owns 16 generation plants across Oregon and other Northwestern states and maintains and operates 14 public parks and recreation areas. For over 130 years, PGE has delivered safe, affordable and reliable energy to Oregonians. Together with its customers, PGE has the No. 1 voluntary renewable energy program in the U.S. PGE and its 3,000 employees are working with customers to build a clean energy future. In 2020, PGE, employees, retirees and the PGE Foundation donated \$5.6 million and volunteered 18,200 hours with more than 400 nonprofits across Oregon. For more information visit www.PortlandGeneral.com/news.

# About Puget Sound Energy (PSE)

Puget Sound Energyis proud to serve its neighbors and communities in 10 Washington counties. PSE is the state's largest utility, supporting 1.2 million electric customers and nearly 900,000 natural gas customers. The company aspires to be a beyond net zero carbon energy company by 2045. For more about PSE, visit <a href="mailto:pse.com">pse.com</a> or follow on <a href="mailto:pse.com">Facebook</a> and <a href="mailto:pse.com">Twitter</a>.

# About Salt River Project (SRP)

SRP is a community-based, not-for-profit public power utility and the largest provider of electricity in the greater Phoenix metropolitan area, serving more than 1 million customers. SRP is also the metropolitan area's largest supplier of water, delivering about 750,000 acre-feet annually to municipal, urban and agricultural water users.

# About Seattle City Light

<u>Scattle City Light</u>, one of the nation's largest publicly owned utilities, generates and delivers affordable, reliable and environmentally responsible power to the homes, businesses, and communities we serve. We provide carbonneutral electricity, generated primarily from carbon-free hydropower, to over 900,000 residents in Seattle and the surrounding areas.

# **About Tucson Electric Power**

TEP provides safe, reliable electric service to more than 433,000 customers in Southern Arizona. For more information, visit tep.com. TEP and its parent company, UNS Energy, are subsidiaries of Fortis Inc. (TSX/NYSE: FTS), which owns utilities that serve more than 3 million customers across Canada and in the United States and the Caribbean. For more information, visit fortisinc.com.

View source version on businesswire.com; https://www.businesswire.com/news/home/20211005005324/en/

# Xcel Energy

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Joe Salkowski, jsalkowski@uns.com, 520-404-3164

Source: Xcel Energy

Rebecca Johnson - MBA, PhD | Transmission and Power Markets Advisor

Western Area Power Administration | Headquarters 720.376.2400 | rjohnson[at]wapa.gov



From: Manchester, Kathleen L (CONTR) - AIT-7

Sent: Friday, July 8, 2022 4:24 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Cc: Brown,Frank E (BPA) - PES-SEATTLE; Kennedy,David K (BPA) - EC-4; Racicot,Lynda S

(BPA) - N-7

Subject: Regional Relations report for Friday, July 8, 2022

Attachments: 070822.docx

Hello all,

Attached is the Regional Relations report for Friday, July 8, 2022.

Oregon News Hannah Dondy-Kaplan

# Wind Energy Development on the Outer Continental Shelf Offshore Oregon

On April 28 the Bureau of Ocean Energy Management (BOEM) published a call for information and nominations in the Federal Register that invited public comment to assess interest in possible commercial wind energy leasing on the Outer Continental Shelf offshore the Oregon coast. From the summary: "BOEM will consider information received in response to this Call to determine whether to schedule a competitive lease sale or to issue a noncompetitive lease for any portion of the areas described in this Call (Call Areas). [sic] This Call serves two important purposes. The first is to collect information and feedback on site conditions, resources, and ocean uses within the identified area. The second is to help BOEM determine competitive interest. The comment period closed June 28, 2022. 253 comments were received from the seafood and fisheries industries, Oregon state agencies, energy-related non-profit organizations, tribes, NMFS, USFWS, and others.

For more information visit: Regulations.gov or Oregon Activities | Bureau of Ocean Energy Management (boem.gov)

#### Wildfire Risk Reduction

Besides Bonneville's own internal work to mitigate for wildfire risk (<u>Wildfire Mitigation - Bonneville Power Administration (bpa.gov</u>)), the Oregonian (OregonLive) highlighted the work of several utilities in a recent article:

<u>Oregon utilities crunch big data, tap artificial intelligence to reduce wildfire risks - oregonlive.com</u>. The article describes work that PacifiCorps and Portland General Electric are doing to utilize new tools and resources to forecast weather and fire risks. The costs of technologies come at a price though, and utilities may "seek to raise rates to recover the significant investments they are making." Updates including new meteorologists, improved weather modeling, simulations, new weather stations, and improved data analytics should all contribute to improvements across the region.

Idaho News John Williams

# Idaho Power kicks off process to consider net metering study

At the direction of the Idaho Public Utilities Commission (IPUC), Idaho Power has filed a study analyzing the benefits and costs of on-site customer generation within the company's service area. The study provides information that the IPUC, Idaho Power and other stakeholders will use to determine whether changes should be made to Idaho Power's existing customer generation offering for all customer classes (Schedule 8, Schedule 8 and Schedule 84).

The completed study, which opens case IPC-E-22-22, includes a review of methods to determine benefits and costs that come when excess energy is generated by on-site generation systems, such as solar and wind, that interconnect with the Idaho Power grid. The elements of the study, approved by the IPUC in case IPC-E-21-21 last year, include several components of on-site customer generation:

- The measurement interval of excess energy generated by customers (i.e., net hourly or real-time)
- The Export Credit Rate (ECR), which is how customers are compensated (in the form of a rate credit) for excess energy they send back to Idaho Power's grid
- An evaluation of the eligibility caps for on-site customer generation systems, which are currently set at 25 kilowatts (kW) for residential customers and 100 kW for commercial, industrial and irrigation customers
- Other factors including the timing of potential updates to the ECR, an evaluation of expiring credits and billing structure considerations — with the goal of keeping the public well informed of any potential changes to customer generation

Next, the IPUC will set a schedule to process the case, and interested stakeholders will have an opportunity to submit public comments on the study. Idaho Power has proposed a schedule that could allow for the IPUC to issue a determination as to the future structure of this service offering by the end of 2022, with implementation no earlier than June 1, 2023. To view the study and supporting data, visit idahopower.com/study. To provide feedback to the IPUC regarding the study, visit <u>puc.idaho.gov</u> and reference Case No. IPC-E-22-22.

As part of previous rulings, the IPUC granted legacy (grandfathered) status to eligible Schedule 6 and 8 (residential and small general service) on-site generation systems as of December 20, 2019. Eligible Schedule 84 (commercial, industrial and irrigation) systems received legacy status as of December 1, 2020. Customers who do not have legacy systems are subject to changes to the on-site generation compensation structure, including the value of the ECR. Customers are notified when applying for interconnection that the value of excess energy is subject to change. While not at issue in this case, all on-site generation customers, regardless of legacy status, are subject to changes in rates (energy prices), billing components and billing structure. (IPC news)

# GeoBitmine challenges Idaho Power's 'discriminatory' rate for cryptocurrency mining facilities

GeoBitmine on Wednesday asked the Idaho Public Utilities Commission to reverse its decision approving a new Idaho Power rate for cryptocurrency facilities that the company contends could kill its pending project in the state. The rate approved June 15 by the Idaho PUC is discriminatory and includes provisions that are unworkable for GeoBitmine, including the possibility of having power cut off 225 hours a year and the utility's "unfettered and unsupervised discretion" on what facilities must take the rate, according to the company.

Idaho Power is reviewing GeoBitmine's request and didn't have any comment, Jordan Rodriguez, utility spokesman, said Wednesday, noting the company will file a response with the Idaho PUC. The issue centers on GeoBitmine's plan to build a cryptocurrency mining facility that would provide waste heat for a high-capacity indoor farming operation at an idled potato processing plant in Aberdeen, Idaho, according to the company's request for reconsideration at the Idaho PUC.

Idaho Power recently told GeoBitmine it would sell electricity to the project under the utility's new "Schedule 20," which is designed for cryptocurrency operations, GeoBitmine said, noting its facility would have an estimated 6 MW of load. Idaho Power developed the rate after it received inquiries from potential cryptocurrency mining customers with almost 2,000 MW of potential load, according to the PUC's decision approving the rate. The utility, which had its highest-ever peak load a year ago of 3,751 MW, told the PUC that serving cryptocurrency mining customers threatens Idaho Power's ability to serve its customers when electric demand is highest.

"The company explained that attributes of cryptocurrency mining operations were: (1) high energy use and load factor; (2) the ability to relocate and disaggregate equipment to obtain favorable rates; (3) volatile load growth and load reduction; (4) sensitivity to short-term economic signals or volatility; and (5) lack of demonstrated financial viability," the PUC said in its decision.

In its decision, the PUC encouraged Idaho Power to continue evaluating its assumptions on the risks and need for mandatory interruptible service, the need for non-interruptible service through special contracts or other options for customers with loads below 10 MW, and the need for marginal cost-based rates.

GeoBitmine said its project, which would include a University of Idaho seed research initiative, requires a year-round, reliable source of electricity that is available and priced like that sold to Idaho Power's other large customers. Indoor farming and the planned seed research program need around-the-clock power, according to GeoBitmine. The threat of power interruptions makes it impossible to finance the project, the company said.

Also, being charged marginal energy rates "exposes GeoBitmine and its waste heat off-taker business partners' operations to the vagaries of the volatile and typically very expensive unregulated spot markets for electricity," the company said, adding that none of Idaho Power's other rate schedules are based on marginal energy prices. Further, the project doesn't meet the criteria for Schedule 20, which is for facilities that could relocate quickly, because the planned facility is effectively a co-generation project tying cryptomining activity to the expected indoor farming and research operations, GeoBitmine said. The rate for cryptocurrency operations is discriminatory, according to GeoBitmine.

"It is black letter utility law that the commission may not approve, and utilities may not charge, rates that treat customers preferentially or to disadvantage some customers to the benefit of other, similarly situated, customers," the company said. Last year, the U.S. Court of Appeals for the Ninth Circuit upheld a special rate for cryptocurrency mining operations that was put in place by the Public Utility District No. 2 of Grant County, Washington, after its load jumped when cryptocurrency companies set up operations in its service territory. (Ethan Howland, Senior Reporter for Utility Dive)

# Nevada Governor Sisolak, Senator Rosen to host roundtable with solar energy leaders

This Friday, Governor Steve Sisolak will host a roundtable with US Senator Jacky Rosen, solar energy leaders from across Nevada, alongside energy workers at IBEW Local #357. The Governor signed a letter, alongside other Governors, urging the U.S. Department of Commerce to end its investigation into solar tariffs and spur clean energy manufacturing due to the threat it created to clean energy jobs and infrastructure. Senator Jacky Rosen, alongside Senator Catherine Cortez Masto, led the effort in the U.S. Senate against additional solar tariffs. Since the Biden Administration decided to waive the solar tariffs in June, the Governor and other energy leaders will discuss the impact the decision has made and the current state of clean energy manufacturing in Nevada. (Governor's press release)

# How Utah Olympic bid could bolster shift to clean energy

Two decades after hosting the Winter Olympics, Salt Lake City is vying to bring the event back to Utah, with major implications for the state's electricity mix. This time, the city will have to meet a pressing new demand from the International Olympic Committee (IOC): run a two-week, snow-based international sporting event and leave the climate better off than before. Advocates hope that sea change — and the platform the Olympics provide — could help catalyze the clean energy transition in Utah, where more than 60 percent of the state's net electricity generation came from coal in 2021. Salt Lake City is bidding to host the 2030 Winter Olympics — the earliest open spot on the calendar. It also is in contention for the 2034 games. For the complete story: How Utah Olympic bid could bolster shift to clean energy - E&E News (eenews.net)

(Jason Plautz)

# Wyoming's Hydrogen Roadmap

In conjunction with Cheyenne LEADS, the Wyoming Energy Authority has released a roadmap that outlines the path to building a hydrogen economy in the state. The Roadmap is a strategic plan that champions Wyoming as the Energy State with the potential to lead the region in the low-carbon hydrogen economy. Wyoming's Hydrogen Roadmap provides a course of action with specific roles and responsibilities for various stakeholders over the next five years, from 2022-2026. This Roadmap leverages the combined strengths of these stakeholders to deliver on the shared vision while simultaneously addressing the challenges that must be overcome.

"This roadmap is a critical initiative for Wyoming because of hydrogen's inclusive qualities that can benefit multiple segments of the energy economy," explains Dr. Glen Murrell, Executive Director of the Energy Authority. "Hydrogen's

role as a decarbonized energy carrier with unprecedented transportation and consumption utility makes this a truly transformational opportunity for the entire state."

Hydrogen can be produced from a wide variety of feedstocks – including coal, natural gas, wind and even nuclear power – bringing the potential to help sustain the wide variety of Wyoming's abundant natural reserves. In addition, hydrogen's flexible structure can be converted and transported in various ways, allowing Wyoming to utilize its existing infrastructure, including an extensive natural gas transmission system. Hydrogen can also be added to existing raw low-value energy sources to significantly increase the resiliency of Wyoming's value chain and provide processing opportunities within the state. "The development of the Hydrogen Road map will guide the efforts of economic developers throughout the state of Wyoming for generations to come," said Betsey Hale, Chief Executive Officer of Cheyenne LEADS. "Hydrogen will help Wyoming sustain our legacy energy economy and build on future innovations in the sector." (News from The Wyoming Energy Authority)

# West Coast News Doug Marker

# **CAISO Regionalization Study Ready for California Senate Action**

The California Legislature adjourned last Friday for its July recess. Legislators return in August for a last month of work in this session before the required adjournment on August 31. ACR 188, the resolution calling for a report on regionalizing the California Independent System Operator is waiting for action on the Senate floor. The resolution has had one amendment since its approval by the Assembly in May. The amendments adds the requirement for the regionalization report to include impacts on the California transmission system and reliability. As I've discussed before, the requirements for the study are aimed at concerns of California constituencies who may remain skeptical about the benefits to Californians of allowing the CAISO to become an independent regional entity.

# PG&E Says It Likely Will Apply for DOE Funding to Keep Diablo Canyon Open

A spokesperson for PG&E told reporters on Wednesday that the utility "expects" to apply for federal infrastructure bill funding to keep the Diablo Canyon nuclear station open past its planned closure in 2025. The US Department of Energy extended again the deadline for application for the funds to September 6. In the meantime, California state budget provisions passed just before the Legislature's recess last week provides appropriations that the state could contribute to keeping the 2200 megawatt nuclear plant open. Until this week, PG&E has been reluctant to say that it will seek to keep the plant open beyond 2025.

#### Budget Bill Provides Electric Reliability Funding and Help for Permitting New Generation

The Legislature backed Governor Gavin Newsom's proposal for a \$5.2 billion Strategic Reliability Reserve to give the state authority and funding for buying electricity generating reserves in coming years. Newsom called for the program to secure additional generation to provide reliability reserves.

The funding was in the Legislature's budget bill passed last week and the authorities were in a separate "trailer" bill. The new authorities include allowing the state Department of Water Resources to contract for generating resources, including plants scheduled for closure such as several of the "once-through cooling" gas plants on the California coast.

The bill also allows renewable generators to apply for siting permits from the California Energy Commission that would override local permitting authorities. This is significant for developers who have faced opposition from rural counties.

While there is plenty of grumbling about the bill, particularly from environmental advocates, most of the reaction has acknowledged the near-term shortage of reliable generation to meet extreme weather events. From my distance of about 600 miles away, I think this reflects new decisiveness from Governor Newsom to weigh in on difficult electricity issues, and probably the skills and experience of his new energy advisor, Karen Douglas, who recently left a long tenure at the California Energy Commission to serve on Newsom's staff.

# I'll Bet He Promises to Be Nice to Everyone's Mom

Another California celebrity is entering politics. It's a tradition in the state — Clint Eastwood was mayor of Carmel, Sonny Bono served as mayor of Palm Springs (they have a statue of him downtown — I saw it in March). And, of course, Ronald Reagan and Arnold Schwarzenegger were Governors of California, but that's an entirely different scale. Last week one of 1970s TV best friends threw his hat in the ring to become mayor of Ojai. Anson Williams, famous as Potsy Weber and friend to Richie Cunningham on "Happy Days", is now 72 and has had a career as a TV show director since his run with the Cunningham family. His credits include episodes of "Baywatch" and "Sabrina the Teenage Witch". He is a longtime resident of Ojai the idyllic resort town north of Los Angeles, and announced his candidacy at a city council meeting. The news drew an immediate tweet of support from Henry Winkler who let Anson Williams know he has Fonzie's vote.



# Montana News Mark Reller

# MT Wind Capacity Growing

The Clearwater Wind Project that NextEra Energy Resources is building in eastern Montana reports that construction is ahead of schedule on the wind farm, which the company says will be the largest in Montana.

'Gold mine': Southeastern Montana wind farm poised to become Montana's largest (kxlh.com)

# (Wind + Solar) > (Nukes)

Renewable resources installations have been increasing over time and now they are contributing more and more energy. Wind and solar produce more electricity than nuclear for the first time in the US (electrek.co)

# AIS

Just a quick update on Aquatic Invasive Species activities in Montana so far this season:

- Over 38,000 inspections conducted so far this year. Over 100 found with aquatic weeds. 32 intercepted with zebra or quagga mussels (see attached).
  - Over 6,000 boats inspected over the 4<sup>th</sup> of July weekend.
  - Many stations saw over 100 boats a day over the Holiday weekend. One-day totals over the weekend included Clearwater Junction (Missoula County) inspecting over 500 boats, Ravalli (CSKT) inspecting over 400 boats and Anaconda (FWP) inspecting over 200 boats.
    - These are incredibly busy days where inspectors are moving all day long to keep up with boat traffic. Thank you to all the inspectors around the state for your great work over the busy weekend.
  - Detailed inspection information for each station can be found on the Watercraft Inspection Dashboard.
- Eurasian watermilfoil (EWM) treatment is planned for Nilan Reservoir this summer. View and comment on the Environmental Assessment here: Nilan EWM Draft EA
- Other AIS News:
  - Call Before You Haul: FWP and partners are involved with this national program working with commercial boat haulers to ensure they are free of invasive species: <u>Call Before You Haul</u>
  - A great Clean Drain Dry video from our partners at CSKT: CSKT Clean Drain Dry
  - A great clean angler video from our partners at the Gallatin Invasive Species Alliance: Gallatin Clean Angler
  - o A wading angler video from Montana Outdoor Reports: Wading Anglers
  - The 2021 Upper Columbia Conservation Commission Annual Report is now available: 2021 UC3 Report
  - Coordination with the Flathead Biological Station to develop early detection tools: <u>Speaking the same</u> language
  - Don't dump aquariums in lakes and streams!: Billings Gazette Article

If you have any questions or need any further information, please contact us or visit our website at <a href="https://www.CleanDrainDryMT.com">www.CleanDrainDryMT.com</a> for more information.

#### Wet Feet

When the application rate exceeds the infiltration rate, the result is run-off. Or so they taught me in one of my early hydrology classes. That is exactly what happened in Helena over the Fourth of July weekend. A huge storm cell parked over the area and a deluge ensued.

Floodwaters race through Montana city and leave damage behind | AccuWeather

Washington News Liz Klumpp

Wash. DNR Continues Preparing Seismic Studies: East-West Fault near Seattle

DNR has released a new simulation and <u>report</u> on the tsunami effects within the Puget Sound of an earthquake along the East-West fault that runs west of Seattle. DNR modeled a very low probability, large 7.5 magnitude earthquake. The tsunami could reach the nearby shores within 3 minutes and inundation could exceed 20' along the shore. The model indicates waves could inundate 6' of land at the Port of Tacoma and waves could extend 3 miles inland.

This is the link to DNR's data and modeling on tsunamis.

Here is the link to DNR's youtube channel with visual modeling results.

# **Washington Governors Can Serve Four Terms**

I was reminded today that Gov. Inslee hasn't determined whether he'd run for a fourth term as Governor. There are no term limits for state elected offices in Washington. Only one other governor, Dan Evans (R) served three terms. None have served four.

# Washington Climate Commitment Act - Last Rule Comments Due

Since Jan. 2019 when the Clean Energy Transformation Act (CETA) was introduced as proposed legislation and enacted into law, followed by the Climate Commitment Act (CCA or cap and invest) enacted in spring of 2021, a core team of Alisa Kaseweter, Courtney Olive and I – along with subject matter experts from power bulk marketing, requirements marketing, and transmission planning – have been navigating legislative bill language, rulemaking processes by three different state agencies, and working with customer representatives to clarify our understanding of BPA's role and intersection with these state laws. Alisa, BPA's carbon policy lead, is thankfully a lawyer by training. We think that this Friday's coming deadline for comments to the Climate Commitment Act program implementation rules may be the last set of comments due regarding either of these state laws for at least 12 months, or maybe for a few years. Phew. It's been a complex journey and the next phase – implementation is just beginning. CETA is in effect now and CCA becomes effective Jan. 1, 2023. Any number of parties will be seeking to amend each of these laws, it's just a question of when.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Kathie Manchester kimanchester bpa.gov. These meetings occur the first Wednesday of every month.

Thank you,

Kathie Manchester

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 From:
 Wright, Troy S (CONTR) - AIR-7

 Sent:
 Friday, October 13, 2023 12:12 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, September 29, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, October 13, 2023.

Have a great weekend!

IDAHO NEWS John Williams

# Snake River quagga mussel treatment continues with support from Idahoans

The Idaho State Department of Agriculture (ISDA) continues quagga mussel treatment in an effort to eradicate the invasive species in the Snake River. Tuesday October 3, ISDA and contractors launched a comprehensive treatment plan to eradicate quagga mussels at all stages of life. The treatment is the copper-based product, Natrix. Natrix is labeled and approved by the Environmental Protection Agency for these kinds of aquatic applications. The treatment is being applied at one part per million, a rate intended to eradicate mussels at all stages of life but is below the drinking water standard for humans. The copper-based treatment application is occurring across a six-mile section, less than one percent of the Snake River. The ISDA along with the product manufacturer, the contracted applicator, and the Idaho Department of Environmental Quality are routinely monitoring the water to evaluate treatment effectiveness, impact, and dissipation. The treatment will end October 13.

Quagga mussel larvae was first detected in the Snake River near Twin Falls on September 18, 2023, by routine monitoring conducted by the ISDA. If nothing were done, quagga mussels would quickly take over waterways. They would irreparably harm water use in Idaho. "A project of this scope and complexity would not be possible without significant support and assistance," said ISDA Director Chanel Tewalt. "Our team and partners are working around the clock to ensure that we leave nothing on the table in this eradication effort." The following statements support the ISDA's quagga mussel treatment in the Snake River:

Governor Brad Little- "The Snake River is Idaho's lifeblood, and we are doing everything we can to eradicate quagga mussels from our waters. The State of Idaho's swift, aggressive action plan is spearheaded by the Idaho State Department of Agriculture and involves many partners at all levels. We will not be successful without the support of the public, and we appreciate everyone's cooperation as we all work together to protect Idaho and our water."

U.S. Senator Mike Crapo- "The Idaho State Department of Agriculture and partnering agencies worked swiftly and decisively to protect Idaho's rivers and streams from this invasive species. Their efforts support the health and longevity of native river species, as well as protecting the integrity of Idaho's extensive irrigation systems and our agriculture, aquaculture, and recreation industries. I am grateful for the broad stakeholder engagement to eradicate this invasive species and will continue to support efforts to address the threat that quagga mussels present to our state."

U.S. Senator Jim Risch- "Quagga mussels spread aggressively and pose an extremely damaging threat to irrigators, recreators and all other river users. Idahoans have long worked to keep these invasive species from our waters, and it is pivotal we take their recent emergence seriously and take appropriate action to stop its spread."

U.S. Representative Mike Simpson- "We must work together to protect our water here in Idaho, said Rep. Simpson. Thank you to Governor Little, the Idaho State Department of Agriculture, and Idaho Fish and Game for their decisive work in treatment and rapid response plan to eradicate this aggressive species. As Chairman of the House Interior and Environment Appropriations Subcommittee, I will continue to advocate for funding of efforts to prevent further spread."

U.S. Representative Russ Fulcher- "I am closely monitoring the Quagga mussel containment efforts by the Idaho State Department of Agriculture. I am thankful for the ISDA responding so quickly to quell this outbreak. I ask all Idahoans to continue to be vigilant in response to the Quagga mussel."

The Nature Conservancy- "TNC firmly believes that the long-term benefits of preventing the spread of quagga mussels across Idaho and the Pacific Northwest far outweigh the short-term side effects of the treatment. Taking no action is not an option—the stakes are too high. We are confident the agencies overseeing the response are taking necessary, urgent action and are doing so with the best science, planning and oversight available."

Idaho Water Users Association- "IWUA fully supports ISDA. While it is true this treatment will kill aquatic plants and fish, including sturgeon, in a portion of the river, the alternative is much worse. Without treatment, quagga mussels would quickly take over waterways. These mussels harm fish and wildlife habitat. They also clog pumps and pipes that deliver water for drinking, energy, agriculture, recreation, and a variety of other uses. If not treated, these impacts will cost Idahoans hundreds of millions of dollars. Idaho Water Users Association fully supports ISDA."

Idaho Sportsmen Association- "Without this treatment, the quagga mussels will quickly spread and start taking over various waterways, harm wildlife habitats, effect the Columbia River Basin and snake river systems, and have many more detrimental impacts to agriculture, hydro power, drinking water and beyond. We know there will be damage to the fish populations and other species in the local treatment area, but it pales in comparison to the damage caused by an expansion of an aggressive invasive species that threatens our entire state's well-being and ways of life. Although Idaho Sportsmen Board and members are saddened by the closures and fish mortalities that will occur, we believe the treatment is best for the long-term sustainably of wildlife and their ecosystems."

Idaho Wildlife Federation- "IWF supports this quick action by the State of Idaho. Quagga mussels can destroy entire aquatic ecosystems. If we don't get this right – including adhering to recreational closures – the mussels will spread and destroy nearby, world-renowned fisheries like Silver Creek, the South Fork Snake and the lakes of the Sawtooths and the entire Salmon River. Idaho's fisheries are economic and cultural staples. We must do what we can now to contain and eradicate these mussels to protect those incredible assets."

Idaho Dairymen's Association- "The Idaho Dairymen's Association commends the swift response from the ISDA and supporting agencies in their efforts to eradicate the quagga mussel presence recently discovered in the Snake River below the Twin Falls Dam. The expense to irrigated agriculture and the water systems of rural communities, that support Idaho's dairy industry, would be immense if the quagga mussels were allowed to persist. We have been able to witness firsthand the efforts of the response team being led by ISDA and fellow agencies and have the upmost confidence in the expertise, passion, and desire to do the right thing for Idaho from these individuals. While audacious, treating the river to eliminate the quagga mussel is the absolute correct response. Any risks and short-term impacts caused by treatment are far better than the long-term negatives of not eradicating the quagga mussels from Idaho."

Idaho Grain Producers Association- "ISDA's response to the discovery of quagga mussels in the Snake River has been thorough and impressive. It's hard to fully appreciate the threat posed by this invasive mussel. ISDA moved quickly to gather stakeholders and experts, worked collaboratively to put together an aggressive plan of action, and executed the plan, communicating with stakeholders and community members all along the way. Swift and decisive action was necessary, and that's what ISDA delivered. The agricultural community is grateful for their hard work and leadership on this pressing issue."

# CAES Energy Policy Institute team presents research in Iceland

The Boise State University Center for Advanced Energy Studies Energy Policy Institute team will present at the 2023 Artic Circle Assembly in Iceland mid-October. The Artic Circle Assembly is the largest network of international dialog and cooperation on the future of the Artic and ouR Planet.

This is a critical time in Reykjavik, Iceland for discussions about community-engaged choices on energy, low carbon change and economic development. CAES EPI team members — Cassie Koerner, Assistant Director of Research, Communications & Development, and Kathy Araújo, Director and Professor of Sustainable Energy Systems, Innovation and Policy — will present at the Arctic Circle Assembly and engage in partnering discussions.

They will discuss their work tied to emerging energy markets in low-carbon development, and better practices in community-engaged decision-making and consent-based siting. This annual event will host more than 700 speakers in over 200 sessions.

# Why Vegas is on the hook for natural disaster protection plans in Northern Nevada

Electrical grid failures have been pinpointed as sources of some of the country's most damaging and deadly wildfires — the 2018 Camp and Woolsey fires in California, the 2020 Santiam Fire in Oregon, and the 2021 Marshall Fire in Colorado. When the smoke dissipates, the cost of paying for these disasters hits utilities, and their customers, hard. In the wake of the devastating fires, Nevada lawmakers passed legislation in 2019 requiring that the state's primary electric utility — NV Energy — draft periodic plans outlining steps to prevent such a disaster from happening here. In the years since, NV Energy has developed an extensive plan and invested millions of ratepayer dollars into mitigation efforts.

The latest NV Energy Natural Disaster Protection Plan (NDPP), which spans from 2024 to 2026, addresses preparation work for an array of disasters, including earthquakes, wind events, floods, and mudslides, with the bulk of its focus on wildfires. The plan specifically targets <u>nine areas of extreme or elevated fire risk</u> ranging from Lake Tahoe to Elko. All but one of the targeted areas — in the Spring Mountain Range outside of Las Vegas — are in Northern Nevada, mostly in the Reno-Tahoe-Carson City area.

In the <u>plan</u>, NV Energy is forecasting \$43.5 million for Southern Nevada projects, including wildfire cameras and moving lines underground, and \$127.6 million for Northern Nevada. Funding for the NDPP is collected from all NV Energy customers, without considering their geographic location. That geographic imbalance has led large corporate customers and the state's consumer advocate to cry foul to the Nevada Public Utilities Commission (PUCN). They argue that slapping higher rates on all NV Energy customers — the majority of whom live in Southern Nevada, outside the highest risk zones — is not a fair solution.

Despite those protests, the PUCN this summer approved the newest plan and, with a 2-1 vote, the funding mechanisms for work done under the past plan. Rate changes go into effect this month. Southern and Northern Nevada NV Energy customers pay different rates and base charges, including those for basic service and per kilowatt hour of consumption, but all customers, NV Energy argues, should be responsible for fire prevention because all customers benefit from natural disaster prevention.

The charges are nominal — a fraction of kilowatt hours used — for most residential customers. But for corporate power users such as gaming companies MGM Resorts International and Wynn Resorts — who have objected to how the plans are funded — the costs could be much higher because the NDPP and other volumetric surcharges scale up for large power users. Attorneys with the state's Consumer of Bureau Protection (BCP) are also worried that ratepayers are funding direct costs outside of their service areas. The multiyear battle raises an increasingly pressing public policy question as climate change fuels more erratic weather patterns: Are natural disasters statewide or local issues?

For complete story: Why Vegas is on the hook for natural disaster protection plans in Northern Nevada - The Nevada Independent

Utah lawmakers prepare to wrangle with Millard power plant

Audit finds huge Utah power plant lacks transparency, state oversight — but benefits California
by Amy Joi O'Donoghue/Desert News, Oct 10, 2023

Lawmakers once again are taking aim at the Intermountain Power Project in Millard County, armed with new ammunition from a legislative audit released Tuesday that asserts the entity operates with little state oversight, even though the state itself created it in 1977. The <a href="Intermountain Power Agency">Intermountain Power Agency</a> is an intergovernmental agency that enjoys benefits of that governmental status. For instance, it is going out on the market to secure \$1.65 billion in bonds, of

which 93% are tax-exempt. The plant itself is run by the Los Angeles Department of Water and Power, the beneficiary of the 1,800-megawatt power plant that currently is fueled by coal.

With its creation by the state and the involvement of 23 cities, the idea originally was to not only ship energy to southern California, but to provide base load power as backup for those Utah consumers. However, the first-ever statewide probe of IPP by the Office of the Legislative Auditor General found that over the course of its history, just 2% of the power generated at the plant has gone to Utah. Additionally, its annual budget of \$520 million is within the purview of a board of which 79% is controlled by California purchasers, according to the audit. It takes an 80% voting block to make decisions.

Auditors said the Intermountain Power Agency is reaping substantial public benefit and contributes to Millard County's tax base, but not without excessive disputes. The auditor pointed out the plant has appealed its county tax assessment 26 of 38 years. The audit was presented Tuesday to the Legislative Audit Subcommittee, where multiple members expressed concern. For complete story: Audit: Utah power plant sends most of its energy out of state - Deseret News

# **OREGON NEWS**

# Hannah Dondy-Kaplan

# **PGE** habitat

BPA's Fish and Widlife Program isn't the only restoration funding in town. Portland General Electric just announced \$2 million for grant recipients who will implement habitat resotration proejcts to benefit salmonid species in the Clackams and Deschutes River basins. The grant funding comes from an optional "Green Future" fee of \$2.50 a month that customers elect to pay.

# **Growing cities**

Both Bend and North Plains recently began the process to expand their urban growth boundaries in order to build more housing. Bend City Council approved the annexation of 150 acres on the northern side of Bend, between highways 92 and 20. They already have plans to build 500 homes, a park, and a school.

Meanwhile, the City of North Plains is trying to expand their urban growth boundary to include more than 800 new acres, in anticipation of population growth but also to allow for industry and potential semi-conductor manufacturing (their neighbor to the west, Hillsboro, is also hoping to extend their urban growth boundary for this reason as well). While City Council has approved the plans, the local agricultural community is opposing it due to the impact it will have on high value farm land. A group is working on bringing it to a vote for the residents of North Plains.

# WEST COAST NEWS Doug Marker

# Western state meetings hear transmission planning and market development discussions

Western state utility commissioners and energy office heads met last week to discuss current electricity policy issues at the CREPC (Committee on Regional Electric Power Cooperation) meetings in Seattle. Sessions included presentations on transmission expansion in the West and updates on wholesale market development.

Sarah Edmonds, CEO of the Western Power Pool, described the effort initiated by BPA Administrator John Hairston to convene a regional transmission planning collaboration. WPP has taken on facilitating the initiative. Edmonds spoke to the objectives of the planning effort to be longer term in its planning horizon, 20 years instead on the 10-year horizon for current regional planning, and also to be West-wide in geographic scope. She invited interest parties to join the effort. The initiative drew praise during the CREPC meetings, including from Spencer Gray of the Northwestern and Intermountain Power Producers Coalition; Jeremiah Baumann, of the U.S. Department of Energy; and former FERC Chair Rich Glick, who has been consulting with western state regulators on their recommendations for regional transmission planning.

Discussions of market development were polite and generally focused on the reported benefits to date of the Western Energy Imbalance Market and the value of one unified Western market, versus two. In the hallways, there was more discussion of the recent West-Wide Governance Pathways Initiative proposed by several states to create an independent entity that could contract with the California ISO for market services. In general, the Pathways Initiative was described as a means to resolve governance concerns with the current California authority over CAISO's wholesale markets. Advocates for the concept stressed the value of a single market for most of the West. The leading question was if the concept is possible under current California law and whether western entities will devote time to develop the concept and the new entity to administer it. Which leads me to...

# West-Wide Pathways Initiative convenes initial meetings

Just before the CREPC meetings, the supporters of the Pathways initiative release a "Phase One Proposal", outlining a near-term scope to form an initial oversight board and to develop scenarios for the functions of the independent entity. The ambitious scope of work calls for seating an independent board by April 2024. In the meantime, work groups will flesh out the details of the operational functions of the entity, its scope of market functions, and the supporting governance structure. The scope of work does not immediately address whether the market operations of the California ISO can be transferred to a new entity and out from under the authority of California law.

The sponsors of the initiative sought both comments on the scope of work by today and volunteers to form an initial work group that will, in turn, form a more formal "Launch Committee", representing sectors of the Western electricity community, to guide development of the functions of the entity. That initial group of volunteers met Wednesday and will have a public meeting next Friday to report their progress and considerations of comments received.

BPA <u>commented today</u>, supporting the concept of an independent entity, but urging that the first need is legal analysis of the viability of the concept under California law. Pending more positive assurance of that legal viability, BPA is saying that we will keep our work focused on our current market, transmission, and regional reliability effort.

# This just needs "Miserlou" as the soundtrack

Southern California claims to have more dolphins per square mile than any other location on earth. And dolphins apparently love to swim in front of boats. So, you can see the attraction for visitors to Orange County's Dana Point who



climb aboard whale-watching boats to see hundreds of dolphin race before the bow. Now add a drone flying above with a camera and you get this <u>spectacular video</u> shot two weeks ago (wait four seconds to skip the ad).

# Montana - Energy, Transmission & Politics

- Hydro generation in the northwest, including Montana, dropped 24% in the first half of 2023 compared to the same period last year, mainly due to a snowpack that melted quickly and drought conditions throughout the Rocky Mountains. The region generates about half of all hydropower in the nation. The Energy Information Forecast estimates 2023 will see the lowest amount of hydropower generated nationwide since at least 2015. "Parts of the Northwest, particularly around the Columbia River Basin, have had increasingly severe drought conditions since June 2023. These conditions will limit water supply, which could limit hydropower generation in the future." Montana (-26.1%), Idaho (-24.5%), Oregon (-26.1%) and Washington (-26.9%) all saw significant drops during the first seven months of this year compared to the same period in 2022. Hungry Horse Dam, Libby Dam, and Seli'š Ksanka Qlipse' (SKQ) Dam are three of the largest hydropower plants in the state and generated approximately 37% of the hydroelectric power that comes out of Montana. (Daily Interlake, 10/7/23)
- At the Montana Electric Cooperatives Association (MECA) annual meeting last week, Legislative Affairs Director for NRECA gave a keynote speaking to "providing signs of hope for co-ops amidst the onslaught of new and proposed EPA regulations." Hamill noted 9 different regulations in the works, with the proposed new EPA rule regulating greenhouse gas emissions being the "flagship" of EPA's efforts to force a shift in generation from fossil fuels. Hamill lamented that the Biden Administration had "completely rushed through drafting of the rule," but also noted that the Supreme Court will be the "best check" on the EPA's proposed rules. Also covered was a new NRECA report highlighting electric co-ops contribution to ~623k jobs and \$111B annually to GDP from 2018 through 2022.
- At the recent Northwest Public Power Association Board of Trustees meeting, the trustees approved a
  restructuring of the officers and moving current officers forward. The new 2023-2024 NWPPA Board of Trustees
  includes Doug Schmier of Fall River Electric Cooperative in Idaho as President. Doug is a former board member at
  MECA.
- MT Legislators of the Energy & Telecommunications Interim Committee heard from MT co-ops last week as the study of power reserves gets underway. <u>Jean Schafer of Basin Electric</u> provided an excellent overview of co-ops, also emphasizing that organized energy markets can provide additional protection to ensure adequate power during emergencies, but that shrinking baseload generation is exacerbating the challenge.
- Testifying before the Legislature's Energy and Telecommunications Interim Committee (ETIC) on Sept. 28 were Jean Schafer of Basin Electric Power Cooperative and Mike Cashell of NorthWestern Energy.
- "It's been a busy week for Montana Republican Congressman Matt Rosendale, a likely entrant to Montana's 2024
  U.S. Senate race and a member of the hardline House Freedom Caucus, a role that has given him a megaphone to
  repeatedly agitate against GOP leadership in Congress." Rosendale was among the 90/221 House Republicans who
  voted against a continuing resolution to avert a government shutdown and 1/8 who subsequently voted to
  remove the House Speaker. (Montana Free Press, 10/5/23)
  - c Relatedly, an Op-Ed from the <u>Wall Street Journal</u> (10/5): "We have shown, OK, with a very small handful of people, 6 at times, 5 at times, that we can have tremendous impact in that body. When a lot of people, unfortunately, were voting to have a 270, 280 Republican House, I was praying each evening for a small majority." So...Mr. Rosendale was secretly hoping that Democrats would beat Republicans in roughly 50 competitive districts? There's a GOP prayer the Lord doesn't hear every day. Maybe the best reaction came from MT Sen. Steve Daines: "I didn't realize that Rosendale and Nancy Pelosi attend the same prayer group. Mr. Rosendale's thesis seems to be that a bigger majority would have given Mr. McCarthy too much room to maneuver and cut deals with the Democratic Senate. This is fantasy thinking."
- The state AG announced this week that the state will be appealing the landmark court ruling that sided with the
  youth climate activists. A coalition of youth climate activists sued the state over a 2023 statute that exempted fossil
  fuel permitting from consideration of greenhouse gas output in the Montana Environmental Policy Act (MEPA).
  Plaintiffs argued and the judge agreed this violated their right under the Montana constitution to a "clean and
  healthful environment." The State Energy Office is now soliciting Montanan's suggestions on how best to update
  MEPA.
- The State Energy Office has announced \$3M in federal funding for the development of a Climate Action Plan.
   While a statewide Climate Solutions Plan was developed in 2020 by previous Gov. Steve Bullock (D), it has not been

- updated since Gov. Greg Gianforte (R) took office. The new plan will enable Montana to receive additional federal funding focused on pollution reduction projects.
- Flathead Electric Cooperative has launched its EV Charging Assistant program intended to benefit the area electrical grid and all co-op members, regardless of electrical vehicle ownership. The EV Charging Assistant program will help residential electrical vehicle owners manage charging in ways that contribute to a resilient power grid, for example avoiding peak hours, which in turn benefits the entirety of the co-op's 57,000-plus membership. The program is intended to support the goal of keeping electric rates affordable by purchasing less power overall during peak demand hours, which the coop is charged more for. "There are many unknowns in our energy future, but one thing we are certain of is that the cheapest kilowatt hour is the one we do not have to purchase," Co-op General Manager Mark Johnson said. "Programs like the EV Charging Assistant are a vital tool to help our area manage an uncertain energy future by reducing our power requirements during peak demand hours. It is important to understand that programs like this one do not help just the members taking advantage of them they contribute to rate stability for everyone." (Daily Inter Lake, 10/8/23)
- NorthWestern Energy has another 80 MW of solar power in its portfolio with a new solar project in Dillon, toted to
  be equal to the largest solar project in Montana. Tuesday, Gov. Greg Gianforte celebrated Apex Solar in Beaverhead
  County as "American-made energy in Montana" with a ribbon cutting. A bill passed in the 2021 legislative session
  supported the project with a tax break for solar.
- NorthWestern Energy (NWE) recently announced that it intends to move forward with a company reorganization.
   Effective Oct. 2, 2023, NorthWestern Energy Group, Inc. will become the parent holding company of NorthWestern
   Corporation, which owns and operates the Montana, South Dakota and Nebraska regulated utility businesses. In
   early 2024, NWE intends to complete the second and final phase of the reorg, which will result in the SD and NE
   regulated utilities business becoming a separate direct subsidiary of NorthWestern Energy Group, Inc. The change
   has been described by NWE as both aligning with other utilities, and as a means of better protecting MT customers
   from company resources in other states.
- Four Montana Tribes were awarded federal funds to address orphaned wells, which can leak methane,
  contaminate groundwater, harm wildlife and leave rusted equipment. The Assiniboine and Sioux Tribes of the Fort
  Peck Indian Reservation will receive \$2.34M to assess more than 100 wells and plug another seven. The Fort Belknap
  Indian Community and the Chippewa Cree Tribe of the Rocky Boy's Reservation are each receiving \$1 million to
  identify and assess dozens of orphaned wells on their lands. Another 11 wells will be reclaimed on lands of the Crow
  Tribe.
- Henry Kriegel, the legislative director of Americans for Prosperity-Montana, recently completed an energy tour of
  Montana to highlight the impact of the current administration's energy policies. The tour aimed to "highlight the
  potential of America's vast energy resources and the need to overcome opposition to energizing Montana and the
  country." He highlighted the cancelation of the Keystone XL pipeline, the potential breaching of the LSNR dams, and
  the current climate youth trial.
- The Montana Legislature's contentious decision to be the first state to ban TikTok in the name of protecting
  residents' digital privacy (now the subject of a high-profile court challenge) has drawn national headlines. However,
  two lower-profile laws that advanced through the Legislature may have a far greater impact on Montanans' ability
  to know and control how their personal data is used by for-profit entities. These include genetic data and
  various opt-out clauses.

#### Montana - Water, Weather & Fisheries

- "Regardless of their zip code, political leaning or socioeconomic status, Montanans from all corners of the state tend to love its open character, snowmelt-fed rivers and largely intact wildlife populations." This attitude has been known to cut through other divides, even in an increasingly partisan political climate. Last year, 85% of Montanans polled said that clean air, clean water, open spaces and public land are "very important" or "somewhat important" when they consider an elected official's suitability for office. Another poll found that 73% of Montanans surveyed described themselves as conservationists. The Montana Environmental Information Center (MEIC), a non-profit formed in 1973, have spent the last 50 years focusing on these unique Montana attributes, and have tended to focus on legacy mining impacts, fossil fuels, and clean water. See interview with Co-Director here.
- At the second annual Montana Lakes Conference, to be held in Whitefish next week, scientists and water-quality
  experts will highlight community-based efforts to promote healthy lake and reservoir ecosystems across the state.
  Researchers and experts will also present on emerging lake science and management issues, ranging from the
  benefits of water conservation and the threats of aquatic invasive species to protecting the water quality and clarity
  of western MT lakes.
- Rare earth elements extracted from the toxic water of Butte's Berkeley Pit are currently being studied as a
  potential source for important national defense projects and, maybe even green energy projects. Montana
  Resources, the private company that owns the pit, has recently partnered with the Dept. of Defense, Montana Tech,
  and West Virginia University for a feasibility study.
- "Mack Days," a lake trout fishing derby sponsored by the Confederated Salish and Kootenai Tribes (CSKT) has
  almost hit the half way mark. Up to \$200k in cash/prizes will be awarded at the conclusion of the event (Nov 12).
  "Ghost," the tagged lake trout worth \$10k is still cruising around Flathead Lake. BPA provides financial support for
  CSKT projects targeting the removal of Lake Trout.

# British Columbia - Energy/Water-Related News

- The Sinixt Confederacy is protesting B.C.'s decision to exclude them from Columbia River Treaty funding granted to three Indigenous nations. The Supreme Court of Canada ruled in 2021 that the Sinixt, regardless of the fact that most of them currently live in WA State, are Indigenous peoples of Canada as defined by the Constitution of Canada. In June 2023, the B.C. government announced that it intends to contribute ~\$6M annually for four years to three groups: the Ktunaxa, Secwépemc and Syilx Okanagan Nations. This amounts to five per cent of the ~\$120M the US pays to BC under the Columbia River Treaty. The Sinixt may take the case to court if the BC government refuses to come to the table, but the BC government maintains that the Sinixt are part of the US treaty negotiation team on the CRT because they are part of a US based group.
- Communities in BC should be better prepared for emergencies and disasters under the most comprehensive and progressive framework in Canada if the Emergency and Disaster Management Act is passed, which was introduced this week at the Legislative Assembly of BC.
- Canada's power grids are a long way from being ready to handle enough EVs to meet the federal government's net-zero goals. It's a challenge compounded by labor and copper shortages, as well as uncertainty about where to invest.
- A "touring route" is currently being developed in BC to honor communities displaced by the building of the dams
  resulting from the CRT. The Treaty resulted in the loss of 110k hectares, the relocation or disappearance of
  communities on the Arrow Lakes, Duncan Lake, and in the East Kootenay, and the displacement of about 2,000
  people.



\*Arrowhead, shown here in 1905, was one of the communities lost when the Keenleyside Dam was built. Phota: Greg Nesteroff

• Op-Ed on Arrow Lakes Reservoir by Katrine Conroy, BC Minister responsible for the CRT: Conroy cites severe drought, electricity demands, and the Treaty as reasons for low levels. "As troubling as the situation has become this summer, it has drawn attention to the treaty, which is a positive thing. The treaty has been a part of the Columbia Basin for almost 60 years, and all of us know that there is a critical need to improve it. One of our key goals is to gain more flexibility for how B.C. operates its treaty dams to better support ecosystems, Indigenous cultural values, and socioeconomic interests. B.C.'s negotiating team has shared photos and stories from Arrow Lakes Reservoir this summer with their American counterparts to illustrate how important this additional flexibility is. An Arrow-focused virtual information session is to be held 10/18.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

# Troy Wright (CONTR)

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From: Klumpp, Elizabeth C (BPA) - AIR-WSGL
Sent: Tuesday, June 20, 2023 9:41 AM

To: Cook, Jeffrey W (BPA) - TP-DITT-2; Miller, Mike P (BPA) - TE-DITT-2; Shaheen, Richard L

(BPA) - T-DITT-2; Thompson,Kim T (BPA) - PS-6; Cook,Joel D (BPA) - K-7; Allen,Clarissa A (BPA) - PSS-SEATTLE; Johnson,G Douglas (BPA) - DK-7; Scruggs,Joel L (BPA) - DK-7; ADL\_TSE\_ONLY; Sheckells,Katie (BPA) - TSB-TPP-2; Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2; Bustamante,Richard (BPA) - TPP-OPP-3; Baskerville,Sonya L (BPA) - AIN-WASH; Bleifuss,Lindsay A (BPA) - PSW-6; Farleigh,Kevin S (BPA) - PSW-6; Hobson,Claire A (BPA) - PSW-6; Huebner,Gregory A (BPA) - PSW-SEATTLE; Kruse,Pontip K (BPA) - PSE-MEAD-GOB; Normandeau,Mike (BPA) - PSE-RONAN; Patton,Kathryn B (BPA) - PSW-SEATTLE; Perry,Marcus I (BPA) - PSW-6; Rimmer,William T (BPA) - PSE-MEAD-GOB; Ross,Hope E

(BPA) - PSE-MEAD-GOB; Schimmels, Nancy M (BPA) - PSE-MEAD-GOB; Wilson, Scott K

(BPA) - PSW-6 ADL AIR ALL

Cc: ADL\_AIR\_ALL

Subject: ZeroAvia (hydrogen aviation developers) expand in Everett; Twelve - clean plane jet fuel

developer moves to Moses Lake - Gov. Inslee at Paris air show

I don't think anyone is telling the Gov. or clean energy seekers that currently, Grant PUD, has a fossil-fuel heavy power mix. Wash. Dept. of Ecology awarded Grant large quantities of free carbon allowances because Grant PUD forecasted a fuel mix that relied on unspecified purchases or fossil fuels to serve 50-70% of its retail load. (Alisa Kaseweter and Clarissa Allen in Seattle office have the Ecology carbon data for Grant and other utilities.)

Story is about one low-emission airplane *fuel* developer – Twelve - moving to Moses Lake soon. (Along with two battery component manufacturers who are dependent on silicon from REC currently located in Moses Lake.) Another hydrogen-powered aviation company, ZeroAvia, is expanding its facility in Everett (increasing from 30 employees to 150 employees). I believe these industries are receiving clean energy grants from Wash. or feds. The two battery component manufacturers each received \$100 million grants from USDOE.

Seattle Times article below, followed by press releases from Wash. Commerce for each company. Liz

Gov. Jay Inslee announced that California-based clean energy startup Twelve plans to set up an industrial facility in Moses Lake to make jet fuel from electricity, water and air.

https://www.seattletimes.com/business/boeing-aerospace/washington-state-announces-e-fuel-and-hydrogen-power-wins-at-paris-air-show/

PARIS — On the opening day of the Paris Air Show at Le Bourget, Washington state Gov. Jay Inslee announced that California-based clean energy startup Twelve plans to set up an industrial facility in Moses Lake to make jet fuel from electricity, water and air.

Inslee also announced that another sustainable aviation pioneer working on hydrogen-powered flight, ZeroAvia, will expand its facility in Everett. By the middle of next year, ZeroAvia plans to increase its current 30-strong workforce there by a factor of five.

Inslee said the two companies add to a "rapidly growing ecosystem of world-leading innovators located in Washington state who are building the future of sustainable aviation fuels and zero-emission propulsion systems."

Startup Twelve, named for the atomic number of carbon, aims to make carbon products typically derived from fossil fuels using only renewable energy, water and waste CO2.

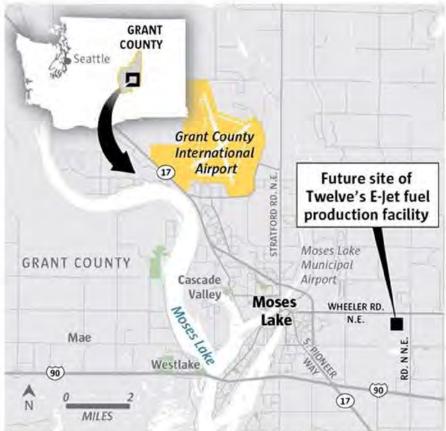
Beside the Washington state booth at the Paris Air Show, Inslee announced "the imminent groundbreaking of a truly green jet fuel production facility with a company that uses CO2 and water to make a truly clean, climate change-defeating jet fuel."

He said with sustainability at the top of the agenda for the aviation companies gathered in Paris, "I really don't think you could find a more promising technology than Twelve to be a principal component of that sustainable aviation fuel supply chain."

Electricity from renewable sources, such as solar, wind or hydroelectric, is used to extract hydrogen from water and combine it with waste CO2 to produce hydrocarbons like those derived from fossil fuels.

Twelve CEO Nicholas Flanders said the CO2 will come from biomass waste, such as is produced by ethanol or food-processing plants, pulp and paper mills, and landfills.

Because it's made with electricity, Twelve's synthetic version of sustainable aviation fuel is often called e-fuel. It has branded its product E-Jet.



Source: Esri MARK NOWLIN / THE SEATTLE TIMES

Twelve chose Moses Lake, Flanders said, "because of the availability of green power, through hydropower, and sources of biogenic CO2, which is the carbon feedstock for our fuel, and the great policies of Washington state that are accelerating the development and deployment of sustainable aviation fuel, green hydrogen and green power."

"Washington is such a hub for aerospace in the U.S., it makes sense that it would be the first place for this fuel that is really going to transform the industry," he added.

Twelve's project will provide 50 to 100 construction jobs to build the plant and 20 full-time "green jobs" in Moses Lake to operate it. Flanders said the first e-fuel produced there should be fueling flights starting next year.

"Then in 2025 and beyond, it's all about scaling millions and millions of gallons of capacity of this fuel," he said. "This is a really transformative step as a company because this is the world's first commercial e-jet plant."

Though fossil fuel-derived energy may be used at some point in production and distribution of e-fuel — perhaps through transportation, for example — it is expected to have 90% lower life cycle emissions than regular jet fuel.

Twelve was formed in 2016 by three Stanford University classmates: Chief Technology Officer Kendra Kuhl, a chemistry Ph.D.; Chief Science Officer Etosha Cave, a mechanical engineering Ph.D.; and Flanders, who has a master's degree in business and environment.

The startup was incubated, Silicon Valley style, at the Department of Energy's Lawrence Berkeley National Lab at the University of California. Flanders said it has raised about \$250 million in venture capital and has more than 200 employees.

Flanders said that in Twelve's labs and manufacturing facility in the Bay Area it has scaled up its proprietary electrolyzing reactors to "suitcase-sized" models, dozens of which will run at the planned Moses Lake facility.

Washington state is not providing direct funding to Twelve, but recently passed substantial tax credits for large-scale producers of clean energy and is streamlining the permitting to accelerate building clean technology facilities.

MOVIMIENTO

A groundbreaking event for the Moses Lake facility is planned for July 11.

Separately Monday, Inslee announced a grant from the state's reserve fund to ZeroAvia, which is developing a hydrogen-powered plane, to expand its facility at Paine Field in Everett.

A startup with facilities in the U.K. and California, ZeroAvia's system produces electricity from hydrogen fuel cells to power zero-emission airplanes, and is initially retrofitting its system to a series of existing aircraft.

It has so far raised about \$150 million. About \$20 million of that is public money to fund research, most of it from the U.K. government.

The rest is private investment from venture capital firms focused on clean technologies, including Breakthrough Energy, funded by Bill Gates, and Amazon's Climate Pledge fund.

# American Airlines and United have placed provisional orders.

Though the size of the newly announced Washington state grant was not disclosed, ZeroAvia founder and CEO, Russian-born Val Miftakhov, said in an interview in Paris it's of the same order as a previous state Department of Commerce \$350,000 grant to ZeroAvia in January 2022 to set up its research facility at Paine Field airport.

The Everett site currently employs 30 people researching electric propulsion and retrofitting a retired Alaska Airlines Q400 turboprop to run on hydrogen.

Youcef Abdelli, ZeroAvia's chief technical officer for propulsion who heads the Everett site, said in Paris he plans to hire rapidly and to have between 80 and 100 employees in Everett by year end and 150 by the middle of next year.

Although aerospace companies generally are having a hard time hiring talent, Abdelli said others "don't have the same passion, the same sense of mission and purpose" that ZeroAvia offers and he's confident he'll attract the engineers and technicians he needs.

Miftakhov described Everett as "a hugely important location for us" because of the availability of aerospace and electrical engineers in the region and the hub of aerospace industry peers in the state also pushing toward sustainable flight.

In a statement, Miftakhov added that the state funding "enables us to push forward quickly on our targets for commercial flight of up to 20-seat aircraft by 2025, and up to 80-seat aircraft by 2027."

ZeroAvia's planned zero-carbon-emitting propulsion system is in the developmental stage.

In 2020, ZeroAvia achieved an eight-minute hydrogen-powered flight of a six-seat Piper airplane. The U.K. government that year gave the company a \$16 million grant to develop a 19-seat hydrogen-powered aircraft capable of a 350-mile flight.

The Piper completed more than 30 flights. But in a setback, the plane crashed in 2021 when the switching software between the backup battery system and the hydrogen fuel system caused the power controllers to lock up.

"It really forced the company to get more discipline around a number of areas," Miftakhov said. "We revamped our test processes. We set up a professional flight-testing organization."

In January this year, ZeroAvia achieved in the U.K a 10-minute hydrogen-powered flight of a 19-seat Dornier 228. That aircraft has completed eight flights since then.

In May, Alaska Airlines donated the Q400 regional turboprop, also known as the De Havilland Canada Dash 8 aircraft, to be retrofitted with ZeroAvia's hydrogen-electric propulsion system.

ZeroAvia aims to certify its propulsion system and then retrofit it and certify it to fly passengers on a various existing small aircraft. The first such product, which Miftakhov said he expects to certify in 2025, is a 13-seat Cessna Grand Caravan.

The retrofit of the Alaska Airlines Dash 8 will be the biggest step up. The Dornier flying now requires 600 kilowatts of power. The Dash 800 will require about 3 megawatts of power.

Miftakhov said the company expects to have to raise another \$100 million to get the Grand Caravan certified to carry passengers.

And he said it will take about a further \$200 million to get the Dash 8 through the same process.

The bigger plane will require different, higher-temperature fuel cells and will need a more complex geared drive shaft instead of the direct drive shaft on the smaller plane.

Miftakhov said he expects it will take to 2028 or 2029 to get that model certified for passenger service.

Another startup, Universal Hydrogen, is chasing the same goal of hydrogen-powered flight. In March, it flew for 15 minutes at Moses Lake a Dash 8 converted to hydrogen power.

Both companies face the challenge of creating an infrastructure to deliver "green hydrogen" — produced using sustainable energy — to airports around the globe.

For ZeroAvia, it's a matter of tapping into electricity from renewable sources and building electrolyzers to generate the hydrogen using that electricity.

"With electrolysis, we're sort of where we were with solar panels and winds 10 or 15 years ago," Miftakhov said. "The capacity growth is just at the beginning right now and we'll see orders of magnitude higher production capacity."

Dominic Gates: 206-464-2963 or dgates@seattletimes.com; on Twitter: @dominicgates.

# Wash. Commerce Press Release on ZeroAvia expansion in Everett:

# ZeroAvia announces expansion of electric propulsion R&D facility at Paine Field

Washington Governor Inslee, ZeroAvia CEO Val Miftakhov announce state support for tech systems development and retrofit center leading up to flight test of world's largest hydrogenelectric aircraft

PARIS AIR SHOW, LE BOURGET, FRANCE, JUNE 19 — Washington State Governor Jay Inslee today joined ZeroAvia CEO and Founder Val Miftakhov at the Paris Air Show to announce an additional investment by the state to support the company's expansion at Paine Field in Everett, Washington. The facility is the heart of ZeroAvia's electric propulsion system technology development and recently unveiled a program to retrofit a Dash 8-400 76-seat aircraft with a prototype engine ahead of flight testing that will make this the world's largest hydrogen-electric aircraft.

Following a prior state investment for facilities improvements, ZeroAvia rapidly accelerated its presence and now employs approximately 30 people at the site. This additional investment from Washington State's Economic Development Strategic Reserve Fund will assist improvements at research and development facilities that support both the company's electric propulsion R&D and the Dash 8 testbed retrofit program. (Photo credit: Joe Nicholson-Alaska Airlines)

"ZeroAvia is a key member of the rapidly growing ecosystem of world-leading innovators located in

Washington state who are building the future of sustainable aviation fuels and zero-emission propulsion systems," said Gov. Jay Inslee. "Our low-carbon fuel standard, abundant clean power and generous new tax incentives for low-carbon fuels provide an unmatched base from which to develop and deploy the next generation of renewable solutions to decarbonize the aerospace sector."

"With the vast array of talented aerospace and electrical engineers, amidst a hub of aerospace industry peers also pushing towards sustainable flight, Everett is a hugely important location for us," said Val Miftakhov, CEO and founder, ZeroAvia. "The support from Governor Inslee and the

Washington Department of Commerce enables us to push forward quickly on our targets for commercial flight of up to 20-seat aircraft by 2025, and up to 80-seat aircraft by 2027. We are tremendously excited about the opportunities this opens up to grow our team and establish world class facilities at Paine Field."

"By removing barriers and advocating for business success, the Economic Alliance of Snohomish County (EASC) plays a vital role in securing incentives and fostering economic growth. ZeroAvia's additional expansion in Snohomish County, supported by the Washington State Department of Commerce and Governor Inslee, exemplifies our commitment to innovation, clean energy, and the creation of high-quality jobs," said Garry Clark, CEO and President, EASC. "Together, we are driving advancements in sustainable aviation and strengthening Snohomish County's position as a global hub for cutting-edge technology and economic prosperity."

# About ZeroAvia

ZeroAvia is a leader in zero-emission aviation, focused on hydrogen-electric aviation as the initially targeting a 300-mile range in 9–19 seat aircraft by 2025, and up to 700-mile range in 40–80 seat aircraft by 2027. Based in the US and the UK, ZeroAvia has already secured experimental certificates for its three prototype aircraft from the CAA and FAA, passed significant flight test milestones, secured a number of key partnerships with major aircraft OEMs, secured \$10B in pre-orders from a number of the major global airlines, and is on track for commercial operations in 2025. The company's expanding UK operations are supported by grants from UK's Aerospace Technology Institute and Innovate UK, and ZeroAvia is part of the UK Government's Jet Zero Council. For more, please visit ZeroAvia.com, follow @ZeroAvia on Twitter, Instagram, and LinkedIn.

# Wash. Commerce Press Release on Twelve:

# Twelve announces plans to scale production of sustainable aviation fuel made from CO<sub>2</sub> in Washington State

PARIS AIR SHOW, LE BOURGET, FRANCE; June 19, 2023 — Carbon transformation company Twelve and Washington Governor Jay Inslee today announced plans to scale the production of Leguel Twelve's sustainable aviation fuel (SAF) made from CO<sub>2</sub> and renewable energy, with a commercial-scale production facility in Moses Lake, WA. The announcement was made during a press conference held at the Washington State exhibit at the 2023 Paris Air Show in Le Bourget, France.

Twelve's E-Jet fuel is produced using the company's carbon transformation technology, which uses only renewable energy and water to transform CO<sub>2</sub> into critical chemicals and materials conventionally made from fossil fuels. With up to 90% lower lifecycle emissions compared to conventional fossil-based fuels, E-Jet fuel is a drop-in synthetic fuel that works seamlessly with existing aircraft and faces no constraints on feedstock, offering the best viable long-term solution to address emissions in the aviation industry. Transitioning to E-Jet fuel not only reduces reliance on fossil fuels, but also reduces particulate emissions from aviation and decreases impacts on neighboring communities.

"Washington maintains its widely-recognized leadership in the aviation and aerospace industries by creating a competitive business environment that fosters technology innovation, such as carbon transformation, that will help decarbonize the global aviation industry," said Gov. Inslee. "We're excited for Twelve to join the growing number of innovative companies that recognize everything that Washington has to offer."

"Commercial-scale production of E-Jet fuel is a major milestone in our mission of creating a world run

on air," said Twelve co-founder and CEO Nicholas Flanders. "Washington is the perfect location for our facility, with its abundant renewable energy resources to power our carbon transformation process and longstanding global leadership in the aviation industry."

A groundbreaking event for the facility will take place on July 11 with Gov. Inslee and other regional and local stakeholders who support sustainable aviation fuel development in Washington State. The first customers to receive E-Jet fuel from the plant will be companies and major airlines with which Twelve has existing partnerships, including <a href="Shopify">Shopify</a>, <a href="Alaska Airlines">Alaska Airlines</a>, and <a href="Microsoft">Microsoft</a>.

Media interested in attending the groundbreaking event on July 11 in Moses Lake, WA, can contact <a href="mailto:twelve@antennagroup.com">twelve@antennagroup.com</a> for more information and to register for the event.

# **About Twelve**

Twelve is the carbon transformation company, a new kind of chemical company built for the climate era. We make essential products from air. Our groundbreaking technology eliminates emissions by transforming CO<sub>2</sub> into critical chemicals, materials and fuels that today are made from fossil fuels. We call it carbon transformation, and it fundamentally changes how we can address climate change, reduce emissions and reverse the carbon imbalance. Reinventing what it means to be a chemical company, we're on a mission to create a climate positive world and a fossil free future through the power of chemistry. Learn more at <a href="https://www.twelve.co">www.twelve.co</a>.

 From:
 Hairston, John L (BPA) - A-7

 Sent:
 Monday, May 2, 2022 1:12 PM

To: Marker, Douglas R (BPA) - AIR-7; Baskerville, Sonya L (BPA) - AIN-WASH;

Armentrout,Scott G (BPA) - E-4; Cook,Joel D (BPA) - K-7; Cooper,Suzanne B (BPA) - P-6; Dibble,Rachel L (BPA) - PT-5; Dibble,Rachel L (BPA) - PT-5; Symonds,Mark C (BPA) - B-3; Kukreti,Rahul (BPA) - B-3; Allen,Briana K (BPA) - B-3; Mantifel,Russell (BPA) - PGL-5; Symonds,Mark C (BPA) - B-3; Carmack,Corey P (BPA) - AIT-7; Case,Cynthia D (CONTR) - AIR-7; Foster,Marchelle M (BPA) - AI-7; Harwood,Holly C (BPA) - AIR-7; Ikakoula,Corrina A (BPA) - AIT-7; Kaseweter,Alisa D (BPA) - AI-7; Klumpp,Elizabeth C (BPA) - AIR-WSGL; Manchester,Kathleen L (CONTR) - AIT-7; Nelson,Carrie E (BPA) - AIT-7; Peacock,Julie (BPA) - AIR-7; Reller,Mark D (BPA) - AIR-MSGL; Seifert,Roger E (BPA) - AIN-WASH;

Warner, Joshua P (BPA) - AIR-7; Williams, John J (BPA) - AIR-BOISE

Subject: RE: California governor suggests flexibility to keep Diablo Canyon open

Thanks for sharing Doug, certainly interesting news.

Thanks John

From: Marker, Douglas R (BPA) - AIR-7 < drmarker@bpa.gov>

Sent: Monday, May 2, 2022 10:07 AM

Subject: California governor suggests flexibility to keep Diablo Canyon open

This is the best coverage I've seen over the weekend. Gov Newsom apparently sprung this without much advance warning. California government has limited role — and this will take significant course reversal by PG&E and the Nuclear Regulatory Commission.

But this is a significant opening and would be huge for the medium term reliability picture in California.

## Sammy Roth

Fri, April 29, 2022, 6:00 AM-9 min read

In this article:

#### **Gavin Newsom**

Governor of California

Gov. Gavin Newsom is considering looking to delay the long-planned closure of Diablo Canyon, California's last nuclear power plant. (Joe Johnston / San Luis Obispo Tribune)

With the threat of power shortages looming and the climate crisis worsening, Gov. Gavin Newsom may attempt to delay the long-planned closure of California's largest electricity source: the Diablo Canyon nuclear plant.

Newsom told the L.A. Times editorial board Thursday that the state would seek out a share of \$6 billion in federal funds meant to rescue nuclear reactors facing closure, money the Biden administration <u>announced</u> this month. Diablo Canyon owner Pacific Gas & Electric is preparing to shutter the plant — which generated 6% of the state's power last year — by 2025.

"The requirement is by May 19 to submit an application, or you miss the opportunity to draw down any federal funds if you want to extend the life of that plant," Newsom said. "We would be remiss not to put that on the table as an option."

He said state officials could decide later whether to pursue that option. And a spokesperson for the governor clarified that Newsom still wants to see the facility shut down long term. It's been six years since PG&E agreed to close the plant near San Luis Obispo, rather than invest in expensive environmental and earthquake-safety upgrades.

But Newsom's willingness to consider a short-term reprieve reflects a shift in the politics of nuclear power after decades of public opposition fueled by high-profile disasters such as Chernobyl and Three Mile Island, as well as the Cold War.

Nuclear plants are America's largest source of climate-friendly power, generating 19% of the country's electricity last year. That's <u>almost as much</u> as solar panels, wind turbines, hydropower dams and all other zero-carbon energy sources combined.

A <u>recent UC Berkeley poll</u> co-sponsored by The Times found that 44% of California voters support building more nuclear reactors in in the Golden State, with 37% opposed and 19% undecided — a significant change from the 1980s and 1990s.

The poll also found that 39% of voters oppose shutting down Diablo Canyon, with 33% supporting closure and 28% unsure.

Pacific Gas & Electric's Diablo Canyon nuclear plant is California's largest electricity source. (Michael A. Mariant / Associated Press)

Nuclear supporters say closing plants such as Diablo would make it far more difficult to achieve President Biden's goal of 100% clean energy by 2035, and to mostly eliminate planet-warming emissions by midcentury — which is necessary to avert the worst

impacts of climate change, including more dangerous heat waves, wildfires and floods, according to scientists.

Nuclear plants can produce power around the clock. The <u>stunning growth of lithium-ion</u> <u>battery storage</u> has made it easier and cheaper for solar panels and wind turbines to do the same, but those renewables still play much less of a role when the sun isn't shining and wind isn't blowing, at least for now.

The U.S. Commerce Department, meanwhile, is considering tariffs on imported solar panels, which could hinder construction of clean energy projects that California is counting on to avoid blackouts the next few summers, as Diablo and several gas-fired power plants shut down. Newsom said in a letter to Commerce Secretary Gina Raimondo this week that her department's tariff inquiry has delayed at least 4,350 megawatts of solar-plus-storage projects — about twice the capacity of Diablo Canyon.

He urged Raimondo to "take immediate action to resolve this issue as soon as possible."

"This Department of Commerce tariff issue is one of the biggest stories in the country," Newsom told The Times' editorial board. "Looking at retroactive 250% tariffs for everything coming out of Malaysia or Vietnam, and Taiwan, elsewhere — this is serious."

The governor said he's been thinking about keeping Diablo open longer since August 2020, when California's main electric grid operator was forced to implement rolling blackouts during an intense heat wave. Temperatures stayed high after sundown, leaving the state without enough electricity to keep air conditioners humming after solar farms stopped producing.

A few hundred thousand homes and businesses lost power over two evenings, none of them for longer than 2½ hours at a time, officials said. The state only <a href="mailto:narrowly avoided">narrowly avoided</a> more power shortfalls during another heat storm a few weeks later, highlighting the fragility of an electric grid undergoing a rapid transition from fossil fuels to renewable energy.

Newsom spokesperson Anthony York said the governor's decision to reconsider Diablo Canyon's closure timeline was driven by projections of possible power shortages in the next few years. Those projections, he said, came from the California Independent System Operator, which oversees the electric grid for most of the state.

Anne Gonzales, a spokesperson for the grid operator, couldn't immediately provide the projections. She said in an email that the agency supports "considering and exploring all options" for keeping the lights on, as doing so gets harder due to climate impacts including more extreme heat waves, more aggressive wildfires and hydropower supplies diminished by drought.

Newsom told the editorial board that reliable electricity is "profoundly important." He also acknowledged the <u>growing number</u> of scientists, activists and <u>former U.S. energy secretaries</u> who have pressed him to rescue Diablo for climate reasons.

"Some would say it's the righteous and right climate decision," Newsom said.

Extending the plant's closure deadline — PG&E is on track to shutter the first reactor in 2024, and the second in 2025 — wouldn't be easy even with funding from the Biden administration. The federal Nuclear Regulatory Commission would need to hurry to renew Diablo's operating license. Newsom suggested several state agencies would need to be involved, too — as well as the Legislature, which last year declined to even give a committee vote to a bill designed to keep Diablo Canyon open.

For Newsom to extend Diablo's life, he would also need PG&E's cooperation in applying for federal funds. The company committed to closing the plant in 2016, when it <a href="struck a deal">struck a deal</a> with environmental groups and its own union workforce to get out of the nuclear business — a decision that was eventually <a href="endorsed by regulators">endorsed by regulators</a> and lawmakers.

Asked whether PG&E is open to changing course on Diablo, spokesperson Lynsey Paulo said in an email that the company is "always open to considering all options to ensure continued safe, reliable, and clean energy delivery to our customers."

"PG&E is committed to California's clean energy future, and as a regulated utility, we are required to follow the energy policies of the state," Paulo said.

Newsom said he's asked PG&E to consider what it would take to keep Diablo Canyon open longer, including the possible role of federal funds.

"Based on the conversations we've been having with PG&E, it's not their happy place," he said.

An aerial view of the Diablo Canyon nuclear power plant. (Mark Ralston / AFP/Getty Images)

The company declined to comment on how federal funds might be used to Diablo's benefit. State officials have previously told The Times that operating Diablo past 2025 would require billions of dollars of upgrades to comply with earthquake safety rules, and with environmental regulations governing the use of <a href="mailto:ocean water for power-plant cooling">ocean water for power-plant cooling</a>.

To Ralph Cavanagh — co-director of the clean energy program at the Natural Resources Defense Council, and a key architect of the 2016 deal to shut down Diablo Canyon — applying for federal funds would be a fool's errand.

Cavanagh said it's his understanding that only certain types of power companies with specific economic challenges are eligible for the nuclear funding, and PG&E isn't one of them. The infrastructure bill approved by Congress last year — which set aside the money Newsom is interested in seeking — says funds are only available to nuclear

plants that compete in a "competitive electricity market," which Diablo Canyon does not.

York, Newsom's spokesperson, acknowledged in a text message that there's "some question about whether Diablo is eligible" for the federal money, and that "PG&E would need to talk to" the federal Energy Department to get more clarity.

Cavanagh also said solar, storage and other clean energy resources could replace Diablo cheaply and reliably, as envisioned in the 2016 deal. As for the supply chain and tariff issues that have slowed solar and battery storage projects, he pointed out that both of Diablo's reactors will still be online through summer 2024, with the second sticking around until August 2025.

"We have time to get our arms around that," he said.

While NRDC supports keeping some nuclear plants operating where safety risks are lower, the technology's fiercest critics argue nuclear is fundamentally unsafe. They consider Diablo Canyon especially risky because it's near several seismic fault lines along California's Central Coast. As far back as the 1970s — when then-Gov. Jerry Brown protested the plant's construction — Diablo has stirred fears of an earthquake-driven meltdown spreading deadly radiation across the state.

Nuclear waste is another concern. In the absence of a permanent underground storage repository for spent fuel, radioactive waste is piling up at power plants across the country, including the shuttered <a href="San Onofre facility">San Onofre facility</a> along the coast in San Diego County.

Nuclear waste canisters near the Pacific shoreline at San Onofre Nuclear Generating Station. (Allen J. Schaben / Los Angeles Times)

Rescuing Diablo Canyon is far from California's only option for averting blackouts.

There are many other steps the state might take — and in many cases is actively taking — to keep the lights on after sundown the next few summers, such as adding batteries to the grid, paying homes to use less energy and coordinating electricity supplies more closely with other Western states. Longer-term options include investing in geothermal energy and offshore wind.

Newsom told The Times' editorial board he plans to announce a "resilience fund" in next month's update to his annual budget proposal, to pay for projects that would help avoid rolling blackouts the next few years.

But the governor also thinks keeping Diablo Canyon around at least a little while longer is worth considering, despite the political backlash it might provoke. He pointed to modeling by the state's Public Utilities Commission and Independent System Operator showing that worsening heat waves — fueled by climate change — are making it harder to keeps the light on.

"We threw out the old playbook. We're going to worst-case scenario," he said. "We are being very sober."

Supporting nuclear is a key climate priority for the Biden administration. But federal officials hadn't seemed optimistic PG&E would apply for a share of the Energy Department's \$6-billion nuclear bailout fund. During a visit to Southern California last week, Energy Secretary Jennifer Granholm told reporters she's "not sure that the community [around] Diablo Canyon is on board yet."

This story originally

Doug Marker
Intergovernmental Affairs
Bonneville Power Administration
drmarker@bpa.gov
(b)(6)

 From:
 Hairston, John L (BPA) - A-7

 Sent:
 Friday, April 7, 2023 9:53 AM

To: Leady Jr, William J (BPA) - PG-5; Thompson, Kim T (BPA) - PS-6; Cook, Joel D (BPA) - K-7

Cc: Sonoda,Cherie D (BPA) - PGAC-RICHLAND; Lichtenfels,Michelle E (BPA) - PS-6;

Cooper, Suzanne B (BPA) - P-6

Subject: FW: [EXTERNAL] Letter from EN Executive Board re: Provider of Choice

Attachments: EN EB to BPA - Provider of Choice Letter (March 30, 2023).pdf

Categories: Personal - A/L - Holidays

FYI

From: Board Relations <BoardRelations@energy-northwest.com>

Sent: Tuesday, April 4, 2023 1:48 PM

To: Hairston, John L (BPA) - A-7 < jlhairston@bpa.gov>

Cc: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>; Board Relations < BoardRelations@energy-

northwest.com>

Subject: [EXTERNAL] Letter from EN Executive Board re: Provider of Choice

Please see letter below (and attached) from John Saven, sent on behalf of the Energy Northwest Executive Board.

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#### Dear Administrator Hairston,

The Executive Board ("Board") of Energy Northwest ("Agency") is committed to supporting our member utilities, northwest public power and the Bonneville Power Administration ("BPA") with reliable sources of carbon-free energy generation. On behalf of the Board, I would like to express our appreciation for the opportunity to comment on the emerging policy framework for the 2028 "Provider of Choice" contracts, and to submit the following information and recommendations to BPA regarding the contract process and related regional power supply topics.

The Board commends BPA for the open and transparent public process used to develop the initial program for new long term power supply contracts. BPA's openness to update the current Regional Dialogue contract model is evident from proposals to define a fixed Tier 1 system, incorporate capacity in the net requirement, and consider the new carbon constraints resulting from state clean energy mandates and climate policies. As a result, the Board has encouraged Energy Northwest's 28 member utilities to actively communicate their views and interests through the submission of written comments and participation in BPA's policy discussions, workshops and public meetings. The following comments aim to incorporate the expressed views and principal concerns we are hearing from our members.

### New carbon-free energy generation is needed

As we look ahead to 2045, it is difficult to predict with certainty the system's electrical supply needs, as well as year-to-year output from the Federal Based System and utility peak net requirements. Nor is there regional consensus on the optimal mix of resources necessary to maintain system reliability while meeting peak loads.

Nonetheless, emerging trends are evident: electrification of transportation, de-carbonization of other economic sectors, promulgation of new state-level climate and clean energy laws, restrictions on the use of natural gas for commercial and residential heating and cooking, phasing out of coal-fired generation, rapid growth of energy-intensive data storage facilities and growing market price volatility. Collectively these factors prompt us to consider whether new sources of environmentally friendly energy generation are needed to reliably and cost-effectively meet our members' anticipated loads. We believe the answer is clearly "Yes." In the Board's opinion, there are sufficient signals and indications to justify financial investment to examine new resource options; and the need for new generating resources will likely coincide with or near the effective date of BPA's 2028 contracts. While market purchases could be used to fill short-term resource gaps, as a long-term solution this is untenable – especially given the unpredictability and rising prices of market purchases during summer and winter peaks, in addition to state carbon-free generation requirements.

In the future, BPA may provide greater flexibility for small- to mid-size utilities to develop their own resources to meet demand above their Tier 1 allocations. We support such an accommodation, but recognize it is often difficult for utilities with limited staff – and with relatively small amounts of new load over a two-year period – to economically and efficiently pursue non-federal power. Collective action is needed and, as a nonprofit power marketing administration, BPA is the logical region-wide aggregator to offer power to serve customers' loads, either as Tier 1 or Tier 2 products.

As a Joint Operating Agency of the state of Washington, Energy Northwest is well positioned to help address future power supply needs in the region. The Agency has a proven track record operating Columbia Generating Station for nearly 40 years, and recently received industry-wide recognition for sustained excellence in performance. Additionally, for the past three decades we have successfully developed, constructed and operated renewable energy generation facilities for our members and utilities across the region.

We understand BPA customers have diverse needs and perspectives, and balancing these disparate interests is a challenge. The Board recognizes BPA must also contend with statutory constraints that can restrict its ability to undertake proactive measures. To this end, we express Energy Northwest's earnest willingness to collaboratively work with BPA to prepare for the high-growth scenario likely to result from the northwest's clean energy transition, as well as projected population gains of up to one million residents by the end of the decade. Whether it be an extended power uprate at Columbia Generating Station, the development of new renewable and storage facilities, partnering on demand-side management or deploying a new state-of-the-art nuclear energy facility, the Board and Energy Northwest stand ready to support the northwest public power community.

The Board is concerned with the potential for a significant gap between the signing of new long-term contracts between BPA and utilities, and the lead time required to bring new high-capacity resources online. Further, during this interval period, third parties may acquire this attractive new carbon-free generation, which would no longer be available to BPA as a potential resource. Therefore, we ask BPA to allocate the requisite financial support and staff resources to investigate the viability of new generation to serve either anticipated Tier 1 or Tier 2 loads. This allocation will ensure the eventual acquisition of selected resources is an available option and is not unduly delayed beyond the effective date of new contracts.

### **Energy Northwest SMR plans**

Energy Northwest has been proactively evaluating new nuclear energy technologies for over a decade, including advanced and small modular reactors ("SMRs"), and is increasingly convinced a deployment in the northwest merits serious consideration. The evolution of nuclear energy technology has made SMRs an

increasingly attractive resource option, capable of providing many novel attributes and benefits uniquely suited to a carbon-constrained system. Energy Northwest stands ready to develop these new high capacity, carbon-free resources, which can be modulated and scaled to sync with fluctuating peak loads and the variable output of other regional resources.

As early as 2010, a group of our member utilities – along with an investor-owned utility – funded and commissioned the Agency to study the potential deployment of new nuclear generation in Washington state. In the intervening years the Agency has worked with experts across the utility and nuclear energy industries, as well as the companies developing new reactor designs, to evaluate the efficacy of various SMR technologies. In 2020 we began evaluating and comparing a host of new nuclear technologies. The rigorous process examined a broad set of criteria, both quantitative and qualitative, and the multi-year effort determined there are several viable technology options. However, due to its advanced safety attributes, dispatchability and competitive cost, the technology chosen was X-energy's "Xe-100" High-Temperature Gas Reactor. The Xe-100 is an 80-megawatt advanced SMR, with a base plant consisting of four reactors capable of generating 320 megawatts. The design is scalable and additional 80-megawatt modules can be expeditiously added to an existing facility. Ultimately up to 12 units can be installed on a single site, increasing the facility's output to 960 megawatts.

Energy Northwest is proceeding with a planned Xe-100 project at a previously licensed site near Columbia Generating Station. The site offers many benefits, including access to available infrastructure and the transmission system, a location on federal Department of Energy land, a local workforce with strong nuclear energy expertise and the transportation resources vital to a large energy project. The Agency has engaged utilities and industrial customers across the region and seen considerable interest in the project. To date, we have received initial funding from eight northwest utilities to explore the project and ensure this remains an available resource option in the future. The funding supports key activities, such as establishing a project ownership structure, assessing practicable financing pathways, and developing and refining a cost model capable of calculating estimated levelized cost of electricity and annual cost of power.

Under our current timeline, Energy Northwest would have a 320-megawatt Xe-100 SMR plant operating and online in 2030. However, to adhere to this schedule we need to commence key environmental, licensing and permitting activities at our site. In order to proceed, and maintain a potential 2030 deployment date, additional funding will be required in the near-term.

### Closing remarks

The Board is committed to helping Energy Northwest's member utilities and BPA develop the resources required to meet the region's future clean energy needs. We have demonstrated this commitment through improved operation of Columbia Generating Station, as well as the development of the Nine Canyon Wind Project; the Horn Rapids Solar, Storage and Training facility; the 2015 regional demand response pilot project; the deployment of electric vehicle charging infrastructure across central and eastern Washington; and our planned 150-megawatt Ruby Flats Solar Project. However, the Board is worried the region is heading toward an inflection point. In 2030, as a result of climate laws adopted in Oregon and Washington, utilities in these states will have to comply with new restrictions on greenhouse gas emissions, while economy-wide carbon-reduction efforts place increased demand on the existing electric system.

The Board is concerned the region will lack the firm, dispatchable energy necessary to meet these challenges and maintain adequate supplies of reliable, affordable electricity. Given the long-lead time required to develop new resources, we believe BPA should accelerate its planning and preparation for new capacity to meet future demand. Therefore, we respectfully encourage BPA to make reasonable investments in the

exploration of new clean, reliable generating resources and request BPA and Energy Northwest leadership confer in the near future on opportunities to advance our mutual goal of supporting northwest public power.

Sincerely, plus D Suven

John Saven

Executive Board Chair, on behalf of the Energy Northwest Executive Board

**Energy Northwest Executive Board Energy Northwest Board of Directors** Columbia Generating Station Participants Review Board Clearing Up Northwest Energy Coalition Northwest Power and Conservation Council Northwest Requirements Utilities Pacific Northwest Utilities Conference Committee **PNGC Public Power Council** 

Washington Public Utility Districts Association Western Public Agency Group Governor Jay Inslee Washington Congressional Delegation

4

From: Wright, Troy S (CONTR) - AIR-7
Sent: Friday, March 24, 2023 3:03 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, March 24, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, March 24, 2023.

Idaho News John Williams

### Idaho Senate will vote on Lava Ridge (wind project) resolution

As reported in in the Idaho Reports on 2/10/23, Idaho's Congressional delegation and Governor raised concern about the project. Read the full letter from Little, Bedke, Crapo, Risch, and Simpson here: https://gov.idaho.gov/wp-content/uploads/2023/02/02.06.2023-Joint-Little-Bedke-Crapo-Risch-Simpson-letter-Lava-Ridge\_final.pdf (Governor Little's Press Release)

Fast forward to today, HCR 4 has passed the House and the Senate Resources & Environment Committee with a dopass. It's expected that the full Senate will passed this Resolution that will put added pressure on BLM to reconsider the project.

HCR 4 – States currently there is an application pending before the Bureau of Land Management to approve the placement of approximately 400 wind turbines in Jerome, Lincoln, and Minidoka Counties. There has been near unanimous opposition to the project by local governments, including counties and highway districts. The short-term build-out impacts will severely impact the local economy. The long-term impact of the public access, agricultural uses and wildlife are of concern to the citizens of the Magic Valley. This Concurrent resolution will highlight the concerns of the Magic Valley and request the Governor and Attorney General to take what legal actions are available to encourage the BLM to select the no build option.

<u>Recall</u>: LS Power and Magic Valley Energy have proposed a large-scale wind energy project on public lands east of Jerome. It would be the first such project on public lands in Idaho, and, if the targeted 1000 Mega Watt capacity is reached, it would be among the largest terrestrial wind energy projects in the country.

#### Other Idaho legislation of interest

House Joint Memorial 1 – The purpose of this memorial is to authorize the Idaho and Oregon Legislatures to begin official discussions on whether it is feasible to move the Idaho border into Eastern Oregon.

Status: passed out of the House on 2/15 and Sent to Senate State Affairs committee on 2/16. This Memorial appears to have died in Committee Chairman's desk!

House Concurrent Resolution 3 – This legislation would authorize the Legislative Council to continue an interim committee to undertake studies of natural resource issues, particularly the water resources of the state. Passed the House on 2/24 and Senate on 3/16. Adopted on 3/21.

#### Idaho Strategic Energy Alliance Task Force reports

The Idaho Strategic Energy Alliance (ISEA) has published the following Task Force reports:

Alternative Fuels Task Force Report ISEA-Alternative-Fuels-Task-Force-Report FINAL.pdf (idaho.gov)

- Reliability and Resiliency Task Force Report <u>ISEA-Reliability-and-Resiliency-Task-Force-Report -FINAL.pdf</u> (idaho.gov)
- Utility-scale Storage Task Force Report ISEA-Utility-Scale-Storage-Task-Force-Report FINAL.pdf (idaho.gov)

These reports were developed by Task Forces established by the ISEA Board of Directors. About the Idaho Strategic Energy Alliance In 2009, Idaho Governor Butch Otter established the Idaho Strategic Energy Alliance to enable the development of a sound energy portfolio that emphasizes the importance of an affordable, reliable, and secure energy supply. In October 2020, Governor Brad Little, through Executive Order 2020-18, continued the group's operation. The ISEA is led by a Board of Directors that are selected by and serve on behalf of the Governor. This group and its task forces create opportunities for a wide variety of in-state energy experts to assist with the development of achievable and effective recommendations for improving Idaho's energy future.

#### NV Energy to add gas plant as drought tests US West power grids

Utility regulators in Nevada gave the state's largest power provider clearance to start work on a \$333 million project to build a natural gas plant in the state for the first time in nearly 15 years, signaling yet another consequence of the extreme drought conditions in the southwestern U.S. The two gas-fired turbines to be erected north of Las Vegas by NV Energy are expected to come online by July 2024 amid hotter summers and longer wildfire seasons in a state that aims to have a carbon-free power grid by 2050.

Nevada's Public Utilities Commission approved the plans last week. It said the turbines are needed to address peak electricity demand in the summer months, as ever-drying conditions in the West continue to stress the region's power grids and slash hydroelectric output, including the behemoth power producers on the <u>Colorado</u> River — the Hoover Dam and Glen Canyon Dam. But environmental advocates have argued that the turbines mark a major step backwards for Nevada's climate goals.

"Both the state and the utility have set strong goals to transition to renewable energy," said Angelyn Tabalba, a spokesperson for the Nevada Conservation League. "Instead of doubling down on fossil fuels, they should be leaning into a clean energy future."

On climate change, scientists say the mega drought gripping the southwest is the worst in 1,200 years, putting a deep strain on the Colorado River. If states don't begin taking less out of the river, major reservoirs threaten to fall so low they can't produce hydropower or supply any water to farms that grow crops for the rest of the nation and cities like Las Vegas, Los Angeles and Phoenix.

Last March, for example, Lake Powell in <u>Utah</u> and Arizona <u>dipped below a critical threshold</u>, raising new concerns about the Glen Canyon Dam, a source of power that millions of people in the West rely on for electricity. If <u>power production</u> <u>ceases at the dam</u>, rural electric cooperatives, cities and tribal utilities would be forced to seek more expensive options that could include fossil fuels. Already, Nevada has retired its largest coal plant, while the North Valmy coal plant is scheduled to shut down its remaining units by 2025. (U.S. News & World Report/AP)

### FERC approves incentives for NV Energy's \$2.5B Greenlink project despite ratepayer concerns

The Federal Energy Regulatory Commission Wednesday approved three sets of incentives for NV Energy, a Berkshire Hathaway Energy subsidiary, to build its roughly \$2.5 billion Greenlink Nevada transmission project. FERC dismissed arguments the incentives would needlessly increase costs – arguments raised by the Nevada Bureau of Consumer Protection, Public Citizen and MGM Resorts International and Caesars Enterprise Services. The Nevada Public Utilities Commission had asked FERC to be aware of how its decision would affect consumers.

While FERC Commissioner Mark Christie voted in favor of the incentives for NV Energy, he said he supported ending two transmission incentives and that the agency should consider ending a third one. "Revisiting all these incentives is imperative at a time of rapidly rising customer power bills, as demonstrated by the Nevada Protection Bureau," he said.

FERC's decision comes during a critical period for transmission development in the United States. A build-out of the transmission system is seen as needed to bolster grid reliability amid increasingly extreme weather and to provide access to renewable energy to meet greenhouse gas reduction goals.

At the same time, FERC is considering options for ensuring transmission facilities are built at the lowest cost possible. It is also considering revising the incentives it grants for transmission construction under a policy adopted in 2006. NV Energy's Greenlink project would create a 525-kV triangular transmission network in Nevada that would improve grid reliability and provide a pathway for renewable energy, according to the utility company. The PUC last year fully approved the project, with its western leg set to enter service in late 2026 and its northern portion slated to be operating in 2028, according to FERC's decision.

To support its project, NV Energy's utilities — Nevada Power and Sierra Pacific Power — asked for three incentives that they said match Greenlink's risks and challenges: recover all prudently incurred costs if the project is abandoned or canceled for reasons outside of NV Energy's control, the deferral of pre-commercial costs through the creation of a regulatory asset, and to include all "construction work in progress," called CWIP, in the utilities' rate base instead of waiting for a rate case after the project is built.

The incentives apply to NV Energy's transmission-only and large customers subject to FERC's jurisdiction and the utilities' retail customers are unaffected, according to NV Energy. FERC dismissed arguments the incentives weren't needed because a state law mandated the transmission project. (*Utility Dive/Ethan Howland*)

## Oregon News Hannah Dondy-Kaplan

#### Bill updates

This week's big energy hearing in the House was on <u>HB2816</u>. The bill "requires person who owns, operates or controls **high energy use facility** to ensure that greenhouse gas emissions associated with electricity used by high energy use facility are reduced to 60 percent below baseline emissions levels by 2027, 80 percent below baseline emissions levels by 2030, 90 percent below baseline emissions levels by 2035 and 100 percent below baseline emissions levels by 2040". The "high energy use" facility refers to data centers and crypto-currency mining centers, which are largely sited in Eastern Oregon and overlap with COU territory, so are not subjected to HB2021, which is the bill that requires IOUs to reduce their greenhouse gas emissions by 100% by 2040.

The Oregon Rural Electric Cooperative Association (ORECA) and Oregon People's Utility District Association (OPUDA) provided <u>testimony</u> on the bill with a negative bent. Several news outlets around the state are covering the bill for your reading pleasure: <u>Bend Bulletin</u>; <u>Capital Chronicle</u>; <u>Oregonian</u>. According to the Oregonian: "Supporters of House Bill 2816 say it will make every carbon emitter play by the same rules as major utilities. Critics argue that the bill adds unnecessary regulation and threatens economic development in the least developed regions of the state."

#### **Energy news**

The Oregon Supreme Court upheld the Oregon Energy Facility Siting Council's approval for the Boardman-to-Hemingway project, which The Administrator mentioned at this week's Quarterly meeting. OPB covered the story.

#### Customer news

Senator's Wyden and Merkley announced \$23.5 million in federal funding that will go to Oregon for wildfire defense, as part of the Bipartisan Infrastructure Law. Douglas Electric Cooperative will receive over \$9 million for right-of-way-vegetation management and other forest health efforts.

The 10 Oregon projects selected for the first round of funding are:

- Grant Soil & Water Conservation District, Grant County Evacuation Corridor and Fuels Management Project: \$9,907,344
- Douglas Electric Cooperative Fuels Treatments, Vegetation Management, and Other Mitigation: \$9,151,505
- Curry County Soil and Water Conservation District, Gorse Fuels Treatment to Reduce Catastrophic Wildfire: \$1,338,078
- Wheeler County of Emergency Management, Wheeler County fire protection roadway shoulder clearing: \$992,815
- Oregon Department of Forestry, John Day; Grant County Defensible Space: \$681,041
- Klamath Watershed Partnership, Chiloquin Wildfire Risk Reduction and Education: \$616,404
- City of Ashland, Community Wildfire Protection Plan Update: \$249,700
- Baker County Community Wildfire Protection Plan Update: \$246,000
- Rocky Point Fire and Emergency Medical Services, Rocky Point Urban Interface Community Wildfire Protection Plan: \$224,717
- Illinois Valley Soil & Water Conservation District, Community Action for Wildfire Resiliency Project: \$113,744

## West Coast News Doug Marker

#### CAISO will hold 2023 Summer Readiness Roundtable on May 9

Since the blackouts in the August 2020 heat wave, the California ISO has scheduled spring leadership roundtables to report on system resources and transmission capabilities for the coming summer months and discuss operational coordination with neighboring balancing authorities and state leaders. In his CEO report to the CAISO Board this week, Elliot Mainzer announced that the CAISO is planning a similar session for May 9. Mainzer also said that the ISO will release its annual Summer Loads and Resource Assessment this spring.

#### SPP continues to build out Markets Plus Governance

The Southwest Power Pool held a webinar yesterday for Western state utility regulators to invite their participation in the Markets Plus States Committee (MSC). The MSC will advise Markets Plus participants and its independent board on state perspectives on the development of the Markets Plus day-ahead market design. SPP proposes including every western state except California on the MSC. SPP will seek state approval of the charter for the MSC during the April 12-14 meetings of western state energy officials. This action will put the state advisory panel in place ahead of the initial meeting of Markets Plus participants the following week in Denver.

#### California Senate bill would penalize utilities for slow electric connections for homes

Homebuilders in California are complaining that utilities, particularly PG&E, are falling months behind in providing electrical connections to new and remodeled homes. California Senator Mark Weiner has sponsored legislation which would recover from utilities the costs to builders and home buyers if interconnections take longer than eight weeks. PG&E acknowledged that it has fallen behind on new residential service, but says that its workers are taxed by the demands of responding to wildfires and floods.

#### When a Man's Partner is Killed

Below Nob Hill, just to the west of where Stockton Street ducks under Bush Street into San Francisco's Chinatown, is an alley with a strange plaque fixed high on the wall: "ON APPROXIMATELY THIS SPOT MILES ARCHER, PARTNER OF SAM SPADE, WAS DONE IN BY BRIGID O'SHAUGHNESSY". The plaque is one of the many reminders of the real life locations of



the Maltese Falcon, written by Dashiell Hammet from his Post Street apartment, and walked by Humphrey Bogart in the filming of the movie. Hammett's apartment has been restored in 1920's style, complete with a Murphy Bed and furnishings, and looking ready for Sam Spade to wait for the Falcon with Joel Cairo and Kasper Gutman. A block of Monroe Street, where Hammett lived before Post Street, is now named Dashiell Hammett Place. And at John's Grill, open since 1908 and where Spade ate his lamb chop and sliced tomatoes, is a replica of the Falcon, silently reminding visitors of the tragic costs of its pursuit.

## Montana News Kate Wilson

There are now 29 energy-related bills in the Montana Legislature, with two revenue bills added this week. Of these, the most relevant to BPA's work follow with summaries and updates (emphasis added via underline to the most pertinent):

FCRPS – SJ10 Joint resolution to support federal Columbia River power system and oppose the breaching of the lower Snake River Dams. This resolution was initially drafted by the Montana Electric Cooperatives Association (MECA) and is being carried by Senator Cuffe (Libby/Eureka district). Hearing 3/27 and Kate Wilson will be testifying as an informational witness as requested by constituents. Internal resources assisting with preparation. SJ16 Columbia River Treaty resolution that proposes to remove article 13 in the next iteration of the CRT related to Canada's rights to 1.5M acre feet of water above Libby Dam. It has seen strong support and now awaits a final vote on the House floor.

POWER - SB539 Proposes to establish the Water Severance Beneficial Use Act. Similar to the beneficial use tax imposed by the state of MT on transmission customers, this bill seeks a tax based on the number of MW delivered on hydroelectric generation "regardless of whether the electricity is generated by an agency of the federal government or a private producer that does not sell significant energy to Montanans." It has not yet been assigned a hearing date. HJ6 Montana Electric Cooperatives Association bill to conduct an interim study on resource adequacy and electric reserves likely to pass. Kate Wilson will be attending as an informational witness for the 3/29 hearing, and if passed, BPA would be called upon regularly during the interim (2023-2024). HB170 Repealing of state energy policy. Instead of making revisions to enact a better policy to reflect MT priorities, this bill has seen Republican support to repeal completely in favor of the Governor's "all of the above" energy policy (or lack thereof). This bill passed and was signed by the Governor 3/16. HB220 This bill would enable Montana IOUs to "write own rules" by creating a partisan committee (appointed/selected by House Speaker, Senate President and Governor's Office – all Republican right now) to approve/support new acquisitions and eliminate competition from other energy sources/interests. Opponents of the bill believe that this is a new iteration of a previous (NWE) bill that failed to convince the legislature or the PSC in subsequent sessions/years and that it is very different from a legislative committee b/c would be staffed by members of industry (2x utility reps, 4x Republicans, and 2 Democrats on proposed membership of 12). In a hearing this week it was passed 16 to 7 and now awaits a vote on the House floor. HB284 Allows pre-approval of generation. IOUs can ask for approval of costs before building to be passed on to ratepayers - PSC cannot go back and review prudency of costs so may be overestimated w/o review (and passed on to ratepayers). Court struck down pre-approval last year but this year simply includes MDU along with NWE so wouldn't be construed as "special legislation." A hearing date in the senate has not yet been set. SB274 Revises siting decision requirements related to duties of the applicant vs. agency or board. It passed out of committee and awaits a vote on the House floor.

PUBLIC SERVICE COMMISSION – <u>HB558</u> Removes the ability of challengers in contested cases to depose utility staff. If the bill passed, only the PSC would be able to depose utility witnesses/staff. This clause is rarely used, but was once in the last 2 years (by Montana Environmental Information Center to one Northwestern Energy staffer for one day). The bill was tabled in committee and is likely dead. <u>SB109</u> Proposes to redraw PSC districting map from the court-drawn existing map in such a way that pretty well ensures future republican control. Opponent MEIC suggests the redistricting commission would be more of a fair/balanced body. House hearing 3/20, currently awaiting executive action.

**ELECTRIC VEHICLES** – <u>SB255</u> Provides clarity to EV charging companies about how their business can work in MT, sets terms for PSC authority, limits on how to charge, aligns with industry. Creates more certainty for EV charging developers. Seeing bi-partisan support and awaiting executive action. <u>HB55</u> & <u>HB 60</u> (registration fees): Proposes a means to capture revenue from EVs (since don't pay gas tax). High fees proposed for registration + charging tax (\$0.3 cents per KW/hour at public charging station). Concern that puts a burden on MT businesses, esp. early adopters of EV technology: meters for EV charging stations, collecting tax, etc., but does lower EV registration for residents (targeting non-residents for charging as they travel through MT). The fees proposed in HB60 are some of the highest in the country for EV registration. HB55 awaiting hearing; HB60 passed the committee and awaiting a vote on the Senate floor.

LOCAL GOV CONTROL – SB228 This bill is a ban on the local control of oil and gas regulations, prohibiting them using from "any power to prohibit the purchase or use of petroleum fuels or the installation or use of any machinery, vehicles, vessels, tools, facilities, appliances, or equipment that burn or transport petroleum fuels." Would apply to gas stoves, appliances, gas stations, power plants, vehicles (large scope). Similarly, SB208, or the "Ban on Local Bans" (focused on Missoula and Bozeman potentially banning gas stoves) would bar local governments from using building costs to ban any kind of gas infrastructure. These two bills are currently awaiting executive action and are supported by the Montana Electric Cooperatives Association. SB178 Proposes to limit the ability of local governments to regulate cryptocurrency operations. It is awaiting executive action. SB178 Proposes special laws for cryptocurrency operations, including up to 1 MW in residential areas. Any crypto operation in place prior to this would be exempt from zoning.

**SOLAR** – <u>HB241</u> Prohibits local governments from requiring future home construction to be "solar ready." Amendments proposed that have bipartisan support. <u>HB524</u> Mandates that solar installers disclose the country of origin. Amended from requiring disclosure of "carbon intensity" of solar panels in an attempt to distinguish the impacts of solar panel manufacturing in the role of carbon/climate change. Since most products disclose country of origin, likely not a massive burden, but would be difficult to enforce. Awaiting executive action.

COAL MINING + OIL/GAS – HB 576 Proposed bill would effectively remove one of Montana's checks on coal mining pollution by changing definitions to make pollution harder to cite and enforce water quality standards in receiving waterbodies. It is opposed by conservation groups. Hearing 3/29. HB656 Weakens coal mine expansion regulations. Hearing 3/29. SB55 Proposes that MT join the Interstate Mining Compact Commission, comprised largely of industry reps. SB392 "Loser pays" industry costs in coal lawsuits. Moving forward but may be struck down in court if passes (precedent in AK). HB634 Lowers royalty rates for oil and gas. SB426 Changes the definition of natural gas ("...all natural gas gasses, HYDROCARBON GASSES, ALL FORMS OF INERT GAS, and other fluid hydrocarbons as produced at the wellhead and not defined as oil [...], except gasses used in tertiary oil production, other than oil, produced at the wellhead.")

**CONSERVATION** – <u>SB83</u> Proposes to consolidate the Flathead Basin Commission (of which BPA is an ex-officio member) and the Upper Columbia Conservation Commission into the "Western Montana Conservation Commission," which would focus on the protection of aquatic resources (water quality, aquatic invasive species, ESA, etc.) in western Montana. The bill was tabled in committee last week as a result of concerns from Flathead constituents, but was revived with the addition of a 6 year sunset clause. It is expected to pass.

### Articles of interest

Federal Bill Introduced to Protect Four Lower Snake River Dams, Clean Energy, Agriculture, & Transportation in the Pacific Northwest | KOZE

WA, Idaho GOP unveil bills to save Snake River dams | Local | dnews.com

Bill creating Western Conservation Commission resurrected in the House | Daily Inter Lake (of which BPA is an ex officio member)

## Washington News Liz Klumpp

### Washington Senate biennial operating budget description of \$5 Million Snake River Dam study

The Wash. Senate has released its <u>operating budget</u> SB 5187, which directs \$5 million to Dept. of Commerce over two years "to conduct an analysis of new electricity generation, transmission, ancillary services, efficiency and storage sufficient to offset those presently provided by the lower Snake River dams. The analysis should identify a detailed plan for a replacement portfolio that maintains the reliability and adequacy of the electric power system, is consistent with the state's statutory and regulatory requirements for clean electricity generation, and is supplementary to the resources that will be required to replace fossil fuels in the transportation, industry, and buildings sectors." "The department shall, to the extent determined practicable, support related analyses undertaken by the federal government as part of the Columbia River system operation stay of litigation agreed to in National Wildlife Federation et al. v. National Marine Fisheries Service et al. in October 2021. The department shall provide a status update to the energy and environment committees of the legislature and governor's office by December 31, 2024." It includes several paragraphs that mention things like 'considering impacts or opportunities from CRT renewal' and 'evaluate alternatives for ownership and operation of the replacement resource portfolio.' (See section (68)(a) at linked bill for more details.

### Washington State Senate's spending of climate allowance revenues in proposed operating budget

State Senate released its operating budget this week. I've included in the chart below bigger budget expenditures in the Senate's proposed operating biennial budget for your information. I'll share what's in the proposed capital budgets next week.

Agency	Relevant Subproject	\$ Millions
Commerce	\$50 - low income bill assistance; \$10M to Ports; \$6 M to EV trucks at ports	\$160
Financial Management	Climate Cons. Corps	\$5.90
UTC		\$0.50
Archeology (DAHP)		\$0.80
Health		\$21
Ecology	\$6 -energy permit staffing	\$10
	\$1-WSU programmatic EIS for solar in E. Wash.	
WDFW	BIETH HITTER	\$2
EFSEC		\$3
Dept. Natural Resources		\$10
Agriculture		\$3
U.W.		\$3
Com. & Technical Colleges		\$3.90
WSU	Institute for Northwest Energy Futures	\$8

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

#### Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7

## **BONNEVILLE POWER ADMINISTRATION**

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From: Wright, Troy S (CONTR) - AIR-7

Sent: Friday, February 24, 2023 1:24 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, February 24, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, February 24, 2023.

## Public Interest Organizations Josh Warner

### Support for Regionalization & CA Legislation

The Natural Resources Defense Council continues to be all-in on regionalization of the grid. As reported in the Regional Relations Weekly Report two weeks ago, a bill (AB 538) was introduced in the California Assembly to allow the California ISO to change to an independent regional entity and NRDC sees this as a momentous step toward regionalization and an integrated wester grid, if it passes. They say it would, "cut carbon pollution, reduce Californians' utility bills, and boost renewable energy production to meet the state's climate and clean energy goals." While NRDC sees the CAISO as a logical choice to run a future western grid, a change in how the organization is governed would need to take place first. "[T]he CAISO must shift from a governor-appointed body to a fully independent, self-perpetuating board overseeing a regional institution, which all western utilities and generators would be invited to join. Membership would be voluntary, with a right of exit guaranteed for all participants." AB 538 would move in that direction.

#### Idaho Survey on Salmon

The Idaho Conservation League continues a theme and feels momentum is building toward restoration of the lower Snake River and recovery of abundant Snake River salmon and steelhead. They point to funds than Washington Governor Inslee has proposed to help in planning to replace the energy and transportation services provided by the lower Snake River dams. They also point to the 2023 Idaho Public Policy Survey from Boise State University where couple of question are asked about salmon. The survey asked how important it is to recover salmon populations in Idaho. Nearly 80% of respondents said it is important, with 44% saying it is very important. Respondents were then asked what they think the top priority in salmon recovery should be given four choices. These were the results – habitat restoration (29%), infrastructure change to improve passage (24%), management of hatcheries and harvest (23%) or public outreach and awareness (8%). ICL's take on these numbers is that more than half of respondents believe habitat restoration and infrastructure change to improve passage should be priorities and, "we're already spending hundreds of millions each year on habitat projects in Idaho's rivers." Therefore, breaching the LSRDs will, "unlock the potential of all this habitat work, allowing wild fish to safely access the Snake's pristine tributaries in Idaho and Oregon."

## Oregon News Hannah Dondy-Kaplan

#### At the Capital

February 21<sup>st</sup> was the last day to file draft bills for the 2023 legislative session and several came in regarding energy efficiency that may make their way towards approval.

HB3166 "requires State Department of Energy, in consultation with Housing and Community Services Department, to establish a whole-home energy savings program and high-efficiency electric home rebate program. Requires State Department of Energy to create single resource that provides information and technical assistance to interested persons on available energy efficiency incentives and programs. Requires department to coordinate information and data exchanges between entities".

The focus of the bill is on utilizing federal funds through the IRA and IIJA, which need to go through the state. A hearing was held on this bill earlier in the week, and it drew support from ODOE and many non-for-profit energy efficiency advocates. COUs expressed concern in testimony about the need to coordinate with BPA's energy efficiency funds, and everyone agreed coordination across the board will be essential.

Several Senate bills are in early draft, but echo the goals of HB3166. They include:

- SB 868 (Healthy Heating and Cooling for All) aligns energy efficiency programs with state climate goals, sets a heat pump target for the state, supports workforce development, and improves navigation of federal and state incentives for energy efficiency and retrofits of homes and businesses
- SB 869 (Build Smart from the Start) ensures new buildings in Oregon are constructed energy efficiently and are more resilient to climate impacts. Directs the Building Code Division to help achieve goals.
- SB 870 would establish a Building Performance Standard for large commercial buildings to reduce their energy use and climate emissions over time. Enacts Building Performance Standards for commercial buildings.
- SB 871 (Smart State Buildings) removes barriers to accelerate energy retrofits and upgrades in state buildings.

## Montana News Kate Wilson

### Montana Legislative Session Update

Bills of note this week include the following highlights:

- SJ10: Joint resolution to support federal Columbia River power system and oppose the breaching of the lower Snake River Dams. This resolution was initially drafted by the Montana Electric Cooperatives Association (MECA) and is being carried by Senator Cuffe (Libby/Eureka district). At its first hearing last week, BPA was requested to attend and provide informational testimony related to the role of the LSRD in serving Montana loads, especially during extraordinary weather events and answer questions. After discussion with legal, staff were advised not to attend and testify, even in an informational capacity. MECA was displeased with this outcome, but the bill is still moving forward after a small revision to ensure that the resolution is shared with all members of the US House and Senate.
  - Proponents included: Montana Electric Cooperative Association; Flathead Electric Cooperative; Montana Chamber of Commerce; Northwestern Energy; Montana Water Resources Association; Treasure State Resources Association; Montana Farm Bureau Federation
  - Opponents included: NWEC
- o HB220: This bill would enable Montana IOUs to "write own rules" to only buy energy from own power plants by creating a partisan committee (appointed/selected by House Speaker, Senate President and Governor's Office all Republican right now) to approve/support new acquisitions and eliminate competition from other energy sources/interests. Opponents of the bill believe that this is a new iteration of a previous (NWE) bill that failed to convince the legislature or the PSC in subsequent sessions/years. It has now been passed out of committee after small amendments were made.
- o H8454: This bill proposes to enact a renewable resource electrical production tax and distribute the revenue to impacted counties that receive coal several tax revenue (e.g., areas where there is a coal or gas plant already). A very similar bill was introduced but killed a few weeks ago, given that it would greatly disincentivize wind/solar developers from pursuing projects in Montana (decreasing potential revenues for the state). It is currently with the taxation committee, but no action has yet been taken.
- SB242: This new bill draft instructs the PSC to revise the avoided cost of ratemaking and provides for the deduction of transmission interconnection costs. It relates to the Public Utility Regulatory Policies Act of 1978 (PURPA) federal law whose intent is to create competition with monopoly utilities for 'alternative energy' from smaller producers (now largely renewable projects). The utility is required to purchase if doesn't cost more than acquiring new assets/resources (costs that the utility avoids in purchasing energy from small renewable projects). Opponents say this bill would compromise the ability of small projects to compete with utilities and lowers the avoided cost for IOUs by subtracting the interconnection costs of a new PURPA resource. This seems to imply that the "avoided cost" resource has no interconnection costs (which could tilt the playing field away from the PURPA resource and towards the avoided cost resource). The hearing date has not yet been set.
- <u>SB228</u>: A local government unit with self-government powers would be prohibited from "any power to prohibit the purchase or use of petroleum fuels or the installation or use of any machinery, vehicles, vessels, tools, facilities, appliances, or equipment that burn or transport petroleum fuels." The first hearing was held 2/7; action has not yet been taken by the committee but is expected to move forward. This bill is being referred to as the "ban the ban" bill and is supported by the Montana Electric Cooperatives Association.
- HB 576: This proposed bill would effectively remove one of Montana's checks on coal mining pollution. The bill saw its first hearing on 2/22 and passed out of committee. It is opposed by environmental and conservation groups.
- HB726: This bill proposes to move the authority for (legislatively & congressionally approved) water compacts to the Public Service Commission instead of the Dept. of Natural Resources and Conservation, moving the purview of commission authority from the Governor's Office to the PSC.
- HB524: This bill proposes to mandate that solar installers disclose the "carbon intensity" of solar panels in an attempt to distinguish the impacts of solar panel manufacturing in the role of carbon/climate change. A hearing was held 2/22 and amendments made (not yet available). Opponents state that this requirement would be

onerous for installers and the science is not there to support the intent to demonstrate that solar panels do more harm than good in relation to carbon emissions.

#### Articles:

- Broadview Solar has prevailed in a lawsuit against Northwestern Energy in a landmark case that should boost
  the reliability of solar energy from similar projects nationwide: <u>Court sides with Montana solar developer</u>
  (billingsgazette.com)
- Senator John Tester announces intention to run for congressional office again in 2024: <u>Exclusive: Sen. Jon Tester announces 2024 re-election bid (msnbc.com)</u>
- Montana Bill Would Nix Water Standards From Coal-Mining Permitting | Clearing It Up | newsdata.com
- MT EV numbers increase + Missoula airport gets more electric equipment per state energy office grant: MSO
  lands electric ground equipment; EV numbers climbing (missoulacurrent.com)
- Without Montana, governors pitch funds for housing, clean energy (missoulacurrent.com)
- · Flathead Electric Cooperative Doubles Down on Landfill Gas America's Electric Cooperatives
- State of Montana, fuel industry sue Portland over city's gas transport rules OPB
- Montana commercial energy use at a glance | Montana News | montanarightnow.com

## Washington News Liz Klumpp

### Washington Legislative Update

The following energy and fish bills were voted out of committee by the calendar deadline of Feb. 17. Some of the bills will die this weekend if they do not get voted out of their fiscal committee in the House or Senate by COB today, Feb. 24. Active bills include HB 1416 which will make big industries of consumer-owned utilities that buy power directly from the market have to comply with CETA. This is already the case for large industries buying transmission-only service from IOUs. SBH 1329 would prevent electric and water utilities from shutting off service during heat events. Multiple bills address the state's efforts to facilitate the siting of clean energy generation projects and the planning and siting of transmission lines.

PSE's bill, SHB 1589, that reduces PSE's GHG emissions from its direct end-use sales of natural gas by 95% by 2050 was voted out of committee (mostly, but not strictly electrification).

UTC Commissioner Milt Doumit was confirmed by the senate for his first term.

One Governor's request *salmon* bill that didn't survive the cut-off (but could magically come back) was SB 5297 that would eliminate non-tribal gill net fishing on the lower Columbia River after Jan. 1, 2025. WDFW for several years has paid 169 of 240 gill net license holders to voluntarily retire their lower Columbia River license.

In addition, the proposed budget bills, which get finalized in the last hours of session, contain significant funding for work in salmon recovery and decarbonization.

Bill	Title	Status	Date
2SHB 1032	Wildfires/electric utilities	H Rules R	02/24/2023
SHB 1117	Power supply inadequacy	H 2nd Reading	02/22/2023
2SHB 1170	Climate response strategy	H 2nd Reading	02/22/2023
SHB 1173	Light pollution	H 2nd Reading	02/08/2023
2SHB 1176	Climate-ready communities	H Rules R	02/23/2023
SHB 1185	Lighting products	H Rules R	02/17/2023

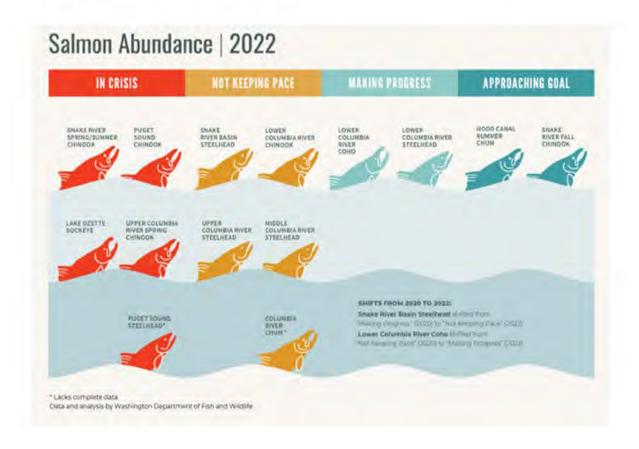
SHB 1192	Electric transm. planning	H Rules R	02/15/2023
SHB 1216	Clean energy siting	H Exec Action	02/23/2023
SHB 1329	Utility shutoffs/heat	H 2nd Reading	02/22/2023
SHB 1368	Zero emission school buses	H Approps	02/16/2023
SHB 1391	Energy in buildings	H Exec Action	02/23/2023
HB 1416	Consumer-owned utilities	House Passed	02/13/2023
SHB 1427	On-premises energy gen.	H Rules R	02/14/2023
SHB 1584	Nuclear reactor technology	H 2nd Reading	02/22/2023
SHB 1589	Clean energy	H Rules R	02/16/2023
SSB 5039	Wildfires/electric utilities	S Ways & Means	02/08/2023
SSB 5091	Hydrogen fuel products	S Ways & Means	02/17/2023
SB 5092	Hybrid vehicles/tax ex.	S Ways & Means	01/09/2023
SSB 5093	Climate response strategy	S Rules 2	02/21/2023
SB 5129	Nuclear reactor technology	S 2nd Reading	02/01/2023
SSB 5147	A/C in adult family homes	S Ways & Means	02/02/2023
SSB 5165	Electric transm. planning	S Ways & Means	02/09/2023
SB 5247	Climate-ready communities	S Ways & Means	02/02/2023
SB 5251	Commercial driver's licenses	S Rules 2	01/30/2023
2SSB 5269	Manufacturing	S WMDP2S	02/23/2023
SB 5287	Wind turbine blade recycling	S 2nd Reading	02/01/2023
SSB 5322	Public building materials	S Ways & Means	02/13/2023
SSB 5380	Clean energy siting	S Ways & Means	02/13/2023
SB 5431	Zero emission school buses	S EL/K-12	01/18/2023
SSB 5562	Clean energy	S Ways & Means	02/15/2023
SGA 9127	KATHLEEN DREW	S Confirmed	02/08/2023
SGA 9320	MILTON DOUMIT	S Confirmed	02/22/2023
Fish-Water Bills:			
2SHB 1322	Walla Walla water 2050 plan	H Rules R	02/22/2023
SHB 1381	Salmon-safe communities	H Exec Action	02/23/2023
SHB 1699	Fish & wildlife salaries	H Approps	02/16/2023
SHB 1720	Riparian grant program	H Cap Budget	02/17/2023
SHB 1735	GMA/net ecological gain	H Approps	02/16/2023
HB 1740	Forestry riparian easements	H Cap Budget	02/17/2023
SHB 1758	Hatchery maintenance permits	H 2nd Reading	02/22/2023
HB 1775	Salmon recovery/liability	H 2nd Reading	02/22/2023

WDFW Announces Spring Chinook Fishing Season: Forecast for 2023 Returns Higher than 2022

This week WDFW announced the 2023 recreational spring Chinook fishing season for the Col. River. The 2023 forecast for upriver spring Chinook is 198,600 fish, slightly more than the 185,209 that returned to the Columbia River in 2022, and significantly higher than the 10-year average of 150,485 fish. WDFW Col. River fisheries manager indicated optimism for 2023 spring returns, but indicated the agency will track that they continue to meet their conservation goals and will make adjustments if needed.

### Washington Salmon Recovery Office Publishes, 2022 State of the Salmon in Washington

Washington Governor's Salmon Recovery Office published its <u>2022 State of Salmon in Washington</u> report. It's a webbased, very visual report where you click and scroll and get information based on your interests in a region or in habitat work or harvest, etc.



Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

## Troy Wright (CONTR)

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From: Cook, Joel D (BPA) - K-7

Sent: Monday, September 13, 2021 4:43 PM

To: Leady Jr, William J (BPA) - K-7

Subject: RE: DOE's September Newsletter

Yes thanks

From: Leady Jr, William J (BPA) - K-7 <wjleady@bpa.gov>

Sent: Monday, September 13, 2021 4:26 PM
To: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>
Subject: FW: DOE's September Newsletter

Sir,

### Just in case you did not see this - Key new COVID info

- If you have not received the full course of vaccinations, federal executive branch workers have until November 22nd to be fully vaccinated.
- Exceptions to the mandatory vaccination will be granted to the extent required by law for federal employees who may have medical conditions or sincerely held religious beliefs that prevent vaccination.
- More information, including the Reasonable Accommodation process, will be forthcoming as the Safer Federal Workforce Taskforce releases additional guidance to help ensure employee are vaccinated.

## Bill Leady P.E.

Asset Manager | K
BONNEVILLE POWER ADMINISTRATION

bpa.gov | Office 503-230-4270 | Cell(b)(6)

From: DOECAST < doecast@hq.doe.gov>
Sent: Monday, September 13, 2021 1:26 PM
Subject: DOE's September Newsletter





## September Newsletter

Submit items for next month to newsletter@hq.doe.gov



Jennifer Granholm Secretary of Energy

## Message From Secretary Granholm

Dear colleagues,

We're making the most of these final weeks of long summer days. Our work in DC and across the DOE enterprise continued at lightning pace over a month that included our busiest stretch of travel yet. In the middle of August, we spent a week and a half going up and down the West and across the Atlantic to see the huge benefits that clean energy is already bringing to communities of all sizes and explore how DOE can help expand them further.

- In Alaska, Senator Lisa Murkowski showed me around Fairbanks and Anchorage to survey geothermal projects, wind development proposals, and research efforts on housing resilience in cold climates. Through meetings with researchers, energy workers, native communities, and young environmental leaders, it became clear that Alaskans understand the promise of clean energy and are already seizing the opportunity.
- In New Mexico, we saw the Land of Enchantment's vast clean energy resources and learned about their push to diversify an economy that's currently very dependent on fossil fuels. Senator Martin Heinrich, Congresswoman Melanie Stansbury, Congresswoman Teresa Leger Fernandez, and Governor Lujan Grisham joined me for conversations with educators, activists, entrepreneurs, workers, Navajo leaders, and homeowners about New Mexico's potential to become a clean energy exporter, and how New Mexicans of all backgrounds stand to gain.
- In California, I toured Lawrence Berkeley National Lab to celebrated its 90th anniversary with Congresswoman Barbara Lee before announcing that 25 Bay Area communities are signing up for our new one-stop solar permitting tool, SolarAPP. That announcement alone gets us a fifth of the way to our goal of signing up 125 communities by the end of September.
- In Ukraine, I led a U.S. Presidential Delegation to Ukraine to mark the 30th anniversary of the country's independence and reiterate America's commitment to Ukraine's sovereignty, to holding Russia accountable for their aggression in the Crimea, and to helping the country develop clean energy.

Also, in August, offices throughout the S4 column successfully planned and ran our very first **Hydrogen Shot Summit**—featuring two days of presentations from Secretary John Kerry, Bill Gates, and Senator Joe Manchin, and panel discussions with hydrogen producers, end users, policymakers, and researchers, all focused on setting the path forward to achieving our goal of \$1 for 1 kilogram of clean hydrogen by 2030.

Our Wind Energy Technologies Office released a <u>trio</u> of <u>Wind Market Reports</u> showing record growth in capacity nationwide over the last year.

And our CESER team joined a **White House Cybersecurity Summit**, bringing together leaders from a range of key sectors for conversations around what government and the private sector could do to advance cybersecurity and harden key systems.

Of course, the month ended on a somber note as **Hurricane Ida** left a trail of destruction in its wake. We should all be proud of the DOE staffers who stepped up to assist the whole-of-government response, joining public servants from across the administration in a 24/7 effort to restore power to affected areas of Mississippi and Louisiana. And we should not forget that these disasters will keep coming, and keep worsening, unless we rapidly shift to a clean energy economy.

Let's keep that front of mind in September, as we push ahead with our effort to turn President Biden's Build Back Better Agenda into reality.

Sincerely, Secretary Jennifer M. Granholm



## **DOE COVID-19 Information**

On September 9th, President Biden signed an Executive Order that that requires all federal executive branch workers to be vaccinated against COVID-19. The requirement comes as the Delta variant has led to an increase in hospitalizations especially in areas where vaccination rates are low and builds on the President's announcement in July that required disclosure of vaccination status and imposed testing requirements for unvaccinated federal workers. DOE's COVID-19 Coordination Team launched DOE's electronic Vaccination Attestation system at the end of

August. To date, 86% of our federal employees have completed the attestation. If you haven't completed your attestation yes, please log into <a href="MyEnergy">MyEnergy</a> to complete the vaccination attestation form.

The COVID-19 vaccine is the best way to best protect our colleagues and will ensure a safe reentry. If you have not received the full course of vaccinations, federal executive branch workers have until November 22nd to be fully vaccinated. All federal employees are eligible for 4 hours of administrative leave for each dose, including boosters, and up to two workdays per dose, including boosters, if you experience any symptoms. Exceptions to the mandatory vaccination will be granted to the extent required by law for federal employees who may have medical conditions or sincerely held religious beliefs that prevent vaccination. More information, including the Reasonable Accommodation process, will be forthcoming as the Safer Federal Workforce Taskforce releases additional guidance to help ensure employee are vaccinated.

As a reminder, if you are experiencing <u>COVID-like symptoms</u>, please remain at home and contact your medical provider. You should also alert your supervisor as well as the <u>COVID-19Inquiries@hq.doe.gov</u> or 202-586-2683.

## A Message from the Deputy Secretary: National Insider Threat Awareness Month 2021

Dear colleagues,

September is National Insider Threat Awareness Month, and I'd like to call your attention to relevant activities this month through the Department's critical Insider Threat mitigation program. This year, the Executive Branch is focusing on "Cultural Awareness and the Insider Threat." As you know, Insider Threats can be foreign-connected or purely domestic—and we must guard against all contingencies that threaten to derail the Department's mission performance for the American people.

The Department's Office of Insider Threat Program has arranged a variety of informative activities this month to help you to *Deter*, *Detect*, and *Mitigate* Insider Threats. By focusing on Cultural Awareness, we will learn how our care and concern for each other can improve our awareness of Insider Threats. I urge you to take advantage of these opportunities to learn how to recognize the signs of potential Insider Threats—and equally as important—how to thwart them.

Each Wednesday during September, the Office of Insider Threat Program will present an informative webinar that highlights Insider Threats issues and provides the opportunity for discussion. To learn more about these activities, please visit the internal <a href="https://itp.energy.gov">https://itp.energy.gov</a> website. These activities are open to contractor employees. If contractor employee attendance is during billable work, prior to attending, the contractor employee should consult with their employer, who will coordinate with the contracting officer.

I know that you take pride in the performance of your integral portion of the Department's mission. Together, let us take the necessary steps to ensure that our collective mission performance remains steadfast in the face of all threats, particularly those posed by insiders.

## 2020 Outstanding Security Award Program Winners

The following individuals and teams have been selected as the 2020 Outstanding Security Award recipients. These awards recognize both Federal and contractor employees who excel in the performance of their duties while providing security services, or support, to the Department's protective missions. Please join us in congratulating each of them!

- 1. Security Professional of the Year (Federal): Daniel Escobar, Livermore Field Office
- 2. Security Professional of the Year (Contractor): Dennis Mosser, Oak Ridge Associated Universities/Oak Ridge Institute for Science and Education
- 3. Security Manager of the Year: SoLita Green, Office of Nuclear Energy:
- 4. Security Team or Group Award (Tie):
- a. Design Basis Threat (DBT) Implementation Team, National Nuclear Security Administration: Kerry Hommertzheim, Anthony George, Chad Hanawalt, Jimmy Ortega, Pamela Valdez, Samuel Lee, Douglas Laniohan, Josh Zamzow, Johnny Ciballos, David Digon, Matthew Becker, Jerry Weber, Dwayne Cunningham, Ramiro Alaniz, Matthew Melton, George Klipa, Thomas Rodgers, Toby Velasquez, Kevin Mattern, Daniel Reeves, Matt Pincock, Edwin Alas, Gary White, Tim Alvarado
- b. Protective Force Culture Improvement Group, Oak Ridge National Laboratory Site Office: William Manuel, Stephen Macklin, Roxanne Pilgrim, Frank Narro, Adam Langley, Tommy Campbell

## September Virtual Events Spotlight

Free and open to the public!

- Cyclotron Road 2022 Cohort Webinar, September 14, 2021 at 12 p.m. ET. The
  Cyclotron Road fellowship at Lawrence Berkeley National Laboratory supports
  entrepreneurial scientists and engineers as they develop globally impactful and
  commercially viable technology products.
- Internal Engagement and Communication: Sharing Your Energy Vision, September 14, 2021 at 3 p.m. ET. This Better Buildings webinar will discuss how organizations can share their energy-efficiency vision with employees and engage them in contributing to that vision.
- Geothermal Collegiate Competition Informational Webinar, September 14, 2021 at 1 p.m. ET. The U.S. Department of Energy Geothermal Collegiate Competition is a year-long competition seeking to inspire students to unlock the potential of direct use geothermal and create a plan to develop, design, and test technologies to shape the future of geothermal.
- <u>EERE's Water Power Technologies Office in Alaska</u>, September 15, 2021 at 5
   p.m. ET. Join representatives from the Water Power Technologies Office as they share the work they are doing along the coasts and waterways of Alaska and offer insights into what could be next for water power in the last frontier.
- "Ready, Set, Solar Decathlon!" Introduction to Solar Decathlon September 16,

- 2021 at 5 p.m. to 6 p.m. ET. This webinar will give an in-depth introduction and overview of the Solar Decathlon. All students or faculty interested in participating or learning more are welcome to participate. No prior knowledge of Solar Decathlon is required.
- Webinar: How LBNL's ABPDU Is Training the Next Generation of Bioprocess Engineers. September 16, 2021, at 3 p.m. ET. A new college course taking place at LBNL's Advanced Biofuels and Bioproducts Process Development Unit (ABPDU) aims to train the next generation of bioprocessing engineers. LBNL is partnering with the University of California, Berkeley to provide students with hands-on experience with industry-relevant bioprocessing equipment. Part of UC Berkeley's Master of Bioprocess Engineering program, the course prepares students for careers in the biopharmaceutical, industrial biotech, or food tech industries.
- Innovation Crossroads Cohort 6 Webinar, September 17, 2021 at 2 p.m. ET. As part
  of the U.S. Department of Energy Advanced Manufacturing Office's Lab Embedded
  Entrepreneurship Program, Innovation Crossroads supports innovators for two years as
  they develop and de-risk their technologies.
- Empty Skies: Passenger Pigeon Story (a virtual program), Fernald Preserve,
   September 19, 4 5 p.m. ET. Registration required. Learn about this remarkable bird that went from a population in the billions to the brink of extinction in less than 60 years.
- Annual International Atomic Energy Agency General Conference, September 20<sup>th</sup> to 24<sup>th</sup> NNSA Administrator Jill Hruby will join with Energy Secretary Jennifer Granholm and many other dignitaries to consider a range of critical issues.
- Kick the Tires: Understanding the Role of R&D in the Deployment of Building Energy Technologies, September 21, 2021 at 3 p.m. ET. This Better Buildings webinar will explore current real-world examples of deploying technologies developed by DOE and the national labs. Participants will learn about DOE's ongoing efforts and opportunities to collaborate with the department.
- Innovation Crossroads Cohort 6 Webinar, September 22, 2021 at 12 p.m. ET. As part
  of the U.S. Department of Energy Advanced Manufacturing Office's Lab Embedded
  Entrepreneurship Program, Innovation Crossroads supports innovators for two years as
  they develop and de-risk their technologies.
- Long Duration Storage Shot Summit, September 23, 2021, with Pre-Event Roundtable on September 22, 2021. Long duration energy storage systems defined as technologies that can store energy for more than 10 hours at a time are a critical component of a low-cost, reliable, carbon-free electric grid. In alignment with DOE's Energy Earthshot Initiative, the recently announced Long Duration Storage Shot sets a bold target to reduce the cost of grid-scale energy storage by 90% within the decade. Join the DOE for the Storage Shot Summit to learn about how we can work together to achieve this goal and create affordable grid storage for clean power anytime, anywhere.
- Evolution of Commercial Building Design and Construction, September 23, 2021 at 1
  p.m. ET. The session will focus on how the construction and engineering design industry
  is evolving and look at a futuristic perspective in the context of building codes.
- EMERGENCY Replacements the Biggest Real World Obstacle to
   Efficiency? September 23, 2021 at 1 p.m. ET Better Buildings Residential Network peer exchange call.
- Webinar 2: Chain Reaction Innovations Cohort 6, September 24, 2021 at 3 p.m.
   ET. As part of the U.S. Department of Energy Advanced Manufacturing Office's Lab Embedded Entrepreneurship Program, CRI supports innovators for two years as they

- develop and de-risk their technologies.
- What's Next in Water Tech for Multifamily Housing, September 28, 2021 at 11 a.m.
   ET. In this Better Buildings webinar, hear from water efficiency experts who reach beyond the low-hanging fruit of faucet aerators and low-flow showerheads to implement deep water conservation measures in multifamily housing.
- Cyclotron Road 2022 Cohort Webinar, September 28, 2021 at 12 p.m. ET. The
  Cyclotron Road fellowship at Lawrence Berkeley National Laboratory supports
  entrepreneurial scientists and engineers as they develop globally impactful and
  commercially viable technology products.
- Monarch Butterflies (a virtual program), Fernald Preserve, September 25, 2 3 p.m.
   ET. Learn about the monarch's fascinating life cycle as they pass through on their migration to their ancestral roots in Mexico.
- "Before Things Get Too Heated" De-escalation Techniques for Difficult
   Interactions, September 28 & 30, 2021. This session will outline hard-wired responses
   under stress and offer techniques for responding calmly and constructively when a
   situation gets tense.
  - o Tuesday, September 28th from 1 pm 2 pm (ET)
  - Thursday, September 30th from 11 am Noon (ET)
- Webinar: Co-Optimization of Fuels & Engines past, present, and future: What did we learn and where do we go next? September 30, 2021 at 2 p.m. ET. New Co-Optima knowledge and tools point the way to cleaner, more efficient engines. This webinar looks at the initiative's accomplishments in the broader context of what might come next for internal combustion engine research in a rapidly changing world, factoring in increased vehicle electrification and a pressing need to reduce the carbon intensity of transportation.
- <u>Site Specific Advisory Board Meetings</u> September 16-23. The Office of Environmental
  Management is hosting several Site Specific Advisory Board meetings at Paducah,
  Savannah River Site, Nevada National Security Site, and Hanford. For more info, contact
  Kelly Snyder (kelly.snyder@em.doe.gov).
- Stress Assessment Day October 7th, 2021, 8am 4pm ET Stress is interwoven into many conflict situations as a precursor, unwelcome participant, or lingering effect, especially when challenging circumstances are left unresolved. Meet virtually with the HQ EAP Specialist to identify your sources of stress and develop management strategies. Signup: Call HQ EAP: (202) 586-8420 or email <a href="mailto:Evelyn.Joy@hq.doe.gov">Evelyn.Joy@hq.doe.gov</a> to schedule an appointment.

## Compete in the 2021 President's Cup Cybersecurity Competition

The <u>President's Cup Cybersecurity Competition</u> (President's Cup), hosted by the Cybersecurity and Infrastructure Security Agency (CISA), seeks to strengthen, and grow the federal cybersecurity workforce. The 2021 competition will consist of three increasingly difficult rounds, with real-world scenarios in which participants will apply their technical skills to solve a problem or complete a task. At the conclusion of the finals, there will be an awards ceremony held in Washington, D.C. The President's Cup is open to federal civilian and military employees, including the Department of Defense and uniformed service members. Government contractors are not permitted to participate. Participants can compete as an individual or on a team of up to five members, or both.

All team members must belong to the same Government department, agency, or uniformed service. Registration is open from August 30 until September 20 for teams and until October 4 for individuals. To learn more and register for the competition, visit the CISA President's Cup website at <a href="https://presidentscup.cisa.gov">https://presidentscup.cisa.gov</a>

The annual President's Cup presents a unique way to challenge our nation's cybersecurity professionals and recognize them for their important contributions to our country's cyber excellence. Please consider representing the Department of Energy and competing in the 2021 President's Cup Cybersecurity Competition! Employees should get approval from their direct-reporting official or leave-approving official to participate during official duty hours (or official time). For questions directed to DOE regarding the competition, please send them to DOE at <a href="mailto:presidentscupcyber@hq.doe.gov">presidentscupcyber@hq.doe.gov</a>

## **Departmental Directives Training Sessions**

The Departmental Directives Program is providing Directives training via Teams on **Thursday**, **September 16**, **2021**. Directives are a way the Department establishes internal policy, and these training sessions will cover how Directive are made and how they affect DOE employees. These classes are open to both Federal and contractor employees. Contractor employees should first consult with their contracting officer before attending the course while on duty. The training will be offered in two sessions: a session for basic directives training and a session for advanced directives training.

Basic training is focused on introducing employees to the Directives Program and will cover topics, including:

- How internal policy is created in DOE
- Types of directives you may encounter
- Where to find internal DOE directives

Advanced training is geared towards those with experience with the directives process, or those that will be asked to play a role in the directives process. The advanced training will delve deeper into directives, covering topics like:

- The different directives development processes and any updates
- Specific roles and responsibilities within the directives development processes
- How directives actions are prioritized

The trainings will be held on Thursday, September 16, as follows:

- Basic Directives Training: 1:00–1:45 p.m. (ET)
- Advanced Directives Training: 2:00–3:15 p.m. (ET)

If you have any questions or would like more information, please contact the Departmental Directives Program at <a href="mailto:doe.gov">doe.gov</a>.



## **Upcoming Career Fairs and Recruitment Events**

- RecruitMilitary Western Region Virtual Career Fair (September 14)
- NC State Engineering Career Fair (September 15)
- Virtual Career Day for NNSA's Minority Serving Institution Partnership Program, (September 15)
- Society of American Indian Government Employees, Virtual Youth Career Fair (September 15)
- Federal Asian Pacific American Council 2021 Student Career Fair (September 24)
- College Diversity Network Virtual Career Fair (September 30)
- University of Michigan-Ann Arbor, Nuclear and Radiological Sciences Virtual Career Fair (October 8)

For more events, view the <u>Recruitment Calendar</u> on HCnet. Please note, this list is not all inclusive; program offices may be participating in additional events.

## Job Opportunities:

- Expression of Interest Announcements Visit this page regularly for a current list of
  details, temporary promotions, and reassignment opportunities available internally to DOE
  Federal employees. One of these opportunities may allow you to broaden your experience
  and advance your career!
- <u>USAJOBS Announcements</u> Visit this page to search all DOE jobs that are currently
  posted on USAJOBS. As you are viewing these opportunities, please keep in mind friends,
  colleagues, or acquaintances who may be a great fit for DOE. The best recruiters are those
  who do the work!

## **Back to School Resources for Parents:**

- Back To School, U.S. Department of Education
- Back to School (Nutrition Education), U.S. Department of Agriculture
- School Safety, SchoolSafety.gov
- Schools and Child Care Programs: COVID-19 Guidance, Centers for Disease Control and Prevention (CDC)
- COVID-19 pandemic: Helping young children and parents transition back to school, CDC

## **Student Engagement:**

DOE's Student Volunteer Program is a great way to engage the next generation of climate leaders! You can request Corporate Recruitment and Outreach to send you resumes to bring on for the Spring. To find out more information <u>please visit HCNet</u>. Request are filled as needed, you can <u>student volunteer request form</u> on a rolling basis! Direct any questions to Pamela Baker (pamela.baker@hq.doe.gov).

## New Training Opportunity: ExecOnline:

The Future of Work Survey results indicated more than 60% requested training opportunities on effective communication and collaboration for hybrid and remote teams. To address this need and

support our employees' success as we eventually transition to a hybrid workforce, we will be offering DOE employees a free new resource through our partnership with ExecOnline.

ExecOnline is a pioneer in the virtual education space offering courses designed by industry leaders and elite business schools, such as Schools, Duke, UC Berkeley, and Stanford. We've worked with ExecOnline to tailor development tracks to help us respond to our most pressing organizational needs. This 4-month pilot program will begin September 30.

Please visit the <u>ExecOnline</u> page on HCnet for more information about this exciting pilot program and details on how to access these resources and upcoming orientation sessions.

# In Case You Missed It

Check out Secretary Granholm's Labor Day Message



From: Cook, Joel D (BPA) - K-7

**Sent:** Wednesday, April 27, 2022 12:50 PM

To: Shaheen,Richard L (BPA) - T-DITT-2; Cooper,Suzanne B (BPA) - P-6; Hairston,John L

(BPA) - A-7

Subject: RE: BOEM Oregon Call - Biden-Harris Administration Advances Offshore Wind Energy

Leasing on Atlantic and Pacific Coasts

#### Thanks

From: Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov>

Sent: Wednesday, April 27, 2022 8:52 AM

To: Cooper, Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>; Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>; Hairston, John L

(BPA) - A-7 < jlhairston@bpa.gov>

Subject: FW: BOEM Oregon Call - Biden-Harris Administration Advances Offshore Wind Energy Leasing on Atlantic and

**Pacific Coasts** 

FYI...sharing.

From: Peacock, Julie (BPA) - AIR-7 < <a href="mailto:jxpeacockwilliamson@bpa.gov">jxpeacockwilliamson@bpa.gov</a>>

Sent: Wednesday, April 27, 2022 8:20 AM

To: Bustamante,Richard (BPA) - PTK-5 < rxbustamante@bpa.gov >; Kosterev,Dmitry (BPA) - TPP-OPP-3 < dnkosterev@bpa.gov >; Cook,Jeffrey W (BPA) - TP-DITT-2 < jwcook@bpa.gov >; Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2 < rkaggarwal@bpa.gov >; Johnson,Anders L (BPA) - TPLE-TPP-2 < aljohnson@bpa.gov >; Lee,Christina A (BPA) - TPP-OPP-3 < calee@bpa.gov >; Miller,Mike P (BPA) - TE-DITT-2 < mpmiller@bpa.gov >; ADL\_AL\_ALL < adl ai all@bpa.gov >; Baker,Alissa R (BPA) - PGAF-6 < arbaker@bpa.gov >; Egerdahl,Ryan J (BPA) - PGPR-5 < riegerdahl@bpa.gov >; Hall,Lee J (BPA) - PES-6 < |jhall@bpa.gov >; Hindi,Hamody M (BPA) - TPPA-OPP-3 < hmhindi@bpa.gov >; Schaad,John G (BPA) - TPCV-ALVEY < jgschaad@bpa.gov >; Simpson,Troy D (TFE)(BPA) - TSE-TPP-2 < tdsimpson@bpa.gov >

Subject: BOEM Oregon Call - Biden-Harris Administration Advances Offshore Wind Energy Leasing on Atlantic and Pacific Coasts

BOEM is narrowing down the call areas to two to Coos Bay and Brookings and eliminating the Bandon call area. They are publishing a notice in the federal register on Friday asking for more information to further narrow down the areas for leasing wind energy areas (which are smaller areas available for lease for offshore wind projects.)

The Call Area is located offshore the State of Oregon and comprises areas identified as Coos Bay and Brookings. These two areas total about 1,159,298 acres (1,811 square miles) and are located offshore south-central and southern Oregon, respectively.



- Coos Bay Call Area: The boundary of the Coos Bay Call Area begins 13.8 miles offshore Charleston, Oregon, and extends to about 65 miles offshore. The eastern boundary water depth ranges from about 394 to 722 feet (120 to 220 meters). The area is about 67 miles in length from north to south and about 41 miles in width from east to west. The entire area is approximately 872,854 acres (1,364 square miles).
- Brookings Call Area: The boundary of the Brookings Call area begins 13.8 miles offshore Gold Beach and Brookings, Oregon, and extends to about 46 miles offshore. The eastern boundary water depth ranges from about 410 to 1,115 feet (125 to 340 meters). The area is about 46 miles in length from north to south and about 22 miles in width from east to west. The entire area is approximately 286,444 acres (448 square miles).

This is a map of the three proposed call areas including data on the eliminated Bandon area:

# **Proposed Oregon Call Areas**

## **Guiding Principles**

- Establish Call Areas of sufficient size and flexibility for further refinement
- Focus on highest potential for commercial offshore wind energy viability
- Consider 3 gigawatts (GW) for near-term commercial development

	THE RESIDENCE OF THE PARTY OF T	fshore Wind Capacity	Area		
Name	Megawatts	Gigawatts	Acres	Square miles	Square kilometers
Coos Bay	10,597	10.6	871,680	1,362	3,532
Bandon	2,881	2.9	237,440	371	960
Brookings	3,478	3.5	286,720	448	1,159
Total	16,956	17	1,395,840	2,181	5,651

Power density of 3 MW/km<sup>2</sup> (7.8 MW/mi<sup>2</sup>) (NREL 2016)



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From: Hauer, Whitney B < whitney.hauer@boem.gov>

Sent: Wednesday, April 27, 2022 8:03 AM

To: Peacock, Julie (BPA) - AIR-7 < index of the plant of

jason.miner@oregon.gov; wchuck@portofnewport.com; John.Pouley@oregon.gov; Guy.RODRIGUE@oprd.oregon.gov; jsiestreem@ctclusi.org; mikek@ctsi.nsn.us; THPO@coquilletribe.org; mark.r.thompson@puc.oregon.gov; Boren,

Douglas < Douglas. Boren@boem.gov >

Cc: Schaad, John G (BPA) - TPCV-ALVEY < jgschaad@bpa.gov >; Johnson, Anders L (BPA) - TPLE-TPP-2

<aliohnson@bpa.gov>; Hall,Lee J (BPA) - PES-6 < lihall@bpa.gov>; Fish, Yvonne < Yvonne.Fish@bia.gov>; Barnes, Timothy

L <tbarnes@blm.gov>; Jones, Jennifer A <jajones@blm.gov>; Liu, Thomas J <Thomas.Liu@boem.gov>; Sumait, Necitas C <Necy.Sumait@boem.gov>; steve.u.chung@navy.mil; michael.j.lignowski.ctr@mail.mil; kimberly.peacher@navy.mil; Gabrielle.Kim@fcc.gov; Smyth, Rebecca <Rebecca.Smyth@noaa.gov>; Quinn, Sarah A <Sarah Quinn@nps.gov>; Lee, Lena FS <Lena Lee@nps.gov>; Irvine, Irina <lrina Irvine@nps.gov>; jennifer.ise@noaa.gov; candace.nachman@noaa.gov; George.H.Detweiler@uscg.mil; john.m.stone@uscg.mil; Maureen.R.Kallgren2@uscg.mil; David.F.Berliner@uscg.mil; Geerlofs, Simon <Simon.Geerlofs@pnnl.gov>; lohrman.bridgette@epa.gov; Boldrick.Lauren@epa.gov; Zwartjes, Michele <michele zwartjes@fws.gov>; arapinchuk@co.clatsop.or.us; mcribbins@co.coos.or.us; ohusing@co.lincoln.or.us; Colin.Sears@oregon.gov; Adam.SCHULTZ@energy.oregon.gov; Ruchi.SADHIR@energy.oregon.gov; delia.r.kelly@odfw.oregon.gov; dana.hicks@state.or.us; Andrea.Celentano@dsl.state.or.us; jlackey@portofnewport.com; Alex.CAMPBELL@oregon.gov; Amira.STREETER@oregon.gov; asumerau@ctsi.nsn.us; markhealy@coquilletribe.org; Briece.Edwards@grandronde.org; Laurel.Hillmann@oregon.gov; Rose.ANDERSON@puc.oregon.gov; Yarde, Richard R < Richard.Yarde@boem.gov >; Romero, John D. < John.Romero@boem.gov >; Guiltinan, Sara V < Sara.Guiltinan@boem.gov >; Gilbane, Lisa <Lisa.Gilbane@boem.gov>; Reeb, Desray <Desray.Reeb@boem.gov>; Potter, Jeremy M <Jeremy.Potter@boem.gov>; Ball, David <code>David.Ball@boem.gov></code>; McWilliams, Parker D. <code>Parker.McWilliams@boem.gov></code>; Clark, Kenneth A <Kenneth.Clark@boem.gov>; Ryder, Abigail M <Abigail.Ryder@boem.gov>; Pereksta, David M <David.Pereksta@boem.gov>; Pendleton, Frank N <Frank.Pendleton@boem.gov>; Lundy, Alden C < <u>Alden.Lundy@boem.gov</u>>; Marshall McLean, Kimberly A < <u>kimberly.marshallmclean@boem.gov</u>>; Thurston-Keller, Jean <<u>Jean.Thurston-Keller@boem.gov</u>>; Jamie Damon <<u>idamon@kearnswest.com</u>>; Ariella Dahlin <adahlin@kearnswest.com>; Miller, Jennifer K <Jennifer.Miller@boem.gov>; Bianca Valdez <br/>bvaldez@kearnswest.com> Subject: [EXTERNAL] BOEM Oregon Call - Biden-Harris Administration Advances Offshore Wind Energy Leasing on Atlantic and Pacific Coasts

Dear Task Force Members,

BOEM has announced that it will publish a Call for Information and Nominations (Call) to assess commercial interest in -- and obtain public input on -- potential wind energy leasing activities in federal waters offshore Oregon on April 29, 2022. Please see the press release below.

The Oregon Call includes two Call Areas which are the Coos Bay Call Area and the Brookings Call Area off the coast of south central and southern Oregon. A copy of the Oregon Call that will be published in the Federal Register is available <a href="https://example.com/here">here</a>.

- Oregon Call Areas Map
- Coos Bay Call Area Map
- Brookings Call Area Map

In addition to commercial interest, BOEM is seeking information regarding site conditions, resources, and multiple uses in close proximity to or within the Call Areas. The Call Areas are of a sufficient size to allow for refinement. BOEM, in coordination with the State, is considering 3 gigawatts for near-team commercial development for the first leasing activities offshore Oregon, less than one-fourth of the estimated 14 gigawatts of potential capacity within both Call Areas.

Publication of the Call in the Federal Register will initiate a 60-day public comment period ending at 8:59 p.m. PT on Tuesday, June 28, 2022. For addition information, including additional maps, shapefiles, waypoints, and information on how to submit comments, see <a href="https://www.boem.gov/Oregon">www.boem.gov/Oregon</a>.

Thank you to the BOEM Oregon Task Force for all your time and contributions to the offshore wind energy planning effort to date.

Please let me know if you have any questions.

Best,

## Whitney

--

Whitney Hauer, Ph.D. (she/her)

Renewable Energy Specialist and Oregon Task Force Coordinator

Bureau of Ocean Energy Management, Pacific Region

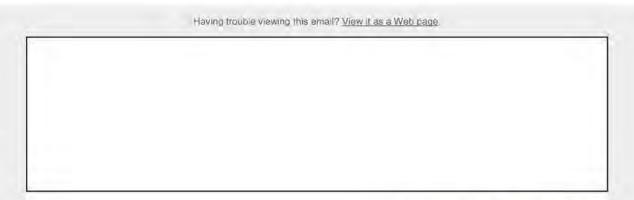
Office: 805-384-6263 Mobile: (b)(6)

whitney.hauer@boem.gov

From: U.S. Department of the Interior <info@updates.interior.gov>

Sent: Wednesday, April 27, 2022 10:49 AM

Subject: Biden-Harris Administration Advances Offshore Wind Energy Leasing on Atlantic and Pacific Coasts



Date: Wednesday, April 27, 2022 Contact: Interior Press@ios.doi.gov

## Biden-Harris Administration Advances Offshore Wind Energy Leasing on Atlantic and Pacific Coasts

New offshore wind action helps advance President Biden's ambitious clean energy goals

**WASHINGTON** — The Department of the Interior today announced that the Bureau of Ocean Energy Management (BOEM) will publish two separate Calls for Information and Nominations for possible leasing in areas that are determined to be suitable off the coast of Oregon and in the Central Atlantic.

BOEM Director Amanda Lefton made the announcement at the International Offshore Wind Partnering Forum, where she outlined the Biden-Harris administration's momentum to spur a clean energy future and create good-paying, union jobs deploying 30 gigawatts of offshore wind energy by 2030. Over the past year, the Biden-Harris administration and the Interior Department have launched the American offshore wind industry by approving and celebrating the groundbreaking of the nation's first two commercial-scale offshore wind projects in federal waters. The Department also held a record-breaking New York Bight

auction and <u>announced</u> plans to potentially hold up to seven new offshore lease sales by 2025.

"The Biden-Harris administration is committed to supporting a robust clean energy economy, and the upcoming steps taken toward possible leasing off the coast of Oregon and Central Atlantic provides another opportunity to strengthen the clean energy industry while creating good-paying union jobs," said **Secretary Deb Haaland**. "We will continue using every tool in our toolbox to tackle the climate crisis, reduce our emissions to reach President Biden's bold goals, and advance environmental justice."

"The Calls for Information and Nominations for Oregon and the Central Atlantic provide an important avenue to solicit information as we identify potential areas that may be suitable for future offshore wind energy leasing," said **BOEM Director Amanda Lefton**. "Today's announcement reflects years of working with ocean users, Tribal governments, and local, state, and federal agencies as we drive toward achieving the ambitious goals of the Biden-Harris administration to fight climate change and create good paying jobs."

Scheduled to publish in the *Federal Register* on April 29, each Call will initiate a separate comment period during which the public can submit relevant information on site conditions, marine resources, and ocean uses near or within the Call Areas. Concurrently, wind energy companies can nominate specific areas they would like to see offered for leasing.

These Calls come after robust engagement with stakeholder organizations, ocean users, federal agencies, states, Tribal governments and other parties to identify conflicts and engage early in the process as BOEM seeks to advance offshore wind in areas of least impact. This next step in the process allows BOEM to obtain information from and engage with ocean users and stakeholders as the bureau seeks to identify areas of least conflict for offshore leasing and wind energy development. This information will be used to significantly narrow the area to be considered for offshore wind development leasing as BOEM seeks to identify wind energy areas.

BOEM is seeking information on <u>six distinct areas</u> in the Central Atlantic comprising almost 3.9 million acres. The closest point to the shore of any of the areas is approximately 20 nautical miles off the Central Atlantic coast. Publication of the Call in the Federal Register will initiate a 60-day public comment period ending at 11:59 p.m. ET on June 28. Additional information on the Call, including a map of the areas and directions for commenting, can be found at BOEM's Central Atlantic webpage.

The Oregon Call, the first action of its type off the Oregon coast, requests information on two areas that together comprise approximately 1,158,400 acres. Both areas – the Coos Bay Call Area and the Brookings Call Area – begin about 12 nautical miles from shore at their closest points, off the coast of central and southern Oregon, respectively. Publication of this Call will initiate a 60-day public comment period, which will end at 11:59 p.m. ET on June 28. For more information on the Call, including a map of the areas and instructions for commenting, see BOEM's Oregon webpage.

BOEM will consider public comments and commercial nominations in response to the Calls to analyze potential use conflicts before designating specific wind energy areas (WEAs) within the respective Call Areas. BOEM will then conduct environmental reviews of the WEAs in consultation with the appropriate Federal agencies, Tribes, State and local governments, and other key stakeholders. After completing its environmental reviews and consultations, BOEM may propose one or more competitive lease sales for areas within the WEAs. There will be multiple opportunities for public input throughout this process.

###

## About the U.S. Department of the Interior

The Department of the Interior (DOI) conserves and manages the Nation's natural resources and cultural heritage for the benefit and enjoyment of the American people, provides scientific and other information about natural resources and natural hazards to address societal challenges and create opportunities for the American people, and honors the Nation's trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated island communities to help them prosper.

U.S. Department of the Interior | 1849 C Street NW, Washington, DC

## Taylor, Jason E (BPA) - CGI-7

From:

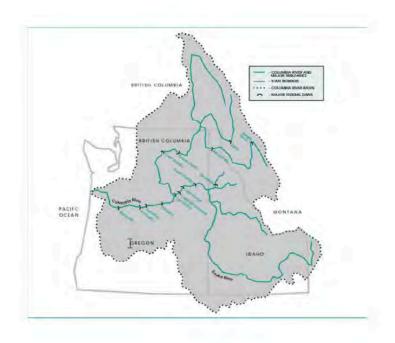
Sent:

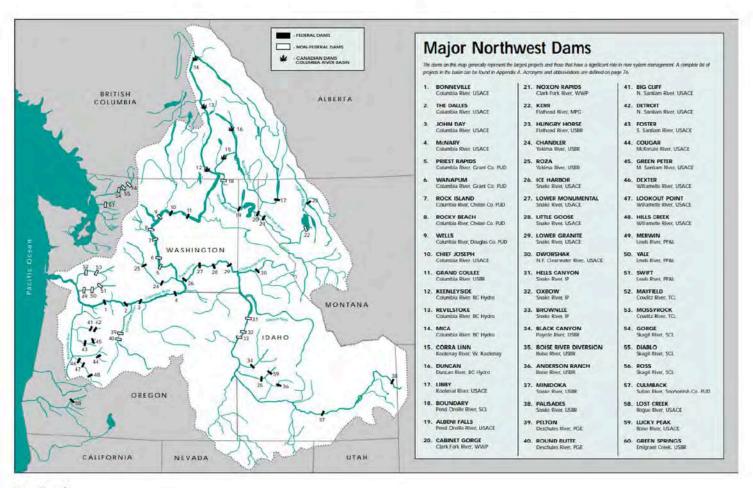
Alders,Kyna L (BPA) - K-7
Tuesday, August 30, 2022 10:06 AM
Scruggs,Joel L (BPA) - DK-7; Mantifel,Russell (BPA) - PGL-5; Zimmerman,Nita M (BPA) - B-3; Symonds,Mark C (BPA) - B-3; Cook,Joel D (BPA) - K-7
RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31 To:

Subject:

### Are any of these what you are looking for?

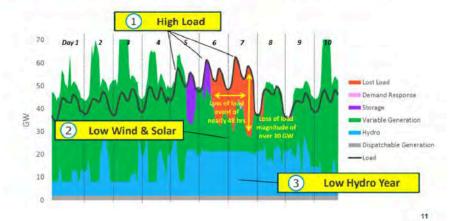






From E3 study

Figure 3. Key Drivers of Pacific Northwest Reliability Events in a Decarbonized Grid





### Western Interconnection Balancing Authorities (38)

AESO - Alberta Electric System Operator

AVA - Avista Corporation

AZPS - Arizona Public Service Company

BANC - Balancing Authority of Northern California

BCHA - British Columbia Hydro Authority

BPAT - Bonneville Power Administration - Transmission

CFE - Comision Federal de Electricidad

CHPD - PUD No. 1 of Chelan County

CISO - California Independent System Operator

DEAA - Arlington Valley, LLC

DOPD - PUD No. 1 of Douglas County

EPE - El Paso Electric Company

GCPD - PUD No. 2 of Grant County

GRID - Gridforce

GRIF - Griffith Energy, LLC

GRMA - Sun Devil Power Holdings, LLC

GWA - NaturEner Power Watch, LLC

HGMA - New Harquahala Generating Company, LLC

IID - Imperial Irrigation District

IPCO Idaho Power Company

LDWP - Los Angeles Department of Water and Power

NEVP - Nevada Power Company

NWMT - NorthWestern Energy

PACE - PacifiCorp East

PACW - PacifiCorp West

PGE - Portland General Electric Company

PNM - Public Service Company of New Mexico

PSCO - Public Service Company of Colorado

PSEI - Puget Sound Energy

SCL - Seattle City Light

SRP - Salt River Project

TEPC - Tucson Electric Power Company

TIDC - Turlock Irrigation District

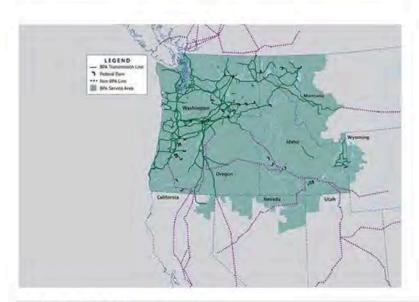
TPWR - City of Tacoma, Department of Public Utilities

WACM - Western Area Power Administration, Colorado-Missouri Region

WALC - Western Area Power Administration, Lower Colorado Region

WAUW - Western Area Power Administration, Upper Great Plains West

WWA - NaturEner Wind Watch, LLC



From: Cook,Joel D (BPA) - K-7 < idcook@bpa.gov>
Sent: Monday, August 29, 2022 4:52 PM

To: Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

#### Thanks

I don't need talking points unless you have some for EIM. I was hoping for a better slide showing BPA's BA. It is the common picture of our load, hydro, wind, CGS etc. hoping to show the variability of wind and how hydro fills in the gaps. Otherwise I'm good.

From: Alders,Kyna L (BPA) - K-7 <<u>klalders@bpa.gov</u>> Sent: Monday, August 29, 2022 12:11 PM

To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 < brannigan@bpa.gov>

Subject: FW: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

#### Hi Joel,

Jacob and Lare both off this afternoon. Did you need talking points as well? I don't think anyone was working on that.

#### Kyna

Kyna Alders (she/her)
Deputy Chief Operating Officer (acting)
Bonneville Power Administration
Phone: 503-230-5971 / Cell (b)(6)

6

From: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Sent: Monday, August 29, 2022 11:45 AM
To: Alders, Kyna L (BPA) - K-7 < klaiders@bpa.gov>

Co. Harrison B. Danieric B. (DDA) A 7 shaharrison G

Cc: Hannigan IV, Benjamin R (BPA) - A-7 < bringin@bpa.gov>

Subject: Fwd: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Sent from Workspace ONE Boxer

----- Forwarded message -----

From: "Wittig, Veronica (BPA) - FR-2" <vxwittig@bpa.gov>

Date: Aug 29, 2022 11:37 AM

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

To: "Hannigan IV, Benjamin R (BPA) - A-7" <a href="https://brannigan@bpa.gov">bpa.gov</a>>, "Sigo, Jacob L (BPA) - K-7" <a href="https://linearchy.org/linearchy.org/">jlsigo@bpa.gov</a>>

Cc: "Mesa, Aaron J (CONTR) - F-2" <aimesa@bpa.gov>, "Schmid, Ashley M (BPA) - FRG-2" <aimeschmid@bpa.gov>, "Scruggs, Joel L (BPA) - DK-7" <ailser.uggs.@bpa.gov>

Hello-

At the 9am meeting Joel Scruggs offered to review Joel Cook's talking points for the WEI. Please let Joel 5. know if this is something Joel Cook would like help with.

Thanks, Veronica

From: Schmid, Ashley M (BPA) - FRG-2 <amschmid@bpa.gov>

Sent: Monday, August 22, 2022 2:39 PM

To: Hannigan IV, Benjamin R (BPA) - A-7 <a href="https://example.com/bpa.gov">bpa.gov</a>; Mesa, Aaron J (CONTR) - F-2 <a href="https://example.com/bpa.gov">example.com/bpa.gov</a>; Sigo, Jacob L (BPA) - K-7 <a href="https://example.com/bpa.gov">example.com/bpa.gov</a>; Mesa, Aaron J (CONTR) - F-2 <a href="https://e

Cc: Wittig, Veronica (BPA) - FR-2 <vxwittig@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Thanks Ben!

Also I found this bio and provided it to WEI for Joel.

Joel Cook was named chief operating officer in April 2021. He is responsible for Power Services; Transmission Services; Environment, Fish and Wildlife; Customer Support Services; and the Business Transformation Office.

Cook's focus as COO will be to sustain BPA's focus on competitiveness, grid modernization and customer responsiveness as the agency approaches negotiations for new, long-term wholesale power contracts with its 142 northwest electric utility customers.

Cook has spent his entire career in the energy and electric utility industry. He joined BPA in 2017 as the senior vice president of Power Services. Previously, he served as the vice president of Retail Marketing and Western Trading at Talen Energy in Allentown, Pennsylvania. At Talen, one of the largest independent power producers in the United States, Cook oversaw western marketing and trading operations, eastern competitive retail electric and natural gas marketing; and 13 mechanical engineering and construction companies. He began his career in the energy and electric utility industry with Montana Power Company.

Cook has over 30 years' experience in wholesale and retail energy commodity sales, marketing, trading, supply, operations and risk management. His commodity expertise includes electric, natural gas, coal, renewable energy, oil, petroleum products and nuclear fuel.

Cook has a Master in Business Administration with a concentration in finance from the University of Montana, and a Bachelor of Science in petroleum engineering from the Montana College of Mineral Science and Technology,

Thank you,

Ashley M. Schmid

General Accounting Supervisor

#### BONNEVILLE POWER ADMINISTRATION









Please consider the environment before printing this email.

From: Hannigan IV, Benjamin R (BPA) - A-7 < bringing an @bpa.gov>

Sent: Monday, August 22, 2022 2:13 PM

To: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>; Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Cc: Wittig, Veronica (BPA) - FR-2 <vxwittig@bpa.gov>; Schmid, Ashley M (BPA) - FRG-2 <a href="mailto:amschmid@bpa.gov">amschmid@bpa.gov</a>>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Great. I will run these by Joel and see what he likes.

Ben

From: Mesa, Aaron J (CONTR) - F-2 <ajmesa@bpa.gov>

Sent: Monday, August 22, 2022 12:19 PM

To: Hannigan IV, Benjamin R (BPA) - A-7 <br/> - A-7 <br/> - Strhannigan@bpa.gov>; Sigo, Jacob L (BPA) - K-7 <isigo@bpa.gov>

Cc: Wittig, Veronica (BPA) - FR-2 <vxwittig@bpa.gov>; Schmid, Ashley M (BPA) - FRG-2 <amschmid@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Good afternoon Ben & Jacob,

Here are what the team came up with for Joel regarding topics for WEI.

Provide a general overview of BPA's purpose and operational structure. What factors cause BPA to have a good or bad financial year? How does BPA manage those risks?

Talk about BPA's experience joining the EIM. What were the challenges? What have been the benefits of BPA joining the EIM?

Are there any trends that you are monitoring or are concerned about?

Given the recent passing of the Inflation Reduction Act (IRA) that includes funding for electric vehicles, rooftop solar, and energy efficient appliances, do you anticipate any impacts to BPA as a result of this?

What was the motivation behind creating the new Workforce and Strategy Office?

Are there any highlights to share from the Secretary of Energy's recent visit to BPA?

Discuss the role of weather and streamflows to BPA financial results and the Pacific Northwest region.

Discuss the impact of the war in Ukraine to BPA and power prices.

Challenges and opportunities with a hybrid (telework vs in-person) workforce.

Hiring and/or retention challenges in the new normal of telework.

Please let us know if you need anything else.

Thanks,

Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Sent: Friday, August 19, 2022 3:29 PM

To: Mesa, Aaron J (CONTR) - F-2 <ajmesa@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 <ilsigo@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Great.

Sent: Friday, August 19, 2022 3:27 PM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi Ben,

The team is working on some ideas for Joel and we will get them over to him hopefully on Monday.

Thanks,

Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < bring hannigan@bpa.gov>

Sent: Friday, August 19, 2022 3:21 PM

To: Mesa, Aaron J (CONTR) - F-2 <ajmesa@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi, Aaron, I just spoke with John and he made it clear that he wants Joel to take this speaking role. Can you find out what they want him to address and get that info to Kristel Turner so she can start writing something up for him?

#### Ben

From: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>
Sent: Thursday, August 18, 2022 3:32 PM

To: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Cc: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Subject: Fwd: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Sent from Workspace ONE Boxer

----- Forwarded message -----

From: "Cook, Joel D (BPA) - K-7" < idcook@bpa.gov>

Date: Aug 18, 2022 3:27 PM

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

To: "Sigo, Jacob L (BPA) - K-7" < ilsigo@bpa.gov>

Cc:

Thanks Jacob,

Who can tell me what topic I'm covering? Is there going to be prepared remarks for me or a PowerPoint. I will not have time to develop anything.

From: Sigo, Jacob L (BPA) - K-7 < |Isigo@bpa.gov> Sent: Thursday, August 18, 2022 1:00 PM

To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Subject: FW: Your availability/interest in participating at WEI Financial Forum 8/31

FYI

Sent: Thursday, August 18, 2022 12:59 PM

To: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 < britannigan@bpa.gov>

Cc: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi Jacob,

I have attached a bit more information for Joel to look over. Let us know if you need anything else.

Thank you, Aaron

From: Sigo,Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Sent: Thursday, August 18, 2022 12:52 PM

To: Mesa, Aaron J (CONTR) - F-2 <a href="mailto:right-superscripts">ajmesa@bpa.gov>
To: Mesa, Aaron J (CONTR) - F-2 <a href="mailto:right-superscripts">ajmesa@bpa.gov>
To: Mesa, Aaron J (CONTR) - F-2 <a href="mailto:right-superscripts">ajmesa@bpa.gov>
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To: Mesa, Aaron J (CONTR) - F-2 <a href="mailto:right-superscripts">ajmesa.gov>
To: Mesa, Aaron J (CONTR) - F-2 <a href="mailto:right-superscripts">ajmesa.gov>
To: Mesa,

Subject: FW: Your availability/interest in participating at WEI Financial Forum 8/31

Can you share some more information about this event?

From: Cook,Joel D (BPA) - K-7 < idcook@bpa.gov>
Sent: Thursday, August 18, 2022 12:49 PM
To: Sigo,Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

I might be but know nothing about it.

Do you have any information

From: Sigo, Jacob L (BPA) - K-7 < <u>ilsigo@bpa.gov</u>>
Sent: Thursday, August 18, 2022 10:45 AM
To: Cook, Joel D (BPA) - K-7 < <u>idcook@bpa.gov</u>>

Subject: Your availability/interest in participating at WEI Financial Forum 8/31

Importance: High

Hi Joel,

Would you be willing to participate in this WEI Financial Forum on Wednesday, August 31, 2022? John Hairston agreed to join Marcus, but now is stretched too thin.

The challenge is that you are returning from Denver, CO the night before and your flight gets in very late Tuesday night, and this speaking engagement is at 9:15am Wednesday morning in downtown Portland.

9:15 AM	10:15 AM	Industry Address	Speaker: John Hairston,
			Administrator and CEO, BPA
	9:15 AM	9:15 AM 10:15 AM	9:15 AM 10:15 AM Industry Address

Jacob Sigo | Management and Program Analyst

Business Transformation Office
Office: (503) 230-3369 / Cell: (b)(6)
BONNEVILLE POWER ADMINISTRATION
bpa.gov



Sent: Thursday, August 18, 2022 10:36 AM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

No problem!

Jacob - let us know what Joel thinks? Marcus would be happy to have Joel if he can make it.

Thanks, Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < <u>brhannigan@bpa.gov</u>>
Sent: Thursday, August 18, 2022 10:29 AM

To: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>
Cc: Sigo, Jacob L (BPA) - K 7 <ilsigo@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Thanks. Sorry to spring this on you.

Ben

From: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Sent: Thursday, August 18, 2022 10:24 AM

To: Hannigan IV, Benjamin R (BPA) - A-7 < bringin@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Good morning Ben,

Let me go ahead and check in with Marcus/Veronica on this, Veronica is out of office until next Monday. Veronica has been working with WEI on this event. I will get back to you soon.

Thanks, Aaron

From: Hannigan IV,Benjamin R (BPA) - A-7 < <u>brhannigan@bpa.gov</u>> Sent: Thursday, August 18, 2022 10:19 AM

To: Mesa, Aaron J (CONTR) - F-2 <a href="mailto:Aaron J">aimesa@bpa.gov</a> Cc: Sigo, Jacob L (BPA) - K-7 <a href="mailto:Isigo@bpa.gov">isigo@bpa.gov</a>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Hi. Aaron, I just spoke with John and believes he is stretched too thin to speak at this event. He had suggested that Joel Cook might be a good substitute but both he and John will be in Denver 8/29-8/30 and coming back late. He may not like the travel and WEI event so close to each other. Maybe Marcus has a suggestion?

Ben

Sent: Friday, July 1, 2022 8:06 AM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Subject: FW: WEI Financial Forum - John H. and Marcus participation -

Hi Ben,

I see a hold for WEI on John's calendar for 8/31. Here is a draft agenda I thought I would share. Het Veronica know John should be confirmed

8/31/2022	9:15 AM	10:15 AM	Industry Address	Speaker: John Hairston,
		1		Administrator and CEO, BPA

Thanks, Aaron

From: Wittig, Veronica (BPA) - FR-2 <vxwittig@bpa.gov>

Sent: Thursday, June 30, 2022 11:54 AM

To: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov> Cc: Harris, Marcus A (BPA) - F-2 < maharris@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Hi Aaron.

I just want to confirm that John Hairston and Marcus are aware of this commitment and that their calendars have been updated accordingly. My understanding is that Chris worked with Marcus and John H. before he left to get this set-up.

Thanks in advance,

Veronica

----Original Appointment----

From: Amy Nye <nye@westernenergy.org>

Sent: Friday, April 29, 2022 8:51 AM

To: Amy Nye; Wright Jeffrey A (Jeff); Marcelia, Matthew; Diane Syria; Christopher Liddle; Bernards, Kevin J (BPA) - FRP-2; Gonzales Darling, Valerie S (BPA) - FC-2; Hayson, Karen M.; Kathy Ketchum; Fong, Kathy; Melissa Ankeny; Schmid, Ashley M (BPA) - FRG-2; Johnston, Angela; Wittig, Veronica (BPA) - FR-2; Consult One

Cc: Pavel, Tyler

Subject: WEI Financial Forum Planning

When: Thursday, June 30, 2022 11:30 AM-12:00 PM (UTC-08:00) Pacific Time (US & Canada).

Where: Zoom (Link Enclosed)

Topic: WEI Financial Forum

Time: This is a recurring meeting Meet anytime

Join Zoom Meeting

https://us02web.zoom.us/j/84538510330?pwd=aEdrN2IUVGF57msxR21Mb0dXeUFXQT09

Meeting ID: 845 3851 0330 Passcode: (D)(6)

One tap mobile

+16699006833,,84538510330#,,, JS (San Jose) +12532158782,,84538510330#,,, (b)(6)

 From:
 Wright, Troy S (CONTR) - AIR-7

 Sent:
 Friday, August 25, 2023 12:21 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, August 25, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, August 25, 2023.

Have a great weekend

IDAHO NEWS John Williams

#### Idaho Power

Idaho Power joined utilities across the country to recognize National Hydropower Day yesterday - Thursday, Aug. 24. The theme for this year's campaign, "Hydropower is Key," reflects the importance of Idaho's oldest source of electricity when it comes to the emerging clean energy future. With 17 hydroelectric plants on the Snake River and its tributaries, Idaho Power relies on hydropower to provide reliable, affordable, clean energy to more than 620,000 customers across southern Idaho and eastern Oregon.

That hydroelectric backbone is key for the company to move toward its goal of providing 100% clean energy by 2045; hydro's reliability supports adding other renewable energy sources, like solar and wind, which depend on weather. Many Idaho Power hydro projects have nearby parks, campgrounds, and water recreation access sites. The company also has a geocaching program that provides a fun way to learn more about the hydropower system.

Some quick Idaho Power hydroelectric facts:

- The oldest hydro dam on the Snake River, at Swan Falls south of Boise, was built in 1901 and still generates electricity today.
- The three hydro plants that make up the Hells Canyon Complex Brownlee, Oxbow and Hells Canyon dams –
  provide about 70% of the total hydroelectric output for the company.
- The Upper and Lower Malad projects each include two-way fish passage structures that enable trout and other native fish to move back and forth between the Snake and Malad rivers.

Also, this week, IPC took a substantial leap toward cleaner energy with the groundbreaking of the Pleasant Valley Solar Project in Boise. According to Idaho Power, this solar facility signifies a major stride in the state's commitment to renewable energy and reducing dependence on traditional sources. The Pleasant Valley Solar Project features a substantial capacity of 200 Megawatts (MW). Local vendors will play a pivotal role in its construction, contributing to the creation of around 220 construction-related jobs and injecting a boost into the local economy.

One of the significant partnerships emerging from this venture is with Meta's nearby data center located in Kuna. By aligning with this renewable energy source, Meta aims to power its operations sustainably. The project is projected to begin commercial operation by late 2025, setting a timeline for tangible results.

#### Clearwater steelhead return off to surprising start

Something unusual appears to be happening with Idaho-bound steelhead and, if it holds, it's a good thing. In their preseason forecast, fisheries managers expected the Snake River summer run would be dismal. The earlier returning A-run would be poor, according to the prediction, but the B-run would approach the worst ever recorded and could prompt fishing restrictions. Those forecasts are compiled over the winter, long before the fish enter the mouth of the Columbia River and start pushing inland. In July, when A-run fish started arriving at Bonneville Dam on the Columbia, they showed some life and continue to do so. Granted, the numbers are low, well below goals and far short of more robust returns a decade ago. But they are better than some of the poor returns posted between 2017 and 2021. Now the B-run fish are showing up. Those bound for the Clearwater River also are defying poor expectations — by a lot.

"We are not certain at this point if the run is just really early or the run is going to be pretty good," said Joe DuPont, regional fisheries manager for the Idaho Department of Fish and Game at Lewiston. "As far as PIT-tagged fish over Bonneville (Dam), we are seeing as many as we ever have since PIT tags have been in place."

The Passive Integrated Transponder tags are implanted in a percentage of hatchery fish as juveniles and allow fisheries managers to track them on their journeys to and from the ocean. DuPont said his preseason forecast called for a return of 8,000 to 9,000 steelhead bound for hatcheries on the Clearwater River this year. Through Tuesday, PIT tags would indicate 2,500 Clearwater River-bound steelhead have passed the dam. Based on historic run timing, only about 3% of the Clearwater run should have made it to Bonneville as of Tuesday. "It's got our attention. We were expecting doom and gloom," DuPont said. "We are not ready to claim victory because it is so unexpected."

It is very early in the run and DuPont said a few more weeks of data should paint a more detailed picture. But he said it appears their worst fears may be unwarranted. "Unless something bizarre happens, we are going to have enough fish for a fishery and no restrictions," he said.

#### Fall chinook on the menu

The harvest season for fall chinook opens in Washington and Idaho today. The daily bag limit will be the same as it has been in the recent past — three adult fish per day, no limit on jacks and anglers can keep chinook with or without intact adipose fins. Becky Johnson, production director of the Nez Perce Tribe's Department of Fisheries Resources Management, said the forecast calls for a return of about 30,000 fall chinook to the Snake River. That includes an estimate of 6,150 fish that were hatched in the wild. "It's similar to what we have seen the last five years," she said.

DuPont said there are not a lot of fall chinook above Bonneville Dam quite yet but that doesn't mean fishing won't be good. He noted the earliest returning chinook tend to be larger than those that follow. "Typically what we see is a day or two of pretty good fishing and then it drops off before larger numbers start moving (upriver)." (Eric Barker/ Lewiston Tribune)

## Nevada holds a key to America's energy future

by Rich Nolan, president and CEO of the National Mining Association

As one of the nation's major mining states, Nevada is providing the resources that will be crucial for 21st-century advances in renewable energy. Nevada is blessed with a unique mix of raw materials, including gold, silver, copper, lithium and molybdenum, among other minerals. These are the irreplaceable building blocks for America's high-tech energy supply chain. Nevada is one of the few states that is both deploying advanced energy and building the supply chains — from mines to battery manufacturing — to support the nation's energy future. In fact, more than 41,000 Nevadans work directly in the mining industry or are supported by it. The U.S. needs far more of this top-to-bottom supply chain model, and it needs even more from Nevada.

Unfortunately, even as climate advocates increase their calls for a broad transition across America's energy and transportation portfolio, promising mines capable of offering secure, domestic supplies of these crucial metals and minerals remain in a virtual standstill. Much of America's mining industry continues to be stuck in bureaucratic quicksand. While steps have been taken to streamline the mine-permitting process and reduce delays, the impact of this reform remains to be seen. It regularly takes a decade to permit a new mine in the U.S.—if approvals are gained at all. Despite soaring mineral demand and record mineral import reliance, the Biden administration has yet to approve a single major mining project. That must change.

America's dependence on other countries for mining has now hit an all-time high, and we depend on imports to obtain more than 50 minerals essential to our energy future. Particularly disturbing is that China is the leading supplier for 26 of them. In fact, there are now 15 key elements for which the United States is 100 percent reliant on imports. The White House has warned that mineral supply chains could be weaponized in the same way oil was in the 1970s, and that natural gas was in Europe in 2022 following Russia's invasion of Ukraine. We simply don't have the luxury of not energetically pursuing domestic mining projects right now to build the massively expanded supply chains we'll need tomorrow. According to the International Energy Agency, global supplies of key metals must expand many times over in just the next two decades—if we're to keep up with mineral demand. For example, lithium demand is poised to jump 40-fold. Demand for nickel, cobalt and graphite is set to soar 25 times by 2040.

If the U.S. fails to address our alarming mineral import reliance and bring new mineral supplies to market, we risk not only handcuffing our ability to deploy key energy technologies but also risk ceding key industries to rivals. China's dominance of mineral supply chains has already given it a huge lead in the race to an electric vehicle future. China is home to more than 70 percent of lithium battery production and has built an auto industry from the ground up nearly overnight. Remarkably, after exporting no cars just a few years ago, last year China exported more cars than Germany.

U.S. supply chain security, national security and our economic competitiveness have converged on the future of American mining. We have the resources — from lithium to rare earth metals — to meet many of our mineral needs. But what we are sorely lacking is the political leadership to boost mining. Every delayed mine approval or blanket land withdrawal is a gift to our competitors. If we're serious about a made-in-America future, we've got to get serious about mined-in-America — where the materials we need are produced under world-leading safety and environmental standards.

Nevada is one of the key states that holds the promise of America's green energy future — both in its deployment of advanced technologies and its ability to provide building blocks that are the very foundation of tomorrow's industrial

base. If America is going to win the great industrial competition of the 21st century, and build the energy economy of tomorrow, it's going to take leadership from states like Nevada to do it. (Las Vegas Sun)

#### Other news in Nevada

NV Energy files regulatory plan to power Sphere with solar energy. Solar energy will be used to power most of the Sphere's nightly light shows and other entertainment produced at the \$2.3 billion venue under a plan scheduled to be reviewed by Nevada's Public Utilities Commission.

Sphere Entertainment Co. on Thursday announced that it has submitted a 25-year agreement with NV Energy to be reviewed by the commission. Under the agreement, the Sphere eventually would get around 70 percent of its energy from a new solar energy facility and a battery storage complex to be built by the utility in Northern Nevada. In addition, Sphere has pledged to buy certified renewable energy credits to offset the impact of emissions from the creation of electricity for the venue. (Richard N. Velotta/Las Vagas Review-Journal)

NV Energy plans to spend \$1.8 billion on new infrastructure that will add solar power for the Sphere, help turn off Nevada's last coal plant and add more transmission lines that will eventually be paid for by customers. An application submitted by NV Energy to the Public Utilities Commission this week seeks approval for an amendment on its infrastructure plan to approve spending for projects, including a \$1.56 billion solar facility in Northern Nevada, \$83 million for converting NV Energy's last coal plant to run on natural gas, \$54 million to prolong a power plant's life cycle and \$173 million for transmission infrastructure improvements throughout the state.

One of the most significant aspects of the amendment is a proposal to spend \$83 million to convert North Valmy Generating Station from coal to natural gas, which will continue to produce 261 megawatts of energy. This would end all coal generated power in Nevada and the plant could fully convert to natural gas by May 2026. The largest spending sought in the application is for the Sierra Solar project which is projected to cost about \$1.56 billion to build both its 400 megawatts of generating capacity and 400 megawatts of energy storage and to upgrade transmission infrastructure to facilitate this facility's operation. NV Energy is proposing that its Southern Nevada coverage area should cover about 60 percent of the project's cost and its Northern Nevada area will cover the remaining 40 percent. (Sean Hemmersmeier/ Las Vagas Review-Journal)

## Wyoming news

Outrage Over Proposed 30% Electricity Rate Hike That's 'Going To Kill Wyoming'! Wyoming elected officials, residents and business owners packed a room in Casper on Thursday night to tell the Public Service Commission to deny a 30% rate increase Rocky Mountain Power wants. Rocky Mountain Power, the state's largest utility, requested the PSC approve two rate increases that combined will result in a more than 30% increase to electricity bills for Wyoming residents and businesses. For complete story: <a href="Outrage Over Proposed 30% Electricity Rate Hike That's 'Going To Kill Wyoming' | Your Wyoming News Source (cowboystatedaily.com)</a>
Gray opposes proposed Rocky Mountain Power rate increases | Local News | wyomingnews.com

WEST COAST NEWS Doug Marker

#### In markets governance, competition at work

Two concerns with governance in a California ISO-led market are the state's authority over the CAISO and its policies; and the CAISO's model of staff-led decision processes. This summer, the California ISO is trying a new approach to its decision making model by convening working groups to develop policies for greenhouse gas accounting and price formation.

The CAISO practice for stakeholder initiatives is to convene interested parties to receive straw proposals developed by CAISO staff and then submit comments. Through iterations of staff proposals and stakeholder comment, the proposals develop into final form for approval by the CAISO Board of Governors. (As a Transmission VP pointed out to me quite recently, it's similar to how we at BPA run our own public processes.)

In this respect, the CAISO is playing "catch-up" with the Southwest Power Pool, which uses working groups as standard practice. SPP touted their participant-driven process as a selling point for their proposed Markets Plus day-ahead market. The participants, who can include non-utility interested entities, meet to develop the market policies and then test consensus through voting. A small army of BPA subject matter experts has been deployed to Markets Plus policy design since spring.

The CAISO has clearly noticed. The CAISO is also responding to encouragement in last year's governance review process to make greater use of working groups. So the new GHG and price formation work groups represent a responsive effort by the CAISO to demonstrate a more participatory decision making approach.

#### CAISO files EDAM tariff

Leading in putting an extended day-ahead market (EDAM), the CAISO this week filed with the Federal Energy Regulatory Commission its <u>proposed tariff changes</u> to allow its EDAM to function across the West. The CAISO asked FERC to approve the changes by December 21.

## California Clean Electricity grows over last decade, fossil fuels phasing out

The California Energy Commission last Friday released <u>documentation of changes in energy generating resources</u> over the last decade. California continues its transition to cleaner resources, and the CEC said in 2021, nearly 59 percent of retail electricity sales came from non-fossil sources, including large hydro and nuclear.

During the reporting period, solar generation in California increase nearly twenty times and wind generation grew by 63 percent. Natural gas has declined by 20 percent and coal is nearly phased out of California's power mix.

## New Mexico Utility Commission opens proceeding on organized market participation

I'm straying a bit east of my usual beat (and I'm happy to follow developments in person...), but as we are beginning our public process for day-ahead market participation, the New Mexico Public Regulating Commission announced a new public proceeding to consider participation by New Mexico Utilities in organized markets. The Commission noted the discussions of market integration around the west, including for day-ahead markets operated by the California ISO and the Southwest Power Pool. The scope of the proceeding addresses the full range of integrated system operations, including a full regional transmission organization. The Commission issued a series of questions for comment. It scheduled a public hearing for September 21.

## **Dodger Blue Grass and High Tides**

As Tropical Storm Hilary hit Southern California, residents feared the worst – mudslides, high winds – and even an earthquake in Ojai just as torrential rains approached. But social media and local news captured the horrifying images of Dodger Stadium engulfed in flood waters. That would have made sense, being located in Chavez Ravine after all.



But fears were misplaced. The images were simply of sunlight reflected from a damp parking lot. And, if you stop to think about it, the stadium is actually built on a hill. The next day, as calm returned (and, thankfully, earthquake and flood damage was minimal), the Dodgers responded with a real time photo of a sunny stadium and dry parking lot



MONTANA NEWS Kate Wilson

## **Energy, Transmission & Politics**

- The NWPCC annual congressional tour was held in Kalispell this week. Tour highlights included great attendance
  from state/district and DC-based congressional staff; a tour of Hungry Horse Dam; rafting on the Middle Fork of the
  Flathead in a torrential downpour; a tour of the CSKT Blue Bay lake trout and lake whitefish cannery; and a
  facilitated panel with the Flathead Electric Coop. Sonya Baskerville and Kate Wilson participated on behalf of BPA.
- FERC granted (in part) Ponderosa Power's complaint against NWE's proposal to assign ~\$30M in network upgrade costs to the wind farm developer. FERC agreed that NWE's assignment of the disputed upgrade costs in an optional study that applied a rounding policy is contrary to FERC's "but for" policy and violated the utility's tariff. Ponderosa is developing a 70-MW wind farm that would be interconnected to NWE's transmission system. It filed a Section 206 complaint under the Federal Power Act in March. The regulator directed NWE to issue Ponderosa a revised optional study that removes the disputed upgrades and associated requirements and provides an updated estimate of its network upgrade costs within 30 days, as the developer requested. FERC Sides with Wind Developer vs. NorthWestern (rtoinsider.com)



\*Apex Solar Project near Dillon. Photo: Enlight Energy

- Mission Valley Power (MVP), a MT electric cooperative and BPA customer, will hold a public hearing tonight to seek
  input on recent recommendations including:
  - elimination of the customer line extension credit of \$500, commonly called "aid to construction." MVP has seen an increase in new customers and instead of applying an automatic line extension credit of \$500 to eligible customers, the utility recommends that new customers or new construction projects pay 100% of the cost of the requested service, an approach taken by other MT coops such as Missoula Electric.
  - Issuance of work-order cost estimates for a period of two weeks, due to the sharp increase in materials.
     Issuing estimates that are valid for just two weeks would help the utility stay more up-to-date with current costs.
  - Base all service fee charges on actual costs. The transition to actual costs on service fees is partially based on the fact that utility wages have increased 22% over the past five years and fuel has increased 84% over the past five years. <u>Mission Valley Power Consumer Council seeks input (yahoo.com)</u>
- At listening sessions across the state in the past two weeks held by the MT Public Service Commission,
   NorthWestern Energy customers have come out strongly against the utility's energy supply plan (IRP). Customers
   told the PSC, with few exceptions, that the state's largest monopoly utility needed to pivot away from power plants
   burning coal and natural gas, which are at the core of the utility's recently released long-term IRP. The utility's plan
   to double its ownership in Colstrip Power Plant drew the most attention. NorthWestern Energy customers raise
   concerns about coal | Business | bozemandailychronicle.com and Montanans voice concern over NorthWestern
   Energy's 2023 plan amid climate change fears | KECI (nbcmontana.com)
- Legal experts say that if the ruling stands, it could inspire similar lawsuits, strengthen climate-related cases in other states and set a new legal precedent over whether governments have a duty to protect citizens from the consequences of global warming. Montana Youth Sued Their Government Over Climate Change and Won. Here's Why That's a Big Deal - Inside Climate News
  - Relatedly, MT Attorney General Austin Knudsen responded to his office's loss in the Held v. Montana case, criticizing the verdict and calling the plaintiffs "rich, privileged white kids" represented by "rich, out-of-state liberal interests," all of whom supposedly benefitted from appearing before a "radical leftist" judge. He also called out the courtroom decorum of plaintiffs' supporters as "such an absolute mockery of the justice system" that "people should have been sent to jail for contempt." Lots to unpack there.
- A 600-acre new solar array project near Dillion came online this month, supplying commercial energy and projected to power up to 13,500 homes in SW Montana with its 80 MW of generation. Clenara/Enlight Renewable

Energy is providing the energy to NWE under PURPA. The utility has been sued several times over the years by project developers seeking contracts under PURPA. Montana solar project Dillon Enlight Renewable Energy (billingsgazette.com) and podcast: Montana News: New solar array begins supplying commercial energy to southwest Montana on Apple Podcasts

The wow-factor: An attorney from Red Lodge is planning to throw his hat in the Republican POTUS primary ring, "A mustachioed, quirky, Texas-raised thirtysomething who's never held office, Clapp recognizes that he's an unknown candidate. But he's also relentlessly positive about his prospects." A horse-drawn POTUS hopeful hits the road (montanafreepress.org)

### Water, Weather & Fisheries

- "Hoot owl restrictions" (prohibiting fishing between 2 pm 12 am) have been removed on NW Montana rivers as cooler temperatures arrived this week. The only remaining closures in western Montana are related to fire activity in Sanders and Flathead Counties. Current Waterbody Restrictions | Montana FWP (mt.gov)
- Cooler temperatures, precipitation and high humidity provided some reprieve for the East Fork Fire, burning more than 4,600 acres in steep and rugged terrain in NW Montana. "We were talking about a hurricane on a fire line today which is really a first for a lot of people I think," said Northern Rockies Incident Command Team 6 Public Information Officer Amy Hyfield. Fire activity was moving toward critical infrastructure including power lines on Friday, but has now cooled down thanks to the weather. BPA and Lincoln Electric were watching this fire closely. Crews battling East Fork Fire receive help from Mother Nature (kbzk.com)
- The Tin Soldier Complex Fire, burning 17 miles E of Swan Lake in NW MT has grown in the last few days. NEW MAP: Some growth on Tin Soldier Complex Fire | KECI (nbcmontana.com)

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright tswright@bpa.gov. These meetings occur the first Wednesday of every month.

## Troy Wright (CONTR)

Administrative Services Assistant | Intergovernmental Affairs, AIR-7 BONNEVILLE POWER ADMINISTRATION bpa.gov | P 503-230-3683 | tswright@bpa.gov











From: Cook, Joel D (BPA) - P-6

Sent: Monday, April 26, 2021 3:49 PM
To: Baskerville, Sonya L (BPA) - DIN-WASH

Subject: RE: FERC Tech Conf on RA

Thanks Sonya

From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Monday, April 26, 2021 10:59 AM

To: Dibble,Rachel L (BPA) - B-3 <rldibble@bpa.gov>; Burczak,Sarah E (BPA) - BD-3 <seburczak@bpa.gov>; TP\_Leader\_Team <TPLeader\_Team <TPLeader\_Team@bpa.gov>; Anasis,John G (TFE)(BPA) - TOOP-DITT-2 <jganasis@bpa.gov>; Elizeh,Edison G (BPA) - TP-MODD <egelizeh@bpa.gov>; Kosterev,Dmitry (BPA) - TPP-OPP-3 <dnkosterev@bpa.gov>; Marker,Douglas R (BPA) - DIR-7 <drmarker@bpa.gov>; Johnson,Anders L (BPA) - TPLE-TPP-2 <aljohnson@bpa.gov>; Chis,David M (BPA) - TOOP-DITT-2 <dmchis@bpa.gov>; Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2 <rkaggarwal@bpa.gov>; Hairston,John L (BPA) - A-7 <jlhairston@bpa.gov>; Cook,Joel D (BPA) - P-6 <jdcook@bpa.gov> Subject: FERC Tech Conf on RA

Fyi.

https://www.ferc.gov/news-events/events/technical-conference-discuss-resource-adequacy-developments-western

Sonya Baskerville BPA National Relations



On Apr 22, 2021 2:53 PM, "Baskerville, Sonya L (BPA) - DIN-WASH" < <u>slbaskerville@bpa.gov</u>> wrote: Commissioner Clements said today that BPA (John) should expect to have an invitation to participate in the June technical conference. The invitations are supposed to come out tomorrow. Thanks.

Sonya Baskerville BPA National Relations



On Mar 25, 2021 11:56 AM, "Baskerville, Sonya L (BPA) - DIN-WASH" < <u>slbaskerville@bpa.gov</u>> wrote: FYI on a call with Chairman Glick today, he expressed the hope that BPA would participate in the technical conference. Thanks.

Sonya Baskerville BPA National Relations



On Mar 24, 2021 7:30 PM, "Elizeh, Edison G (BPA) - TP-MODD" < egelizeh@bpa.gov > wrote: Good afternoon,

I listened to the March 23 FERC technical conference on RA & capacity market for RTOs/ISOs. As you can imagine there were many stakeholders participating on this topic that has got major national attention. The following are key highlights I took listening and thank you to Sonya for sharing with Jeff the notes from Cameron Schilling of National Hydropower Association. See the chain of email below.

In case you have not heard FERC has put on their tech conference schedules the July 23 for the RA in the West. We'll be working w/NWPP & other RA participants on that front.

- 1. Capacity markets are still the most viable and effective means to achieve reliability. And such capacity market might diminish overtime as the ancillary services and energy gets right pricing signals.
- Capacity needs to be defined properly and ELCC is a good start to determine the effective capacity of
  resources. Question of who, states or federal, assigns that ELCC value and how do you use that value continued
  to be open questions.
- 3. States do not want relinquish the type of capacity need to be added in their jurisdiction and what type of incentives they provide. Few believed the incentives should be designed to provide the right signal and avoid subsidization for any kind. Some believed subsidization at federal level needed to advance zero carbon goal.
  - a. Storage could be incentivized to support higher ELCC values for VERs.
  - b. Hydro could get a higher market due to their flexibility ramping UP & down to meet VERs and load req. However, many opposed the current PJM Min. Offer Price known as MOPR. Commissioner Glick stated MOPR is not sustainable to continue in PJM system. It suppresses the prices of other resources while brings others on equal footing.
- 4. Few RTOs like PJM tend to carry much higher PRM that is needed. PJM currently carries 33% due to impact of capacity scarcity and capacity physically not being available. It was pointed out as well lack of FERC's action or setting wrong policies has had direct impact to investors. Few current rules have delayed capacity market auctions, created uncertainty in market rules and prevented the clear price signals to investors.
- There were general consensus that flexibility and dispatchable resources is needed due to high penetration of VERs but the challenge continues to be how to make that into the capacity market or should the focus be on creation of AS market.

fdison g. flizeh / Senior Policy & Technical Advisor / egelizeh@bpa.gov / 503-230-4105 (office) / (b)(6) (cell

From: Cook, Jeffrey W (BPA) - TP-DITT-2 < <u>jwcook@bpa.gov</u>>

Sent: Wednesday, March 24, 2021 12:49 PM

To: Elizeh, Edison G (BPA) - TP-MODD < egelizeh@bpa.gov>

Subject: FW: ICYMI - What was discussed at the FERC resource adequacy conference

Info from Sonya

Jeffrey W. Cook, PE VP Transmission Planning and Asset Management Bonneville Power Administration 360-418-8981 From: Baskerville, Sonya L (BPA) - DIN-WASH < slbaskerville@bpa,gov>

Sent: Wednesday, March 24, 2021 10:55 AM

To: Cook, Jeffrey W (BPA) - TP-DITT-2 < <a href="mailto:jwcook@bpa.gov">jwcook@bpa.gov">jwcook@bpa.gov</a>; Cook, Joel D (BPA) - P-6 < <a href="mailto:jdcook@bpa.gov">jdcook@bpa.gov</a>; Connolly, Kieran P (BPA) - PG-5 < <a href="mailto:kepangov">kepangov</a>; Marker, Douglas R (BPA) - DIR-7 < <a href="mailto:dramarker@bpa.gov">drmarker@bpa.gov</a>; Dibble, Rachel L (BPA) - B-3

<rldibble@bpa.gov>; Burczak,Sarah E (BPA) - BD-3 <seburczak@bpa.gov>; Johnson,Tim A (BPA) - LP-7

<tajohnson@bpa.gov>; Pettinger,Rebekah S (BPA) - LP-7 < rspettinger@bpa.gov>

Subject: Fwd: ICYMI - What was discussed at the FERC resource adequacy conference

FYI from NHA.

Sonya Baskerville BPA National Relations (b)(6) m

----- Forwarded message -----

From: Cameron Schilling < Cameron@hydro.org>

Date: Mar 24, 2021 1:21 PM

Subject: ICYMI - What was discussed at the FERC resource adequacy conference

To: Cameron Schilling < Cameron@hydro.org>

Cc:

NHA Markets committee,

Here are my notes and comments on yesterday's FERC technical conference and what it might mean for hydro...Let me know if you have any thoughts.

Regards, Cameron

**Yesterday**, FERC heard from a variety of stakeholders on the future of resource adequacy and capacity markets in the eastern RTOs. Before they heard from panelists, the Commissioners' opening statements provided some foreshadowing on where they might be headed on issues like the minimum offer price rules or MOPR. More on that below. The conference included as diverse a set of voices as you could get: RTO leaders, state regulators, consumer advocates, market monitors, generators, transmission owners and non-profit organizations like sustainable FERC and Sierra Club. Despite this diversity, there was a surprising amount of consensus around many critical issues. Here are some:

The MOPR has to go. Almost everyone agreed that, as currently designed, the PJM MOPR is not viable and needs to be replaced, reformed or simply trashed. (Brief background: MOPRs act as an offer floor on state subsidized resources making it less likely for those resources to clear in capacity markets).

Competitive markets (even administrative ones like capacity markets) that shift risks from consumers to generators can still provide a lot of value. Most believed that capacity markets are still the most viable and effective means to achieve reliability.

RTOs tend to over forecast demand leading to higher than needed reserve margins (Does PJM really need a 33% reserve margin?).

Getting energy and ancillary service markets right can reduce reliance on capacity markets (i.e. placing more revenues in E and AS markets could diminish the importance of capacity).

Capacity needs to be defined properly and ELCC is a good start. In other words, wind and solar needs to be de-rated due to their intermittence and their correlated impacts (i.e. the more solar you add the reduced value to reliability it provides – same with wind and short duration batteries)

States have the ability to choose their resource mix (i.e. whether you like it or not, states can subsidize who they want, when they want and FERC shouldn't frustrate state prerogatives).

Uncertainty is antithetical to investment in capital. FERC's action (and inaction) has delayed auctions, created uncertainty in market rules and prevented clear price signals to investors.

## Still there was plenty of disagreement:

While all agreed that flexibility and dispatchable resources will be needed, there was no consensus on where they would get their revenues (do you build these parameters into capacity markets or create new E and AS products?).

Some believed that removing the MOPR would lead to suppressed prices and less revenue for traditional resources (thereby forcing out reliable generators when they may still be needed). Others argued that removing the MOPR will have little impact on prices since renewables are already (or almost) competitive without subsidies.

Where should the "missing money" problem be addressed? In capacity markets or E and AS markets? The problem with using scarcity in the E and AS markets to address MM is that with zero marginal costs, you have too few intervals in the year to get compensated (what if the generator is down in that interval?). This provides very unpredictable and less adequate revenue streams to generators to incent maintenance. Others believed the capacity market needs to be diminished into a residual market or we need a separate clean forward energy market.

## What did the Commissioners Say?

Before the discussion got going some of the Commissioners did not hold back their opinions. Within the first few lines of his prepared remarks, Chairman Glick called the MOPR "unsustainable". He signaled that he wants to remove the MOPR sooner rather than later even asking PJM how quickly they needed an order replacing the MOPR and still be able to run their December auction (Incidentally, PJM said they needed an order by September). Chatterjee said he is not "wedded to the policy decisions of the past". In other words, he's willing to do an about face from his December 2019 Order approving the MOPR. Still, he remained concerned about price suppression and competition. Christie showed the most skepticism that state public policies and competitive markets could coexist together. Using Bowring's phrase, he claimed "subsides are contagious, and there has been a contagion of rent seeking". Danly was most concerned about reliability and the fact that markets need to send price signals to retain traditional dispatchable resources through the energy transition. And Clements reiterated claims about the MOPR requiring the purchasing of redundant capacity.

## Where does hydro fit into this debate?

The MOPR is focused on raising capacity offer prices for *new resources* who are benefitting from state subsidies. This means that most of hydro and pumped storage capacity is not being MOPR'd in PJM or NYISO. However, to the extent that you believe subsidized solar and wind (especially offshore wind) will lead to suppressed prices in the capacity market then hydro will be harmed by lower capacity prices if the MOPR is removed.

There is a growing recognition that wind and solar do not and cannot provide the same resource adequacy value as other resources. As Bowring stated, "wind and solar cannot be considered a one to one replacement with a dispatchable resource". As the share of non-dispatchable renewables grow, their contribution to reliability falls, sometimes sharply. The more solar on the system the more all of those units are susceptible to the same weather conditions in the same intervals (think cloud cover impacting a significant share of the generation – or rapid changes in wind patterns).

Hydropower and pumped storage will benefit if we accurately accredit capacity for all resources. An ELCC is one way to do that (see NHA's FERC comments on PJM's ELCC proposal). To be clear, an ELCC could derate run of river resources but conventional hydro and pumped storage would not be derated and could benefit from less competition from intermittent resources that provide less RA value. If the MOPR has to go, then

more emphasis has to be focused on accrediting the right amount of capacity for subsidized resources. The recent Brattle paper said as much in principle 4:

To fairly accredit hydro and other reliable resources for the resource adequacy value they provide, RTOs and utilities must accurately accredit all resources, including variable wind, solar, and energy-limited battery storage. Installations of these resources are increasing rapidly, and, due to correlations in output among similarly weather-dependent (or diurnally varying) plants, their resource adequacy value is simultaneously eroding. Furthermore, resource adequacy value is becoming more challenging to characterize as loss-of-load risks shift from being concentrated in summer peak load hours to a broader set of hours due to flexibility challenges caused by growth in wind and solar and emerging winter weather risks. (Brattle draft at page 20)

The events in California illustrated this dynamic. Although CAISO does not have a capacity market it still over credits some resources for the RA they provide. The root cause analysis found that Hydro provided above and beyond its RA value while wind and solar fell well short.

We need to get RA values right, MOPR or no MOPR.



Cameron Schilling, V.P. Market Strategies and Regulatory Affairs National Hydropower Association 601 New Jersey Ave NW, Suite 660 Washington, DC 20001

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National Hydropower Association 601 New Jersey Ave NW- Suite 660 Washington, DC 20001 Direct: 202-750-8410 Cell:(b)(6) www.nydro.org

INFORMATION ON NHA EVENTS: www.hydro.org/events

AK Regional Meeting August 25, 2020 | VIRTUAL

Hydraulic Power Committee (HPC) Fall Retreat Every Wednesday Throughout October 2020 | VIRTUAL

With Midwest Hydro Users Group

NW Regional Meeting/Workshop October 27 | VIRTUAL

With Northwest Hydroelectric Association

CA Regional Meeting December 2-3, 2020 | San Diego, CA

Waterpower Week in Washington 2021 April 28-30, 2021 | Washington Hilton, Washington, DC International Conference on Ocean Energy (ICOE) April 28-30, 2021 | Washington Hilton, Washington, DC

Clean Currents 2021 October 20-22, 2021 Georgia World Congress Center, Atlanta, GA

REGISTER FOR OPERATIONAL EXCELLENCE AT www.hydroexcellence.org



From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, March 19, 2021 3:34 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, March 19, 2021

Attachments: 031921.pdf

Hello all,

Attached is the Regional Relations report for Friday, March 19, 2021. Have a nice weekend.

## Public Interest Organizations Josh Warner

## Advocacy Groups Oppose Representative Simpson's Proposal

A group of advocacy groups sent a letter this week opposing Representative Simpson's proposal to remove the lower Snake River dams. The <u>letter</u> to Senators Wyden, Merkley, Cantwell and Murray supports removal of the LSRDs, but they oppose the proposal because of the litigation moratorium and the singular focus on the Snake River. This is in stark contrast to strong support that has been coming from other advocacy groups.

The opposition to the Simpson proposal is that it, "proposes a deal to trade breaching the four Lower Snake River dams for the modern era's most extensive rollbacks of protections for clean water, imperiled species and public health."

"We should not turn our back on science-based solutions, the rule of law, Tribal sovereignty, and environmental justice based on a moment of political expediency. Rep. Simpson's proposal is untenable and will accelerate the extinction of wild salmon and steelhead and other species in the Columbia Basin and irreparably harm human health."

Over 15 groups signed on to the letter. Some of the groups include the Center for Biological Diversity, Deschutes River Alliance, Friends of the Earth, Native Fish Society, Oregon Wild, WaterWatch of Oregon, Willamette Riverkeeper and WildEarth Guardians.

## Idaho News John Williams

### Statehouse News

<u>House passed HCR-007</u>. This legislation would authorize the Legislative Council to continue an interim committee to undertake studies of natural resource issues, particularly the water resources of the state. This Interim committee has heard during the past several years presentation on the CRT and other issues related to BPA. This Resolution was passed by the House and Senate. Adopted March 15.

<u>House passed HB-117</u>. This is an FY 2021 supplemental appropriation bill for the Office of Energy and Mineral Resources. It provides \$157,600 for increased State Energy Program (SEP) grants, which are used for energy auditing and assisting in state-specific energy management goals. Signed by Governor on March 12.

<u>Senate Joint Memorial 103 Columbia – Snake River System.</u> A Joint Memorial states findings of the Legislature, opposing the removal or breaching of the dams on the Columbia-Snake River System and its tributaries, and recognizing certain benefits provided by the Port of Lewiston. The Idaho Legislature recognizes and supports the international competitiveness, multi-modal transportation, and economic development benefits provided by the Port of Lewiston and

the Columbia-Snake River System. Idaho has sovereignty of its water resources and benefits from the multiuse system that provides transportation of commodities, fish and wildlife habitat, recreation, hydropower, flood control, and irrigation. Memorial passed the House and on the third reading on the Senate floor March 17.

HB 266. Cloud seeding has been done in various areas of Idaho for several years. This legislation states findings relating to cloud seeding in Idaho, defines cloud seeding and provides that the water resource board is responsible to authorize cloud seeding in Idaho and may participate in cloud seeding programs. The legislation further states that water generated through cloud seeding will be administered in accordance with the prior appropriation doctrine and limits liability for participation in certain cloud seeding projects. No state or local permits will be required for cloud seeding. State funds are appropriated separately to the Secondary Aquifer Planning, Management and Implementation Fund for cloud seeding activities. Passed the House and on third reading on the Senate floor March 19. Note: this complements Idaho Power's cloud seeding program.

<u>HB 274</u>. This legislation will create the Idaho Energy Conservation Code. Currently, Idaho Energy Conservation standards are housed within the Idaho Building Code, which has sometimes made it difficult to follow changes when they occur. Having a separate Idaho Energy Conservation Code will allow the legislature to more effectively exercise oversight of changes to energy conservation codes. This bill was referred to House Business Committee on March 3. Note: late in the session, this bill is in the Chairman's draw not to get heard this session.

The Idaho House and Senate on Friday quickly moved to recess until April 6 as the coronavirus spread in the Statehouse. House legislative leaders abruptly canceled all committee meetings Friday morning. House Speaker Scott Bedke, R-Oakley, said House leaders decided to recess given that six House members tested positive for COVID-19 in the past week. He said he knows of one staffer who also tested positive. "When you apply the contact tracing to the six and the staff that is out, we're going to err on the side of caution here," Bedke said at a press conference Friday. "I'm not all that surprised. We knew it was a big possibility, and we planned for it as best we could."

But Bedke said he has no regrets about the way he conducted safety protocols during the pandemic. Masks were not mandated at the Capitol, and many state legislators didn't wear them or keep their distance. Senate Majority Leader Kelly Anthon, R-Burley, said senators will honor the request of House leaders so both chambers can conduct business together at the Capitol. Anthon said the recess gives lawmakers time to plan for the best use of the federal COVID-19 relief dollars coming to the state.

"We are saddened to hear about the increase in cases in the House," Anthon said in a statement Friday. "The Senate has always understood the seriousness of COVID-19. But we respect the oath and obligation we have to do the important work of the state, and while mindful of the risks to us personally, we remain focused on the work ahead."

Idaho's test positivity rate for COVID-19 rose this week for the first time in more than two months. State health officials on Thursday reported that 5.5 percent of PCR tests were positive for COVID-19 in the past week. The state's target is 5 percent or lower.

The Legislature will recess with some of Republicans' major goals unfinished — curbing the governor's emergency powers, providing tax relief and approving a transportation package. Lawmakers will also need to allocate some of the federal COVID-19 relief dollars within the next 30 to 60 days. State legislators said the initial plan was to finish their regular session by the end of this month and reconvene once the U.S. Treasury issued its guidelines for states on what they can spend the federal relief on. (Norimine, Hayat. *Idaho Statesman*)

## **Wyoming News**

Cheyenne, Wyoming (AP) — Wyoming lawmakers have endorsed a plan to set aside money to sue states that turn away from using coal to generate electricity. The House Minerals, Business and Economic Development Committee voted unanimously Friday to advance the bill that would reserve \$1.2 million to sue states that support shutting down Wyoming coal-fired power plants or impede exports of Wyoming coal.

"If we don't start fighting back, we will be dictated by not only the federal government but other states," Wheatland Republican Representative Jeremy Haroldson said, Haroldson is among nearly 40 cosponsors of the bill in the House and Senate, the Casper Star Tribune reports. Wyoming produces more coal than any other state. Increased competition from renewable energy and cheaper natural gas has diminished demand for coal-fired electricity. Wyoming and Montana have sued Washington state for denying a permit to build a dock that would allow more coal exports. The company seeking to build the port, Lighthouse Resources, filed for bankruptcy in December and has been unable to find a buyer for the project. The post Wyoming lawmakers back fund to sue other states over coal appeared first on Local News 8.

#### **Nevada News**

The Greenlink proposal, announced last summer, is \$2 billion worth of transmission lines: one, running from Las Vegas along our western border, north, and the other running from Ely, west. The two-phase project would take about 11 years to build. It would create a triangle of transmission lines, which could position NV Energy for our energy future.

"Absolutely we are planning for those higher temperatures in the future, we are planning for that climate change and it will involve us investing in more renewable energy," NV Energy CEO Doug Cannon told Jeff Gillan, Las Vegas (KSNV) CBS Channel 3 reporter, Tuesday after he made an appearance at the Clark County Commission. Cannon tells me the company is definitely looking toward the future. It has to, as climate change stresses connected power grids.

Last summer, a crippling heatwave descended on the west, skyrocketing demand in California, which rippled into Nevada. NV Energy had to put the call out to conserve because other western utilities had no power to sell. "We have worked with the Public Utilities Commission to become more energy independent here in Nevada. We're looking at buying energy resources from other places that don't have to either go through California or out of California," says Cannon about how the company is preparing for another hot summer.

Cannon said 12 renewable projects are under development. The company's portfolio already includes 15 geothermal, 26 solar, and a variety of other renewable generating stations. About 30 percent of the company's power comes from renewables. The transmission line project would help the company shift power around the state, which is important, says Paul Selberg, with the Nevada Conservation League. "I think it's important to note that two of the fastest heating cities in the nation are Las Vegas and Reno, and so Nevadans are bearing the brunt of global climate change. We're seeing it firsthand," he says. The Public Utilities Commission is expected to decide on the transmission lines next week. (Las Vegas (KSNV) — CBS Channel 3)

NV Energy President and Chief Executive Doug Cannon assured the Clark County Commission and customers that power outages like the one that crippled Texas after a devastating winter storm last month could not happen here because Nevada's grid is regulated and regionally interconnected.

"I know one thing that's on a lot of people's minds is what happened in Texas, and could what happened in Texas be repeated here in Nevada? Could we experience the same thing?" NV Energy President and Chief Executive Doug Cannon told the commission today. "We are in a very different position here in Nevada than what they were experiencing in Texas."

Cannon ran down the fundamental differences between Nevada and Texas, where exceptional cold in February froze power plants that were not winterized. Power was knocked out to nearly 4.5 million Texas homes and businesses, plunging much of the state into darkness for days. More than 50 people died, mostly from hypothermia. Nevada's energy grid is connected to neighboring Western states, allowing exchanges when it's economically ideal or needed for reliability. It is a more diversified system than Texas' deregulated free-market system. Generation, transmission, pricing and distribution for about 90 percent of the state's population are handled by a single utility, NV Energy, and overseen by the state's Public Utilities Commission. Nevada voters rejected deregulation in 2018.

NV Energy's proposed Greenlink initiative, which seeks to improve reliability and transfer capability for renewable energy sources and the system overall, is pending before the PUC. Some decisions expected next week, Cannon said. About 29 percent of energy generated in Nevada comes from renewable sources. "In addition, we're used to working in

extreme environments," Cannon said. "We have the extreme heat here in Southern Nevada, we get extreme cold in Northern Nevada, and we prepare our power plants to be able to operate under either of those contingencies." (Davis, Hillary. Las Vegas Sun)

# Oregon News Julie Peacock

#### Facebook to Add Two Data Centers in Prineville

The Oregonian and the Portland Business Journal reported this week that <u>Facebook will add two data centers</u> to its Prineville complex. It is reported that the two new data centers will be 450,000 square feet, which is around the same size as the existing facilities. Facebook has indicated that there will be two servers in the buildings rather than just one like the existing facilities.

## Portland Carbon Emissions' Fee

The city of Portland is considering a new approach to its <u>previously proposed carbon emissions fees</u>. The changes would likely have less of an impact on the state's only glass recycling plant located in the Cully neighborhood. The proposed emissions fee had come under criticism earlier this year for being crafted by city staff with little input from stakeholders. The mayor and city council considered the measure in January but put a pause on the proceeding and indicated it would be reconsidered in March. However, it appears the city may be headed back to the drawing board. Portland City Commissioner Carmen Rubio (who heads the Portland Bureau of Planning and Sustainability) has said that over the next few months the Bureau will meet with stakeholders to design a policy that prioritizes emission reductions and air quality improvements.

# **Legislative Update**

An amendment on a <u>Clean Energy Standard</u> was introduced this week which would focus on emissions reductions and leaves out the state's consumer owned utilities. This amendment was developed by legislators in response to stakeholder conversations that have been held since January. Senator Lee Beyer introduced the bill, and said it made sense that the COUs be left out since their emissions, supplied by the hydropower system, were pretty much 100 percent clean now. There is no study included for the COUs, as was previously discussed. High level elements of the bill:

- 100 percent by 2040: investor owned utilities and electricity service suppliers should seek to provide only nonemitting resources to retail customers if it meets several conditions include being in the public interest, not adversely impacting system reliability, and are technically and economically feasible. (Interim targets of 80 percent in 2030 below baseline emissions levels and 90 percent by 2035.)
- Bans the siting of natural gas generation in Oregon.
- The bill is resource neutral (i.e., no qualifying resources) and depends on emissions reported to the Department
  of Environmental Quality's mandatory emissions reporting process.
- The bill also removes the Renewable Portfolio Standard's cost cap for all the state's utilities. (This may be a drafting error.)

The bill will have a hearing on Monday, however, the state's investor owned utilities are working on an amendment that would add COUs to the 2040 requirement. There will likely be many other amendments introduced over the next week, as bills are quickly approaching the first chamber deadline.

# Other Legislative updates:

- Resource Adequacy: The bill which initially required the Public Utility Commission to establish resource
  adequacy requirements passed through the Senate Energy and Natural Resource Committee. In its <u>amended</u>
  form it recognizes that the PUC already had authority to create resource adequacy standards for the states'
  electricity service suppliers and investor owned utilities. The bill outlines that the Commission would establish
  resource adequacy through the use of loss of load probability, loss of load expectation, or other similar metrics.
  The bill now goes to Ways and Means. (This bill was developed by Portland General Electric.)
- Offshore Wind: A bill which establishes a state goal to develop three gigawatts of commercial scale floating
  offshore wind energy within federal waters off the Oregon coast by 2030. HB 3375 also creates the Task Force

- on Floating Offshore Wind Energy which would be responsible for developing a floating offshore wind development strategic plan. Bonneville is named as an agency whose input would be solicited as part of the plan development. The strategy must be completed by September 2022. (This bill was developed by the Community Renewable Energy Association, Pacific Ocean Energy Trust, and the Oregon Coast Energy Alliance Network.)
- Study on Regional Transmission Operator: this bill and its adopted amendment requires the study of cost and benefits of Oregon joining an RTO passed out of Committee. The Department of Energy will develop advisory committee to develop the study and report back to the Legislature by the end of the year. (This bill was developed by Renewable Northwest.)

# West Coast News Doug Marker

# California Agencies Release Assessment of Progress to 100 Percent by 2045 Clean Electricity Goal

California's Senate Bill 100 establishes the goal for California to obtain 100 percent of its electricity from zero-carbon (including large hydro) resources by 2045. This adds to the state's renewable portfolio standard for 60 percent of its electricity from qualifying renewable generation (large hydro does not count). This week, the three state energy regulatory agencies released their assessment of the state's capability to achieve the 100 percent target. The report calculates that California may need to build up to 6 gigawatts of new renewable and storage resources annually. It projects that the cost of meeting the 100 percent target is 6 percent above annual estimated costs of the 60 percent by 2030 RPS target. The report says that future iterations of the assessment will examine system reliability.

# California IOUs File Proposals to Cut Net Metering Benefits

The California PUC is beginning a proceeding to take another look at "net metering" rules for electric service to homes with rooftop solar generation. California's current rules allow homes with solar generation to receive credits for excess generation supplied to their distribution grids and limit how much utilities can charge for basic service to those homes. The state's three major IOUs filed a joint proposal this week to raise the basic service charge for being connected to their systems, and to reduce the payments for excess home generation. Stock prices for major rooftop solar companies fell on the news.

The finances for net metering will revive an intense issue of equity between homeowners able to finance and install rooftop generation, and other ratepayers unable to afford or install their own generation. The IOUs argue that the compensation for net metering shifts billions in electricity rates between the classes of residential customers. The CPUC plans to complete the proceeding this fall.

#### Final Petitions Submitted to Recall California Governor

Backers of the campaign to recall California Governor Gavin Newsom turned in their last signature sheets this week, bringing the total submitted signatures to about 2.1 million. It will take 1.5 million valid signatures to put the recall on the ballot. Newsom responded by acknowledging the recall is likely to happen and he has formed a campaign team of some of experienced state and national political consultants to fight the recall. Newsom has stepped up personal appearances around the state and on national news media. In the state, he's touting his success at getting COVID vaccines deployed and opening up schools and restaurants. Nationally, he's portraying himself as the target of backers of former President Trump. The recall election date is yet to be determined but will likely be this fall.

#### On Space Mountain, Let No One Hear You Scream

California's theme parks are preparing to reopen after a year of pandemic closures. One safety measure proposed this week by the California Attractions and Parks Association is to limit screaming on the rides. Looking past the point that screaming in terror as a roller coaster drops 400 feet is largely an involuntary response, the idea that Disneyland and Magic Mountain keep guest from screaming drew immediate media derision. After all, the ride is called "California Screaming", not "California Whisper". So as of week's end, park reopenings are still largely limited to California residents and reduced admissions, but visitors will still be able to let out an energetic "oh my!" as the floor drops on the Guardians of the Galaxy.

# Montana News Mark Reller

# Gianforte and Judges

Montana's governor has signed a bill to eliminate the state's Judicial Nomination Commission and allow the governor to directly fill between-election vacancies in state District Courts and the Montana Supreme Court — reversing a change made in the state's 1972 constitution. The <u>signing of the bill</u> by Governor Greg Gianforte prompted an immediate legal challenge.

#### Now Is The Time

I think I can honestly claim that most of the folks I have encountered have a bit of bird-watcher in them. If you fit the category, and have bucket list, and like Montana, then now is the time to scoot up to Freeze Out Lake and see the swans and snow geese. We are talking thousands of swans and tens of thousands of snow geese. The migratory stopping point on federally managed lands is west of Great Falls near a small berg called Fairfield, Mt. If geese and swans are not enough for you, there are a multitude of duck species, shore birds, terns and gulls. By good fortune my house in Helena sits at 5000' on a ridge and I am treated regularly to the rhythmic calls of large formations of geese at they migrate along the edge of the continental divide. I have taken the trek to Freeze Out Lake and across the day a series of flights of 50 to 500 birds descend on this prairie pothole of a lake to rest. Late in the evening, if you are lucky, you will be blessed with simultaneous lift off of 5,000 to 10,000 or more geese. Poetry in motion.

# Forest Service News Holly Harwood

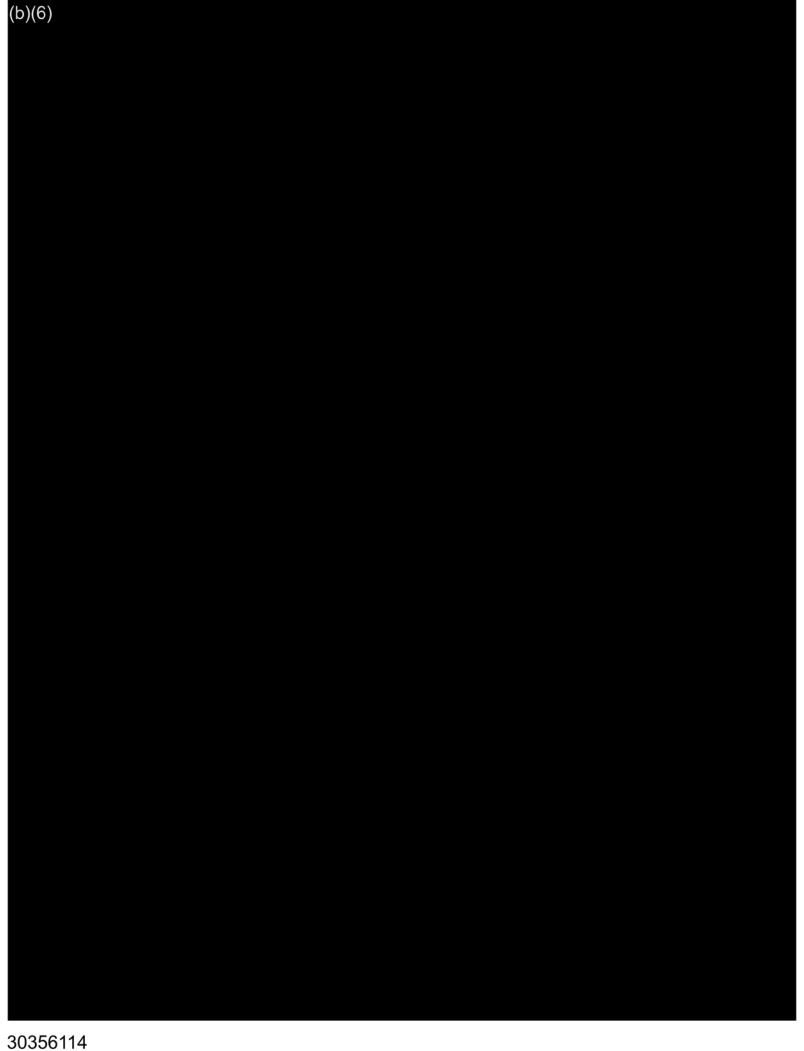
#### **Administrator Meets with Forest Service Chief**

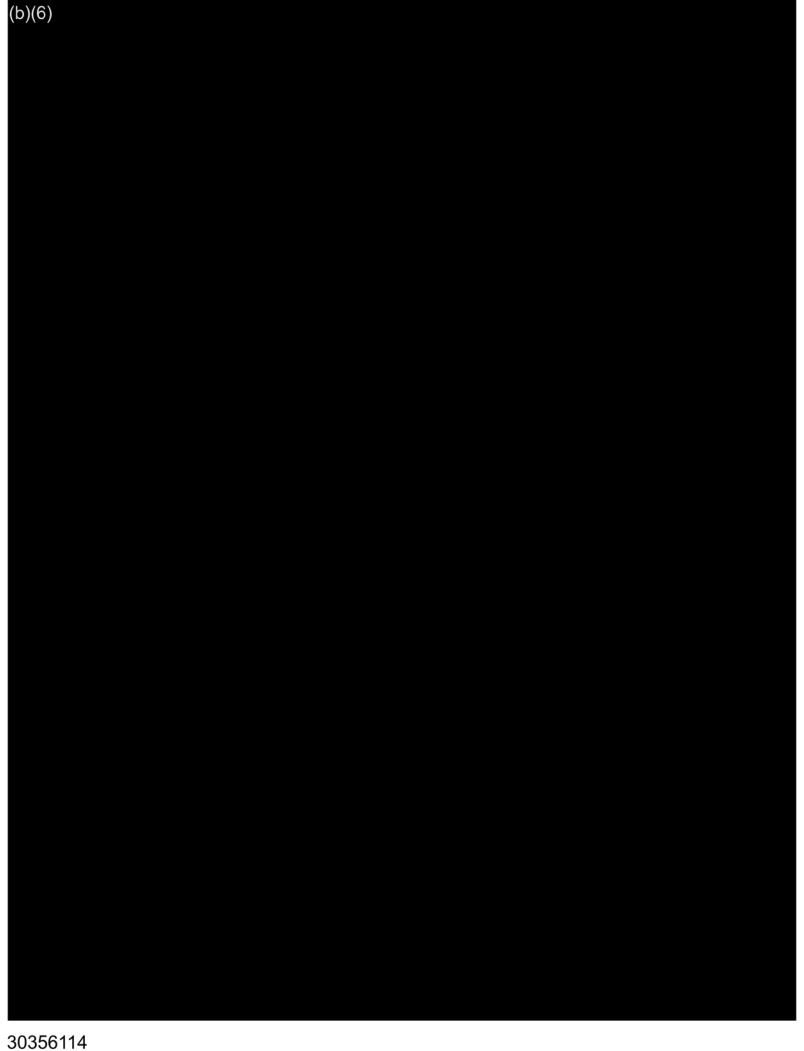
BPA Administrator John Hairston and USFS Chief Vicki Christiansen met to introduce themselves and discuss BPA concerns about Forest Service proposed policy directives. BPA is concerned that the proposed directives could adversely impact the BPA/FS 2017 MOU and interfere with BPA's ability to cost-effectively get work done on NFS land.

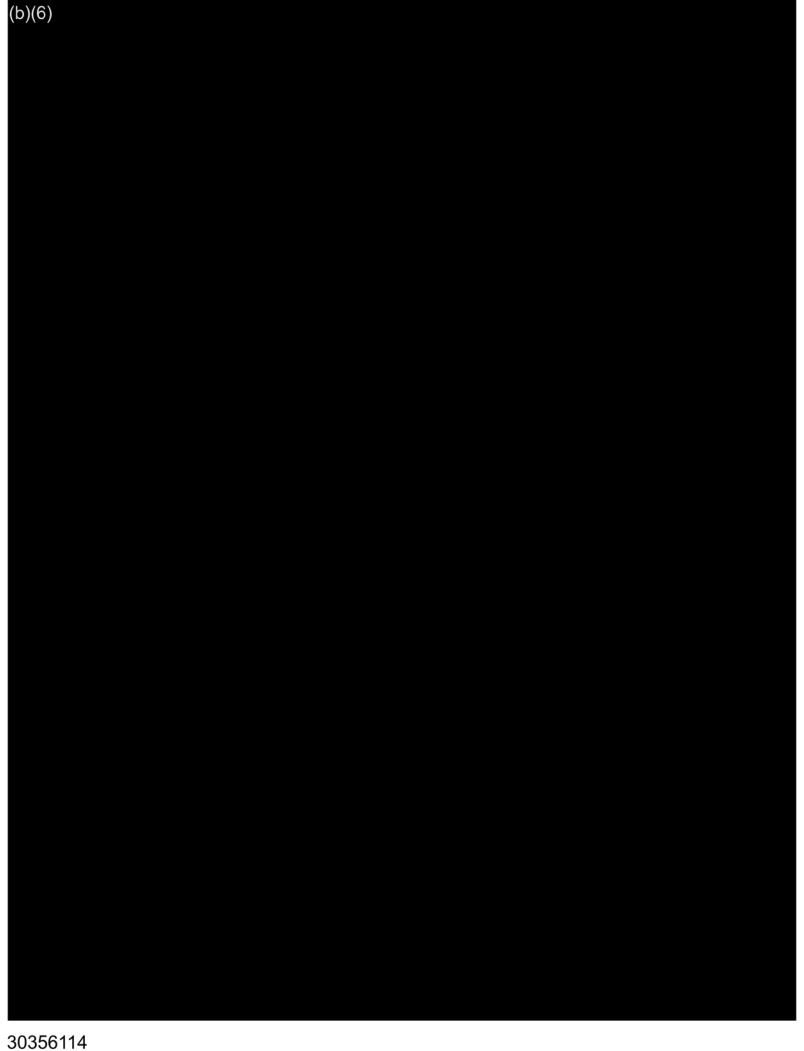
John established good rapport with the Chief and there was general agreement that it is important for the two agencies to work together. Both John and the Chief committed to continuing to work together and left the door open to reach out if either agency needs anything from the other. The Chief confirmed that the 2017 MOU stays in place until we have something else that works and recognized that devil is in the details. She committed to work to address those details. The FS leadership expressed their support for continuing the collaborative partnership with BPA and committed to responding to and addressing the concerns BPA included in its comments on the directives.

Thank you,

Cynthia Case
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From: Wright, Troy S (CONTR) - AIR-7

Sent: Friday, December 9, 2022 4:05 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, December 9, 2022

Attachments: 2022,1209.docx

Hello everyone-

Attached is the Regional Relations Report for Friday, December 9, 2022.

West Coast News Doug Marker

# PacifiCorp Commits to CAISO Day-Ahead Market

Yesterday, PacifiCorp became the first utility to commit to the California Independent System Operator's (CAISO) Extended Day-Ahead Market (EDAM). PacifiCorp decision, representing operations in seven western states, is a significant boost for the effort of the CAISO to expand its market operations across the West. Last month, Powerex announced it is committing to the Southwest Power Pool's Markets Plus initiative, proposed as an alternative to a California-sponsored market.

#### U.S. Makes California Offshore Wind Lease Sales

The Interior Department announced this week five lease sales for offshore wind sites along the California coast. These are the first offshore wind leases on the Pacific Coast. Three of the sites are off the central California coast and two are off the coast of Humboldt County in northern California. The total of the five sales was \$757 million. The sales were to five different companies. The companies now have to submit development plans for environmental review and various permits, and maintain consultations with local communities and fishing interests. The review process could take six years. The five sites could total 4.5 gigawatts of wind generation.

#### Avoiding California Blackouts in September Heat Wave Involved Luck, Imports and Storage

The Western Power Trading Forum held a roundtable in Portland this week to review the lessons from September's heat event when California set a new record for electricity demand. Presenters and participants pointed to several important factors that kept California from having to cut service. California's peak loads came as demand in the Pacific Northwest and the Desert Southwest had declined. The transmission interties from the Northwest to California were fully available and were used to capacity, while fish spill operations on the Columbia and Snake rivers ended on August 31. While 2022 was an average water year, snowmelt was late and there was a good water supply for hydro generation. California has extended operations of several peaking gas plants and also brought nearly 4 gigawatts of battery storage to discharge as solar generation goes down in the evening.

Participants pointed to policy requirements and "structural" issues that are driving new demand, particularly in California's neighboring balancing authorities. Washington is implementing its new carbon policies. Pacific Northwest home air condition and teleworking is driving load growth even with consistent summer temperatures. Electric vehicle usage is growing. So California faces increased competition for imports to augment its own resources. Participants noted the developing Western Resource Adequacy Program (WRAP) and discussed the importance of "translating" between the WRAP design and the complex structure that the California Public Utilities Commission is developing for its resource adequacy program.



# Imagine Getting this Request Through a TAC

A young girl recently wrote to the Los Angeles County Department of Animal Care and Control with an anticipatory inquiry. Madeline requested approval to keep a unicorn in her backyard – if she can find one. Director Marcia Mayeda responded last week. Madeline can, in fact, have a permit to keep a unicorn in her backyard if she finds one. To be ready, the department provided her with a license for a unicorn, with conditions. The unicorn must be given regular access to sunlight, moonbeams, and rainbows. The unicorn must be fed one of its favorite treats – watermelon – at least once each week. And, of course, any sparkles or glitter used on the unicorn must be biodegradable. With the approval came a license tag and a little stuffed unicorn until Madeline finds a real one.

# Washington News Liz Klumpp

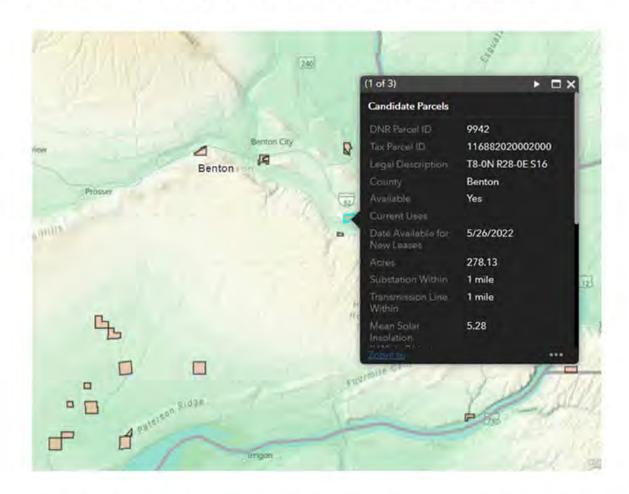
# Wash. DNR Publishes Map for Clean Energy Projects to Lease DNR Lands

Washington Department of Natural Resources (<u>DNR</u>) hopes to support development of clean energy projects in Washington and raise state revenues to fund public buildings (schools, etc.) from leasing state DNR lands to energy developers. Currently, DNR's key revenue source is timber sales.

The mapping tool is available here:

https://wadnr.maps.arcgis.com/apps/webappviewer/index.html?id=d0364fb0d1104f87b4e7e8549fb7f220.

DNR's mapping tool focuses on its lands in eastern Washington counties. The parcels indicate the acreage at site, the proximity to a substation or transmission line. BPA GIS shared its public GIS mapping data with DNR months ago for its use in this effort. I've copied below a DNR parcel that is south of Richland as an example.



Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

Troy Wright (CONTR)

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 From:
 Wright, Troy S (CONTR) - AIR-7

 Sent:
 Friday, March 3, 2023 4:19 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, March 3, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, March 3, 2023.

Idaho News John Williams

# Idaho water experts deliver optimistic report, with caveats

A group of water and climate experts empaneled by the Idaho Department of Water Resources is cautiously predicting a positive outlook for water supplies in Idaho this spring and summer. In a Feb. 14 meeting of IDWR's Water Supply Committee, experts said they believe that water supplies remain favorable after abundant snow in the early winter, despite a relatively dry January and early February that has decreased some of the optimism.

"We're likely to do better than last year," IDWR hydrologist David Hoekema said. Hoekema told associates that he determined that after two years of drought statewide—and three years of drought in the Big Wood and Big Lost valley (south of Sun Valley area) basins of south-central Idaho—that most of Idaho is in a "moderate" drought stage, an improvement after several significant snowstorms hit the state in December. Much of the state had been determined to be in "extreme" drought over the last two years.

"The state's kind of on a long, slow recovery from the extreme drought in 2021," Hoekema said.

The outlook was stronger last month, experts said, before a string of dry weeks this calendar year lowered the snowpack levels in much of the state. Though weather systems that have come into Idaho in January and February have been less forceful and delivered less snow than those in December, Hoekema noted, the smaller systems can still add to the existing snowpack in the state. He predicted that Idaho will likely have "above normal" snowpacks by April and May. Idaho's "water year" runs from Oct. 1 to April 1, the period when snowpacks accumulate in many parts of the state and in later months deliver melted runoff that provides water for irrigation, municipalities, and other uses. (*Greg Foley/Idaho Mountain Express*)

#### Nevada's Legislative approved Greenlink Transmission Line hits delays

The federal review of a key transmission line to connect commercial-scale solar projects in Nevada to millions of households has been delayed by months over concerns about a likely route across a national monument designed to protect thousands of ice age fossils. The 470-mile-long Greenlink West transmission line would stretch along Nevada's western boundary, from Las Vegas north to Reno, carrying as much as 4,000 megawatts of mostly renewable electricity from dozens of proposed solar projects in the state.

The Bureau of Land Management last spring began an environmental impact statement (EIS) analyzing the proposal by NV Energy that has already sparked a flurry of solar project applications along its presumed path. The Greenlink West project is a priority for the Biden administration as it works to expand the power grid to support green energy projects often located in remote areas. But the draft environmental review originally set to be released for public comment in January has been delayed, likely until May, due to NV Energy's proposal to place the line across 1.5 miles of the Tule Springs Fossil Beds National Monument, according to a senior Interior Department official with knowledge of the situation who was granted anonymity because they are not authorized to speak publicly.

BLM is leaning toward making the proposed route across the monument its "preferred alternative" in the draft EIS, advancing plans to place as many as 12 power-line poles within the monument managed by the National Park Service, the official said. The line would run 5 feet inside the monument near the road that splits the north and south units of the 22,650-acre monument, which was established by Congress in 2014 to protect the fossils of long-extinct species like the Columbian mammoth and the sabertooth cat.

Conservation groups are already raising alarms about the possibility of the power line disturbing fossils, saying the federal government should prioritize preservation along with energy transmission. Proponents counter moving on the transmission projects needed to connect renewable energy to the grid should be BLM's priority. The complications surrounding the line — which several experts said is an important link in establishing renewable energy in remote areas of the West — underscore the challenges for the Biden administration in quickly approving renewable energy projects on public lands.

"In 2023, most transmission lines are at capacity," said Scott Sklar, director of George Washington University's Solar Institute. "If we want to transform the U.S. grid to carbon neutrality, the federal government and states must accelerate transmission lines to reach the concentration of renewable energy, just like our old grid at first went to hydropower sites and coal mines." The region is filled with federally protected lands. BLM, in addition to considering the Tule Springs Fossil Beds site, has had to place the power line around Nellis Air Force Base, the Desert National Wildlife Refuge and various Native American tribal sites, among others. If the Biden administration decides to move forward with the line cutting through the monument, BLM, NPS and NV Energy have developed a detailed mitigation plan that will involve excavating fossils before any holes for the power-line poles are dug, the Interior official said.

Few question the Greenlink West project would help the Biden administration meet the dual goals of promoting commercial-scale renewable energy production and expanding the nation's power grid. As the Biden administration pushes for a carbon-free energy sector by 2035, it's on pace to exceed an Energy Act of 2020 goal to permit 25,000 MW of onshore renewable energy by 2025, the Interior Department has reported to Congress (*Greenwire*, April 20, 2022). In that report, Interior estimated it would permit 48 solar, wind and geothermal energy projects with the capacity to produce an estimated 31,827 MW of electricity by the end of 2025. The vast majority of that energy — 29,595 MW — will be produced by solar projects, according to the report. In Nevada alone, BLM is currently evaluating 36 renewable energy projects, mostly solar. If all were built, they would have the capacity to produce more than 13,000 MW of electricity — enough to power roughly 4 million homes, an Interior spokesperson recently told E&E News. But experts say transmission capacity is lagging.

David Spence, an expert on the law and politics of energy development at the University of Texas School of Law in Austin, said the nation is "desperately in need of additional transmission investment." That's supported by a recent analysis led by Princeton University's Zero-carbon Energy Systems Research and Optimization Laboratory that concluded "the pace of transmission expansion must more than double the rate over the last decade" in order to "interconnect new renewable resources at sufficient pace and meet growing demand from electric vehicles, heat pumps, and other electrification." It added, "Constraining transmission growth severely limits the expansion of wind and solar power." Yet, Spence said, "We built less than 1,000 miles of new [high-voltage] transmission last year, and we need something like 200,000 miles in the next 10 years."

Already numerous solar and wind projects in various stages of regulatory review are being "held up, in part, by lack of transmission" capacity, he said. "The grid is old and wearing out, and we need to make it bigger in any case to take advantage of this newly cheap clean power," he said. "Inevitably, some of those lines are going to go through places where people don't want them to go." But the legitimate need to expand transmission capacity to carry renewable energy to market doesn't justify "ruining our public lands," said DeStefano, the advisory council member. "Almost every environmental group on Earth is pro-green energy, yet organization after organization after organization are against" the Greenlink West transmission line crossing the monument, she said. "Why is that?" (Scott Streater/Greenwire)

#### **Idaho Legislation Bills of interest**

House Bill 96 – This his bill amends the Idaho Energy Resources Authority (IERA) Act by removing definitions of "renewable energy" and "renewable energy generation projects," replacing those terms with definitions of "clean energy" and "clean energy generation projects." The new definition of clean energy carries over the old renewable energy definition that included water/hydro, geothermal, wind, solar, and biogas, while adding nuclear, hydrogen, energy/battery storage, and other non-carbon emitting resources. Broadening these definitions signals Idaho's support behind research and development of emerging energy technologies, including advance nuclear energy, small modular reactors, hydrogen turbine generators, and energy storage systems.

<u>Status</u>: passed House on 2/17, passed out the Senate State Affairs Committee and sent to the floor with a do-pass on 2/22.

Note: The IERA Act was passed in part to help BPA's customers build generation resources (Tier 2 resources) and transmission. IERA has also been used for BPA's third-party financing.

House Joint Memorial 1 – The purpose of this memorial is to authorize the Idaho and Oregon Legislatures to begin official discussions on whether it is feasible to move the Idaho border into Eastern Oregon.

<u>Status</u>: passed out of the House State Affairs Committee on 2/22 and the House floor on 2/24. Sent to Senate Resources & Environment Committee on 2/27.

# Utah cities are sticking with their nuclear power plan after a hefty price jump

Utah Associated Municipal Power Systems recently updated the 27 entities pursuing construction of several small nuclear power generators in Idaho, and the \$58-per megawatt hour cost has now grown to \$89, mainly due to inflation and the rising cost of steel. That price jump meant that the cities had an off-ramp to walk away from the Carbon-Free Power Project before any money has been spent on building what is now estimated to be a \$9.3 billion endeavor. The project would not produce power until 2029 at the earliest.

Still, only the small city of Morgan opted out. The city of Parowan also voted to reduce its commitment by a third, but stayed in. And Los Alamos County, N.M., increased its commitment. Ty Bailey, city manager for Morgan, said the decision to opt out wasn't just about the rising cost. "It's more about having other alternatives. That's a big project, and up to this point we haven't seen other alternatives." He said the city now is looking at building its own solar and battery-storage facility to make up what the nuclear plant would provide. The 26 entities that stayed in CFPP are mostly small cities in Utah, but it does include systems in New Mexico, Nevada and Idaho. UAMPS originally invited all 50 of its members to join the project, but many including Logan, Bountiful and Murray pulled out over cost concerns.

UAMPS has been working with Oregon-based NuScale to build what would be the nation's first "small modular reactors" at Idaho National Laboratory west of Idaho Falls. The reactors would still be powered by the nuclear fission of uranium, but NuScale has said their design is inherently safer than current nuclear power plants. They also maintain that the small reactors can be mass produced, which would lower costs. For UAMPS entities, the challenge to find new "baseload" power is growing more acute. Baseload power is the energy needed to keep the electrical grid energized when intermittent sources like solar and wind produce less. UAMPS recently lost coal-fired power from the San Juan Generating Station in New Mexico when it closed last year, and years of drought have cut into the amount of hydropower available from Glen Canyon Dam and other hydropower sites. Battery storage systems are in a similar price range to the nuclear project.

UAMPS acknowledges that the cities in the project are not nearly enough to move ahead with construction, and it is trying to find more participants. The project aims to produce 462 megawatts of power, and UAMPS' current commitment from the 26 entities is only 119 megawatts. UAMPS spokesperson Steve Handy said UAMPS needs to have at least 370 megawatts committed by the end of this year for the project to proceed. If they don't reach that commitment, the cities will have another off-ramp to exit before incurring construction costs.

"Currently no additional utilities have joined the CFPP, although positive discussions are underway with a number of interested parties," Handy said. "We hope to make announcements in the near future." Los Alamos – where they have been splitting atoms since the 1940s – opted to increase their commitment four-fold, going from 2 megawatts to more



than 8. That increase more than offset the Morgan and Parowan reductions. Unlike Utah, New Mexico has a state law that requires electrical utilities to be carbon-free by 2045.

The U.S. government has given CFPP its blessing in the form of cash and sign-offs. Clean-energy incentives in the Inflation Reduction Act passed last year, combined with previous commitments, mean the federal government would cover 45% of the \$9.3 billion cost. And the U.S. Department of Energy announced in January that the NuScale design has been certified as the first "small modular reactor" design in the country. However there's a serious financial threat: a recent study

by a former Nuclear Regulatory Commission chair indicated that small modular reactors will produce more nuclear waste than large-scale nuclear plants. NuScale maintains the analysis relied on old data and it has demanded a correction, but the authors stand by their assessment. (*Tim Fitzpatrick/ The Salt Lake Tribune*)

# West Coast News Doug Marker

# Southwest Power Pool Announces "Critical Mass" for Phase One of Markets Plus Day-Ahead Market

Yesterday, the Southwest Power Pool announced that enough participants, including BPA, have committed to share in funding that it can begin Phase One of its Markets Plus development in April. SPP needed assurances that enough parties would share in the costs for this next phase of the day-ahead market design. Other committed participants include Powerex, Chelan PUD, and Puget Sound Energy. SPP has begun a series of webinars for participating entities to begin work on Phase One design.

# California ISO Gives Legislature Final Regionalization Report

The California Independent System Operator this week met the schedule of a legislative resolution calling for a report on existing studies of the benefits to California of allowing the CAISO to become an independent entity. With the <u>final report</u>, the CAISO acknowledged BPA comments about considerations for any legislation granting the CAISO independence. The CAISO will hold one more public workshop next Wednesday to discuss the report. Meanwhile, Assembly Bill 538 reintroduces provisions for CAISO independence and waits for a hearing in its Assembly policy committee.

#### **Diablo Canyon Gets Regulatory Support for Continued Operations**

This week, the California Energy Commission approved staff analysis the supports extending the operations of the Diablo Canyon nuclear power plant through 2030. Yesterday, the Nuclear Regulatory Commission also ruled that the plant can keep operating pending its review for license extension

The CEC finding is one condition of legislation passed last year to pursue keeping Diablo Canyon running for five more years. The CEC analysis found that California risks electricity shortages in extreme weather without the plant. The analysis noted that operating Diablo Canyon also avoids reliance on fossil fuel-emitting generation during the five years. The NRC will consider extending the plant's operations as a new license, but this week's ruling assures that the plant can operate pending that review.

#### Hey! I Can See Your House From Here!

If you're willing to make the climb, San Francisco's smallest park also has its most amazing view. Built from a vacant spot on top of Telegraph Hill, Jack Early Park has enough room for a small group to look out across Alcatraz and to Marin County beyond. The platform was handmade by Jack Early in the 1960s. Early had found the vacant rocky outcropping above the dead end of Grant Street. For several years, he lugged lumber, concrete and iron railings up the hill to create a small viewing platform. Early called his little creation "Alcatraz Park". Of course, that sounded to some ears like a foreboding name and following his passing, the San Francisco Board of Supervisors honored Early and his creation by designating it as an official city park bearing his name.

# Montana News Kate Wilson

# Montana Legislative Session Update

- Today, March 3<sup>rd</sup>, signals the halfway point of the session and the deadline for general bills (non-appropriations or revenue bills which have until 3/31) to have been transmitted to the other chamber.
- This week saw the likely death of several energy related bills including IOU regulations related to transmission, net
  metering, renewable resource tax (up to 500%!), and requiring EVs to have "fire hazard" sticker. Also, while not
  energy related, the notable <u>SJ2</u> likely died this week as well, it was an attempt to hold a US Constitutional
  Convention to force the US Government to hold to a maintain a balanced budget.
- Bills still moving forward related to energy include themes of limiting local government control, targeting
  renewables for taxation, weakening environmental regulations for coal mining, and two resolutions related to the
  FCRPS. Highlights include the following:
  - FCRPS <u>SJ10</u>: Joint resolution to support federal Columbia River power system and oppose the breaching of the lower Snake River Dams. This resolution was initially drafted by the Montana Electric Cooperatives Association (MECA) and is being carried by Senator Cuffe (Libby/Eureka district). It is now moving to the house. <u>SJ16</u>: Columbia River Treaty resolution that proposes to remove article 13 in the next iteration of the CRT related to Canada's rights to 1.5M acre feet of water above Libby Dam. It is moving to the senate with strong support.
  - o POWER HB220: This bill would enable Montana IOUs to "write own rules" to only buy energy from own power plants by creating a partisan committee (appointed/selected by House Speaker, Senate President and Governor's Office all Republican right now) to approve/support new acquisitions and eliminate competition from other energy sources/interests. Opponents of the bill believe that this is a new iteration of a previous (NWE) bill that failed to convince the legislature or the PSC in subsequent sessions/years. It is essentially a rewrite of IRP and RFP requirements, which will likely would result in 2025 legislation. It has passed the house and is moving to the senate. HB284: Allows pre-approval of generation. IOUs can ask for approval of costs before building to be passed on to ratepayers PSC cannot go back and review prudency of costs so may be overestimated w/o review (and passed on to ratepayers). Court struck down pre-approval last year but this year simply includes MDU along with NWE so wouldn't be construed as "special legislation." HJ6: Interim study on resource adequacy likely to pass. Ensure interim committee is provided factual information from legitimate sources. HB170: Repealing of state energy policy. Instead of making revisions to enact a better policy to reflect MT priorities, this bill has seen Republican support to repeal completely in favor of the Governor's "all of the above" energy policy (or lack thereof). This is likely to move forward among party lines.
  - PUBLIC SERVICE COMMISSION <u>SB109</u>: Proposes to redraw PSC districting map from the court-drawn
    existing map in such a way that pretty well ensures future republican control. Opponent MEIC suggests the
    redistricting commission would be more of a fair/balanced body. Moving to house.
  - ELECTRIC VEHICLES SB255: Provides clarity to EV charging companies about how their business can work in MT, sets terms for PSC authority, limits on how to charge, and aligns with industry. Seeing bi-partisan support and moving forward to house. HB55 & HB 60: Proposes to capture revenue from EVs since don't pay gas tax. High fees proposed for registration + charging tax (\$0.3 cents per KW/hour at public charging station). Concern that puts a burden on MT businesses: meters for EV charging stations, collecting tax, etc., but does lower EV registration for residents (targeting non-residents for charging as they travel through MT).
  - o LOCAL GOV CONTROL SB228: A local government unit with self-government powers would be prohibited from "any power to prohibit the purchase or use of petroleum fuels or the installation or use of any machinery, vehicles, vessels, tools, facilities, appliances, or equipment that burn or transport petroleum fuels." Would prohibit local governments from regulating anything that runs on or uses oil and gas not just gas stoves, appliances, but gas stations, power plants, vehicles (large scope). This bill is being referred to as "ban the ban" and is supported by the Montana Electric Cooperatives Association. Similarly, SB208, or the

- "Ban on Local Bans" (focused on Missoula and Bozeman potentially banning gas stoves) would bar local governments from using building costs to ban any kind of gas infrastructure.
- SOLAR <u>HB241</u>: Local governments cannot require future home construction to be "solar ready." <u>HB524</u>:
   Mandates that solar installers disclose the country of origin. Amended from requiring disclosure of "carbon intensity" of solar panels in an attempt to distinguish the impacts of solar panel manufacturing in the role of carbon/climate change.
- COAL MINING + OIL/GAS HB 576: proposed bill would effectively remove one of Montana's checks on coal mining pollution by changing definitions to make pollution harder to cite and enforce water quality standards in receiving waterbodies. It is opposed by conservation groups. HB656: Weakens coal mine expansion regulations. SB392: "Loser pays" industry costs in coal lawsuits. Moving forward but may be struck down in court if passes (precedent in AK). HB634: Lowers royalty rates for oil and gas.

#### Articles:

Oregon utilities stick to original 2030 Colstrip exit plan (billingsgazette.com)

Colstrip operator's report finds no practical use for coal ash (billingsgazette.com)

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

# Troy Wright (CONTR)

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From: Wright, Troy S (CONTR) - AIR-7
Sent: Friday, November 17, 2023 2:59 PM

**To:** ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team **Subject:** Regional Relations Report for Friday, November 17, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, November 17, 2023.

Have a great weekend!

# Ralph Cavanagh retires from NRDC

Ralph Cavanagh is retiring from the Natural Resources Defense Council this week. He has been with the organization since 1979 starting as a staff attorney and retires as the Energy Co-Director for the Climate & Clean Energy Program. Cavanagh has been interacting with Bonneville for decades. The May 1990 edition of the *BPA Circuit* newsletter has an above the fold story about Bonneville's Earth Day celebration that was the venue for Cavanagh to give Bonneville an award for its environmental leadership. A quote by Cavanagh from the article says, "Over the last 10 years, NRDC has had opportunities to evaluate most of the major electric utilities on the continent. The energy efficiency and public involvement leader for all of North America over that period has been the Bonneville Power Administration." He goes on to applaud BPA's \$870 million investment in energy efficiency and concludes, "your public involvement program has been, and has become simply the best in the public sector anywhere, period."

Cavanagh insists he will stay very involved and continue supporting further western grid integration.



Photo: BPA deputy administrator Jack Robertson receives award from Ralph Cavanagh.

# Oregon State Energy Strategy kickoff

As required by the state legislature, Oregon Department of Energy kicked off their State Energy Strategy planning with a community meeting earlier this week. The goals of the strategy will be to pull together different policies from across the energy sector in Oregon and to build on them to help the meet state's energy goals. The report is due by November 2025 and BPA will be a part of an advisory committee, if there is one. Plans are still in development.

From ODOE: An energy strategy can help:

- Align Policy development, regulation, investment, and technical assistance
- · Identify pathways to meet the state's policy goals
- · Maintain affordability and reliability
- Strengthen the economy
- Prioritize equity
- Maximize benefits and minimize harms

# THE ENERGY STRATEGY IN A NUTSHELL

# Must be informed by:

- Stakeholder perspectives
- Sate laws, policies, targets re: energy and GHG emissions
- Existing energy and IRPs
- Energy-related studies and data analysis
- State energy policy objectives

# Take into account (at a minimum):

- State Energy demand and trends
- Energy resources and tech choices considering costs, EE, feasibility & availability
- Existing & potential incentives to support EE
- Energy generation, transmission, distribution infrastructure
- Ernerging tech & investment opportunities

- Environmental justice
- Community benefits
   Land use considerations
- Energy burden & affordability
- Econ and employment impacts
- Energy security and impacts of broader markets
- Energy resillence
- Community Energy resilience

# Engagement:

- State agencies, Tribes, stakeholders w/ diverse range of;
- Interests, perspectives, expertise, education
- Socioeconomic backgrounds
- Communities
- Geographic areas of the state

Reflects the best available info, data analyses and time horizons necessary to achieving the state's energy policy objectives Periodically update the E Strategy to reflect current information, data analysis and state energy policy objectives

# WEST COAST NEWS

# Doug Marker

## BPA asks CPUC to revisit rules for import RA

The California Public Utilities Commission is beginning a new proceeding to review its resource adequacy program design. BPA submitted comments asking the CPUC to consider its rules for out-of-state resource adequacy bids. In 2021, the CPUC required that sellers of RA from out-of-state generation make their offers based on obligation to deliver at whatever price is set by the market. The CPUC staff at the time sought to limit speculation by out-of-state sellers. BPA would like to be able to make offers based on priced offers. The California Community Choice Aggregators Association and the CPUC's public advocate office also asked the CPUC to consider the rules for import resource adequacy, arguing that the current rules are disincentives for out-of-state suppliers.

#### PG&E asks NRC for approval to run Diablo Canyon for 20 more years

PG&E, the owner of the 2,200-megawatt Diablo Canyon nuclear power plants, filed last week with the Nuclear Regulatory Commission for extension of operations for 20 more years. The two generators had been scheduled to close

in 2024 and 2025, but California's state government has sought to keep the plants running through at least 2030. California's pace of installing other non-carbon emitting generation is behind schedule for reliably replacing the baseload generation of the nuclear plant. The California Public Utilities Commission will consider this month approving the plant's operation through at least 2030.

# And not a rose is harmed in the making of this parade



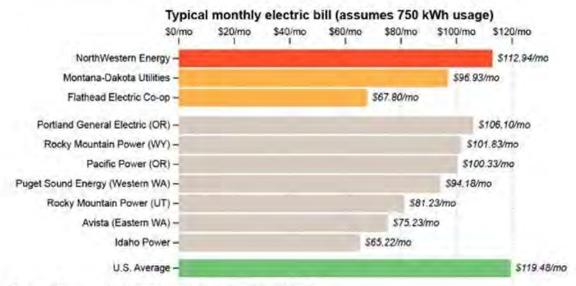
After a four-year suspension due to COVID, Pasadena's famous parade tradition returns Sunday. No, not that Tournament of Sunburned Ohio State Fans event. That's on New Year's. The Pasadena Doo Dah Parade, billing itself as the "Twisted Sister" of the Rose Parade, returns to the Sunday before Thanksgiving. Popular parade entrants include the Dressed to KILL KISS Tribute Band, The Million Mrs. Roper March, and the Sierra Madre City College Marching Turkey Band (there is no Sierra Madre City College, by the way). I'm not sure what the "Flying Baby Boxing" entry is about. The event prides itself on never starting on time and basically being a less muddy version of Burning Man.

# Montana - Energy, Transmission & Politics

- Sen. Zinke <u>announced legislation</u> 11/16 to force the Dept. of Interior to ensure a Flathead Lake level within one foot of full pool June 15-Sept 15, which, as proposed, would significantly alter the management and historical uses of Hungry Horse Dam (BoR). "Let's be clear, the commissioner of reclamation has the authority to make the executive decision and does not need to bow to the unelected bureaucrats at the [Technical Management Team] who care more about fish than people," Zinke said in July following the decision. "[The Bureau of Reclamation] does not lack authority. The only thing they lack is leadership."
- Members of the Montana Electric Cooperatives Association (MECA) and its staff recently took a trip to Capitol
  Hill to meet with all four Montana delegates, APPA's Scott Corwin, and USFS National Energy Program lead
  Reggie Woodruff. This is the third consecutive year that MECA has led a "grass tops" contingent to DC to address
  key public policy issues. This year, the group focused on eight such policies, including:
  - o a request for legislation to extend wildfire liability protection for electric co-ops;
  - opposition to breaching of the Lower Snake River Dams;
  - opposition to the US DoE's conservation standards for distribution transformers;
  - o opposition to the EPA GHG emission requirements for power plants:
  - support for language in the FY 2024 federal interior appropriations bill preventing listing of the sage grouse as a threatened or endangered species;
  - opposition to the USFS special permit rule that substantially increases costs of ROW permits and strict liability limits;
  - opposition to the proposed BLM conservation health rule; and
  - opposition to the CEQ's proposed Phase 2 rule under NEPA.
- A special select (partisan) committee on resource planning and acquisition, created by the 2023 legislature, met last week to explore potential changes to energy procurement in Montana related to Public Service Commission rules related to energy procurement. This last meeting highlighted how other states are approaching procurement challenges, such as soliciting all-source competitive bids where different facets of the sector can make their pitch.
- Berkshire Hathaway Energy (BHE) announced last week that it has joined CAISO's WEIM. BHE Montana will be
  the first company that operates both a generation only and renewable only balancing authority to join the
  WEIM, adding 399 megawatts of clean energy generation from three windfarms and 75 megawatts of a battery
  energy storage system. The company's implementation date into the WEIM is May 2026.
- 350 Montana, a public interest NGO focused on climate change, filed two motions last week for Montana's Public Service Commission to reconsider the recently approved 28% rate hike. The group alleges that the PSC invented a new standard to evaluate costs with no authority, and that it violated due process. "There is no record evidence to support the Commission's determination that some magical zone of reasonableness exists, and within the magical zone, the settlement of \$81 million happily resides, unassailable because it's 'in the zone,'" the motion said. The PSC unanimously approved the rate hike in Oct. The Human Resource Council District IX, Natural Resources Defense Council and NWEC filed a third motion, alleging that the PSC's decision fails to consider compounding effects on low-income customers. A recent report found that while slightly below the national average, NorthWestern's customers are paying significantly more than western counterparts, including 73% more than residents in Idaho.

# How a typical NorthWestern Energy electric bill stacks up

Here's how rates charged by Montana's largest power supplier as of Nov. 1, 2023, compare to utilities across the region and the U.S. average.



Data: Utility records, U.S. Energy Information Administration. Graphic: Amanda Eggert & Eric Dietrich / MTFP

- Ten Tribes in the EPA's Mountains and Plains region each received \$371,750 in EPA Climate Pollution Reduction
  Grants, including the Blackfeet Nation, Chippewa Cree, Northern Cheyanne, and the Fort Peck Tribe in Montana.
- A Montana podcast on power adequacy for your listening pleasure: Power Adequacy For Our Energy Future Voices of Montana. Guests include the GM of Basin Electric Power Cooperative, Mark Lambrecht and Gary Wiens of the Montana Electric Cooperatives' Association.

#### Montana - Water, Weather & Fisheries

A new report commissioned by the Montana Wildlife Federation projects **climate change could** <u>cost Montana's outdoor economy more than \$260 million</u>. Under a scenario where GHG emissions are not reduced, Montana could warm by as much as 6 degrees F by 2050. The report also predicts that a declining snowpack coupled with warmer winters could shorten the skiing season by 33 days in the next few decades, and that big game hunting could decline by 25%, leading to a loss of almost 500 jobs and \$15 million in earnings. See the full report <u>here</u>.

- At a first-of-its-kind meeting, representatives of US, Canadian and tribal governments met last week to discuss water quality impacts stemming from an expansive coal-mining operation in the Elk Valley of BC, upstream from Koocanusa Reservoir and Libby Dam. The meeting included representatives from the federal governments of the US and Canada, as well as the Ktunaxa Nation Council, which advocates for the interests of six bands of Indigenous people spread across present-day BC, Montana, and Idaho, including the Confederated Salish and Kootenai Tribes. Waterborne mining pollution has degraded water quality and impacted fisheries on both sides of the border, including Canada's Elk River, Lake Koocanusa, and the Kootenai River. High mining-related concentrations of selenium, which can hamper reproductive success in fish and lead to spinal, facial and gill deformities, is suspected in the crash of westslope cutthroat trout populations on BC's Upper Fording River and the decline of mountain whitefish and burbot populations in Montana and Idaho.
- Researchers have concluded that approximately 360 glaciers have disappeared across the American West since
  the mid-20th century, including more than 70 in Montana. In Montana, researchers found six named glaciers
  that no longer qualify based on the definition of a glacier (at least 0.01 square km and it must be moving),
  including ones in Mission-Swan Range, the Crazy Mountains, the Cabinet Mountains and the Lewis Range in
  Glacier National Park. Montana has lost 76 glaciers since the mid-20th century alone.
- After facing backlash from locals and business leaders related to implementing a ticketing system during the
  pandemic, Glacier National Park is now revising the system, keeping the ever-growing influx of visitors in mind.

- Moving forward, tickets will be valid for one day (vs. three previously) and will only be required at the busy West Glacier entrance from May 24-Sept 8 and the Many Glacier entrance July 1-Sept 8. However, not everyone agrees; Sen. Zinke introduced a bill last week to prohibit the ticketed entry, claiming it deters locals.
- The Confederated Salish & Kootenai Tribes (CSKT) have been selected for two water quality focused EPA grants recently. Nearly a million of environmental justice funding will go towards the prevention of water-borne illnesses in vulnerable communities in the Flathead. Another \$1.6M will target non-point source pollution such as old and failing septic systems. Montana received an additional \$14M from the EPA Columbia Basin Toxics Reduction Grant, \$7M to the new Western Montana Conservation Commission and another \$7M to the Flathead Lake Biological Station. Big benefits to water quality in western Montana coming soon!

# British Columbia - Energy, Natural Resources & Water

- Representatives from the <u>Ktunaxa and Syilx Okanagan nations</u> in BC are still hoping for salmon restoration in negotiations for a modern Columbia River Treaty.
- Whirling Disease was first discovered in Canada in 2016, when it was detected in southern Alberta lakes. The fish disease has now been detected in BC as well.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

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 From:
 Wright, Troy S (CONTR) - AIR-7

 Sent:
 Friday, August 11, 2023 2:44 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, August 11, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, August 11, 2023.

Have a great weekend!

#### Hot water & the Clean Water Act

In the most recent edition of the Hot Water Report put out by a number of regional advocacy groups, aside from covering the increasing temperatures in the Snake and Columbia Rivers at the federal dams as summer progresses and water levels decline, there is a commentary from Columbia Riverkeepers' Miles Johnson on water temperature and the Clean Water Act. The topic is introduced by saying the Corps and BPA, related to the lower Snake River dams, "have purposely delayed the implementation of the Clean Water Act's requirements to address heat pollution for over two decades." He says the LSRDs are the "main obstacle to salmon and steelhead recover" and regional solutions are needed to remove the dams.

According to Riverkeepers' Johnson, the next step related to the Clean Water Act is for the Corps to get new discharge permits that would potentially have an impact on dam operations. He says the plans must evaluate such actions as reservoir draw downs during hot months to reduce heat impacts, possibly below the minimum operating pool, which could have a significant impact on power production and likely preclude barge traffic on the river. He concludes by saying the Corps and BPA are part of the problem and they should be part of the solution. "Their bad behavior is driving up salmon recovery costs and underscores the urgent need for the Biden Administration to deliver a comprehensive regional solution that includes the removal of the lower Snake River dams and replacement of their services—as quickly as humanly possible!"

IDAHO NEWS John Williams

# Tech companies look to set example by providing clean energy to Idaho Power's grid

In a partnership modeled after Idaho Power's proposed program called Clean Energy Your Way, Meta and Micron have plans underway to sell energy from new solar facilities to Idaho Power in sync with the development of a data center and fab for computer memory manufacturing, Idaho Capital Sun reporter Mia Maldonado writes.

Some state governments set their own ambitious clean energy goals far into the future, but Idaho typically defers its energy goals to the private sector. While the Gem State is a <u>leading figure</u> in the U.S. in renewable energy because of its hydropower production, Idaho is one of the only Western states that does not have legislation that establishes a renewable energy goal. In lieu of government direction, Idaho Power, the state's largest electricity provider, works with companies to incentivize renewable energy usage.

Population and business growth are also forcing Idaho utility providers to <u>increase energy costs</u> to prepare for greater demand, but some energy-intensive workplaces with high-capacity cooling needs for storage systems are looking to offset their demand while also promoting renewable energy. Read Maldonado's full story <u>online here</u>.

# INL deploys new microgrid technology at Felt Hydropower plant

Idaho National Laboratory demonstrated its revolutionary "Microgrid in a Box" technology July 20 with Fall River Electric Cooperative at the Felt Hydroelectric Plant on the Teton River. The exercise showed how small communities can maintain critical services by employing hydropower, with advanced controls, and the use of a mobile microgrid, an INL news release said. The system and equipment are contained in a shipping container located on a flatbed trailer, which can be deployed quickly to remote or rural locations in case of an emergency, the release said.

The demonstration team showed how the hydropower plant could be used to restore the grid after a simulated electrical grid blackout in a process called a "blackstart," the release said. The technology was developed as part of a microgrid test beds initiative at Idaho National Laboratory over the past 10 years, said Kurt Myers, Idaho National Laboratory Energy and Grid Systems group lead. The technology also is designed to be used by the Department of Defense. The U.S. Department of Energy's Water Power Technologies Office funded the research. Nearly 70 people from across the country attended the event, representing utilities, government agencies and industry.

"They were feeding power from our Felt hydro facility up the canyon to our substation that's at the top of the canyon there," said Ted Austin, Fall River Rural Electric Cooperative public relations manager. "Then they fed it into their Microgrid in a Box system, and they had a big flat panel TV where they showed what was being delivered from the hydro, and how they could utilize it, manipulate it or program it in the way it would be beneficial in case of an emergency."

The system is officially named the Relocatable Resiliency Alternative Power Improvement Distribution Microgrid in a Box (RAPID MIB). "It's basically a microgrid that we've developed in conjunction with the military for research and development and controls advancement capabilities to work on integrating multiple different types of clean energy resources and helping to manage those — both within a microgrid system, but then across distribution systems in conjunction with the bulk electric grid and utility distribution and transmission management systems and/or in conjunction with other microgrids across distribution systems," Myers said.

The microgrid is capable of handling 250 kilowatts of electricity, enough to power about 120 homes, Myers said. It can integrate "hydropower, solar panels, wind turbines, diesel generators and small nuclear reactors to provide power to remote or off-grid locations," the release said.

"They talked a lot about how it's been planned to be utilized in military applications, to power a small military base that's in a remote area that doesn't have electricity," Austin said. "But for uses like ourselves and other electric utilities, it would be used to provide emergency electrical power in case of natural disasters or other extended power outages."

The technology could be deployed during severe winter weather conditions or events like a fire or earthquake that provide large-scale disruption to the electric grid. The electricity provided by the microgrid could be used to power "your hospital service, your communications centers, police stations, fire departments, gathering centers — a space that people can go in the event that your house is out of power, so they can have shelter," Myers said.

Fall River CEO Bryan Case said in the release that the co-op "is focused on investing in technology that can improve the lives of our owner-members and this partnership with INL is a prime example.

"The Microgrid in a Box test has accelerated our ability to deploy a hydropower and battery system to provide our members with electricity in the event of natural disasters or other local emergencies."

Thomas Mosier, INL's Energy Systems Group lead, said in the release that there are hundreds of hydropower plants similar to the Felt Hydroelectric Plant that serve small communities throughout the country.

"What we've demonstrated are new technologies that can enable these communities to use the hydropower resources they already have to restart and maintain stable power to essential services, even during an emergency event," Mosier said in the release. (Idaho Press-Tribune)

Meridian (Boise area) man indicted on federal charges for allegedly shooting power stations at Idaho dams
Randy Scott Vail, a 58-year-old man from Meridian, has been indicted on federal charges for allegedly shooting power
stations at Hells Canyon and Brownlee Dams. If he is convicted, he could face 20 years in prison, according to the United
States Attorney's Office for the District of Idaho.

Vail was already facing felony charges in Adams and Washington Counties after being arrested by the Adams County Sheriff's Office on Friday, June 9. As KTVB previously <u>reported</u>, police accuse Vail of using a rifle to shoot at power generating facilities at the dams on Thursday, June 8. During his arrest, police also reported finding bolt cutters and two tire-repair cans used to hold compressed air, "full of what smelled like gasoline."

According to the attorney's office, the damage to the dams caused "significant interruption and impairment of a function of the facilities."

# I've watched the Snake dam-breaching debate for decades. We're right where we started.

By former Idaho Statesman Page Editor, Chuck Malloy

When I came to the Idaho Statesman as opinion page editor in 1999, it was suggested that I read a special section that the editorial department did on dam breaching. It was a gold-standard argument for saving salmon — the kind of effort that gets a Pulitzer Prize. As the Statesman saw it, breaching the four dams on the lower Snake River was the only practical way that salmon could survive and the writers outlined a compelling case. The environmental, economic and scientific reasons clearly were on the side of breaching the dams. Keep in mind, that was 24 years ago. The debate was raging long before that, and it continues today — without much movement in either direction. The groups that were for it decades ago are still for it, and those who have been opposed are still opposed. Idaho's congressional delegation and state officials were — and still are — adamantly opposed to breaching. Predictably, conservationists and tribes favor it. A big breakthrough on the breaching side came a couple of years ago when Idaho Republican Congressman Mike Simpson came out in favor of breaching and issued a \$33 billion plan to get it done. He said at the time that he didn't know that breaching would save salmon, but he was certain that removal of the dams was the only chance.

Simpson doesn't have a lot of support from fellow politicians; even Democrats from Washington and Oregon are, at best, lukewarm to the idea. But Simpson is not one to give up easily, and he may have the biggest ally of them all on his side. President Biden has said he supports salmon and dam removal, drawing recent attention from national outlets such as Politico and the Wall Street Journal. If salmon recovery becomes a "legacy" issue for Simpson (he has no shortage of those in his long career), he might consider establishing a "Republicans for Biden" committee, mixing with those within the GOP who don't like the idea of four more years of Donald Trump. Simpson often is reminded of his statement in 2016, declaring that Trump was unfit for the presidency — a statement that may be more applicable today than seven years ago. Of course, Simpson won't break from Trump if he wins the GOP nomination ... his caucus in the House wouldn't stand for it. But it's a sure bet that breaching will not happen if Trump, or any other Republican, gets in the White House. Idaho Sen. Jim Risch, for one, is taking the potential of Biden's intervention seriously. Risch is looking more toward the human benefits that the dams bring, such as hydropower and clean energy. The dams, he said, are a lifeline for the Port of Lewiston.

"As a U.S. senator and the leader of an independent free-market research organization, we are unified in our effort to protect the Snake River dams and maintain their economic and environmental benefits for our region," Risch wrote recently. "Beyond us, there is strong, widespread support for the dams, including from Idaho officials and trade groups."

Risch points out that dam removal will not be an easy process, even if the president pushes forward. He has introduced the Northwest Energy Security Act, along with Republicans from Washington and Montana. "Congress authorized these dams, and only Congress has the power to remove them," he wrote. "Thankfully, many of the congressional members elected to the area surrounding the Snake River dams are working to protect the economic and environmental benefits they provide." Responding to Risch's efforts, Simpson said, "While I respect Jim's opinion, following his path forward would mean the annual loss of half a million-acre feet of water and extinction of Idaho's salmon runs. This all to save four dams in Washington. That's a path I cannot follow."

So, we're back to where the breaching debate was when I returned to my home state 24 years ago. The way it looks, the rhetoric will be the same 24 years after I'm gone from this earth. By that time, salmon probably will be wiped out and the environmental argument will be about saving goldfish. (Chuck Malloy is a long-time Idaho journalist and columnist)

# Tech breakthrough could boost states' use of geothermal power

Lawmakers in some states have been laying the groundwork to add geothermal power to the electrical grid and pump underground heat into buildings. Now, a technological breakthrough could dramatically expand those ambitions — and perhaps unleash a new wave of policies to tap into geothermal sources.

Last month, a company announced the successful demonstration in the West of a new drilling technique that it says will greatly expand where geothermal plants could be built. And in the Eastern half of the country, where geothermal's potential is mostly as a heating and cooling source, a community recently broke ground on the first utility-run thermal energy network.

Some officials say those advances show great promise. A handful of states approved laws this year and others are considering measures that would provide money and regulations to help the industry.

In the West, some states see geothermal power plants as a crucial source of "always-on" clean electricity — a resilient energy supply to bolster grids supplied by wind and solar.

At the same time, some lawmakers in Eastern states believe networks of underground heat could replace gas-powered furnaces for many neighborhoods, campuses and commercial buildings. In both cases, supporters believe the transition to geothermal could draw on the drilling and pipeline construction expertise of oil and gas workers.

Last month, Texas-based Fervo Energy announced that its pilot plant in Nevada had successfully demonstrated the first commercially viable enhanced geothermal technology. Historically, geothermal power — which brings steam to the surface that powers turbines — has relied on sites with naturally occurring heat, fluid and permeable rock. Enhanced systems use oil and gas drilling techniques to create artificial reservoirs.

The plant will connect to Nevada's grid later this year, providing 3.5 megawatts of electricity to power Google data centers. Fervo has started construction on another project in Utah that is expected to provide 400 megawatts by 2028. That's enough to power 300,000 homes. Geothermal provides less than half a percent of the nation's electricity. Supporters believe that advances in technology will eventually enable it to power as much as 20% of the U.S. grid. (Alex Brown/Stateline)

Earlier this summer, Gov. Joe Lombardo, withdrew Nevada from the U.S. Climate Alliance, a coalition of more than two dozen governors committed to reducing greenhouse gas emissions.

Lombardo stated that the goals of the alliance are "ambitious and well-intentioned" but that they "conflict with Nevada's energy policy objectives." Those energy objectives are outlined in an executive order Lombardo signed earlier this year that focuses on "developing and maintaining a diverse energy supply portfolio" in Nevada, Lombardo wrote, while "utilizing a balanced approach to electric and natural gas energy supply and transportation fuels." However, a solar parts manufacturer plans to triple operations in Nevada to help those vested in climate change. Unimacts hired 80 people and opened a manufacturing facility that makes metal torque tubes in Las Vegas at the start of 2023 thanks to the Inflation Reduction Act or the IRA, CEO Matt Arnold said. The metal tubes allow solar panels to rotate during the day, boosting efficiency by about 10 percent. "We wouldn't be here without the IRA — full stop," he said.

The IRA incentivizes companies to bring operations related to clean energy to the U.S. The act offers both loans and tax credits for operations housed in the country. Unimacts is taking advantage of a specific credit that covers 87 cents per

kilogram of torque tubes produced in the U.S. That allows Unimacts to get a credit of \$870 for every ton of torque tube produced, Arnold said. "This is a brutally competitive industry, so every fraction of a penny counts," he said.

Boston-based Unimacts has three manufacturing facilities across the globe, but its only U.S. manufacturing facility is in Las Vegas. The other two are in Spain and Mexico. The company is looking to triple the size of its operations in the near future to build enough capacity to support six gigawatts worth of solar panels and employ over 200 people.

The company is looking to finalize details on opening another manufacturing facility in Nevada, he said. "We want this to be the premier facility in the Southwest, for the industrial side of solar." Nevada ranks No. 1 in the nation for solar jobs per capita, with over 7,500 positions, and the Solar Energy Industries Association estimates that there are 112 solar companies operating in the state and about 15 are solar manufacturers. Arnold expects the full impact of the IRA hasn't been seen due to the complexity of the legislation, which made changes to the medical and energy industries as well as the U.S. tax code. (Sean Hemmersmeier/ Las Vegas Review-Journal)

MONTANA NEWS Kate Wilson

# Energy, Transmission, and Politics

- The Montana Bureau of Business and Economic Research held a series of mid-year economic update meetings
  across the state last week, where they signaled that Montana could become an energy importer in the future if
  electrical infrastructure doesn't keep up with demand. While the state has experienced relatively stable power
  prices to date, Montana could face volatile prices if the trend of importing energy becomes the norm especially
  during peak demand in the cold winter months. Montana's Growth Could Outpace Electrical Supply Flathead
  Beacon
- After a visit to the Flathead this week, it is clear that the lake level issue is not dissipating in scope or volume, with
  much attention/blame focused on CSKT/Energy Keepers alleging mismanagement of SKQ dam that led to record low
  (summer) lake levels. An After Action Review (AAR) type meeting is being planned for the fall with key stakeholders
  including BPA, BoR, USACE, Governor Gianforte's office, county commissioners, and state congressional staff. It will
  be facilitated by MT CAE.
  - "The dam-managed lake at the headwaters of the Columbia River system is currently 2.5 feet below "full pool," considered the ideal level for using the lake's numerous docks and ramps. The fallout from the low lake level has inspired political pressure and energized a series of well-attended "Save Flathead Lake" meetings where organizers have suggested dam mismanagement, not water supply, is to blame for unusable docks and slackening economic activity." What's to blame for too little water in Flathead Lake: climate or mismanagement? (montanafreepress.org)
  - o Of note, the newest MT Public Service Commissioner hosted a "Save Flathead Lake" meeting this week, a new group that has formed over the lake level issue (though she said it was as a private citizen and not in her official capacity). Organizers of the meeting have pushed back on much of the hydrological reasoning behind the steep drop in water storage, and during last week's meeting they challenged the scientific consensus while placing blame on the operators of the SKQ Dam (Energy Keepers, Inc.). 'Save Flathead Lake' Group Demands 'Truth' Over Depleted Water Levels Flathead Beacon
  - Recommended listening! Montana Outdoor Show interviews Brian Lipscomb, CEO of Energy Keepers on dispelling rumors and myths related to the management of the dam. <u>MT Outdoor Podcast: What is causing</u> water levels to drop on Flathead Lake? - Montana Hunting and Fishing Information (montanaoutdoor.com)
- Montana's Public Service Commission will hold five listening sessions on NorthWestern Energy's IRP and proposed
  rate increase. "The 2023 plan evaluates different potential generation resources that could meet the needs of
  NorthWestern's electric service customers in Montana over the next 20 years," said the PSC. NorthWestern energy
  plan out for public comment, listening sessions planned Daily Montanan
- Residential customers of IOU Montana-Dakota Utilities will face an increased rate of 9.1%, or nearly \$100/year.
   The initial proposal was for a 19% increase. While two of five commissioners voted against the increase, the majority of the PSC said "in their role to balance reasonable rates for customers and a fair return for the utility, they

supported a settlement signed off on by the Montana Consumer Counsel and recommended by PSC staff." Public Service Commission approves rate hike for Montana-Dakota Utilities | Montana | livingstonenterprise.com

- Rising power bills zap Montana consumers (helenair.com)
- The Montana Electrical Cooperative Association (MECA) will hold its annual meeting Oct 2-4 with a theme of "Safe,
  Reliable & Affordable" energy, focusing on power reliability and growing concerns about how government policies
  and other factors are making the ability to meet this this key responsibility a much greater challenge. NRECA's Bobby
  Hamill will be a keynote speaker on the new EPA regulations facing electric utilities and coops.
- Nearly 40 Republican senators, including Montana Sen. Steve Daines, on Aug. 1 urged the EPA to drop its proposed greenhouse gas emissions limits for coal- and natural gas- fired power plants.
- "Affordable power generated by coal keeps the lights on in Montana and fuels manufacturing across the country and world," Gov. Gianforte said. "I'm urging the Biden administration to scrap its plan that would undermine coal production in eastern Montana, eliminate a source of funding for our public schools, and destabilize our energy grid." Governor Gianforte Blasts Federal Plan Restricting Coal Development in Eastern Montana (mt.gov)
  - Relatedly, Montana's AG joined 20 other AGs nationally in opposing EPA's proposed rule targeting power plant-generated GHG emissions. "The letter the 21 attorneys general submitted in response to the rule took aim at both the question of the EPA's authority to enact such standards absent congressional approval and the efficacy of technologies proposed to strip power plant emissions of carbon dioxide namely carbon capture and storage and the use of hydrogen to reduce carbon emissions." Montana AG urges the EPA to scrap carbon dioxide rule (montanafreepress.org)
- Montana Clean Energy Fair stops in Billings for first time (billingsgazette.com)
- Montana Communities Receive Grant Funding for Development Projects (energyportal.eu)
- Newest Republican candidate to challenge Sen. Tester, Tim Sheehy participated in a town hall meeting in Bozeman
  moderated by America First Policy Institute, a right-wing think tank. Sheehy, CEO of a well-known aerial firefighting
  company (and recipient of significant federal contracts) has not previously held office, but has the backing of Senate
  Minority Leader Mitch McConnell, Gov. Gianforte, and Sen. Daines. Sheehy's political positions at forefront during
  'America First' town hall (montanafreepress.org)

#### Water, Weather & Fisheries

- Fire managers reported progress as favorable weather conditions cool northwest Montana, but increased fire activity
  could return in the coming days as temps rise. <u>Cold Front Temporarily Abates Wildfires as Crews Look Ahead to Hot,</u>
   <u>Dry Conditions Flathead Beacon</u>
- Fires in northwest Montana see escalating concern containment is low and Hungry Horse area was evacuated 8/9, where wildfire is burning on three sides of the reservoir. <u>Hungry Horse Reservoir closed due to fire activity from the Ridge Fire | ABC Fox Kalispell | montanarightnow.com and U.S. Forest Service closes Hungry Horse Reservoir to all public access | Montana Public Radio (mtpr.org)
  </u>
  - Hungry Horse Reservoir "Ridge Fire" Ridge Fire burns 2,940 acres with no containment | KECI (nbcmontana.com)
  - o In the Swan range Tin Soldier Complex Fire sits at 0% containment | KECI (nbcmontana.com)



Politics or fire? Both! Montana senators call for permanent pay increase for federal wildland firefighters - YouTube

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright tswright@bpa.gov. These meetings occur the first Wednesday of every month.

# Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7 BONNEVILLE POWER ADMINISTRATION bpa.gov | P 503-230-3683 | tswright@bpa.gov











From: Sigo, Jacob L (BPA) - K-7

Wednesday, August 31, 2022 8:03 AM Sent:

To: Mesa, Aaron J (CONTR) - F-2 Cc: Cook, Joel D (BPA) - K-7 Subject: Joel Cook Slides for today

Attachments: Joel Presentation deck 8.31.22 v2.pptx

Hi Aaron,

Thank you and apologies for the late submission of these.

# Jacob Sigo | Management and Program Analyst

**Business Transformation Office** 

Office: (503) 230-3369 / Cell: (b)(6) BONNEVILLE POWER ADMINISTRATION

bpa.gov











From: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov> Sent: Wednesday, August 31, 2022 8:00 AM To: Sigo, Jacob L (BPA) - K-7 < jlsigo@bpa.gov> Cc: Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov>

Subject: FW: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

#### Today's presentation

From: Alders, Kyna L (BPA) - K-7 < klaiders@bpa.gov> Sent: Wednesday, August 31, 2022 7:57 AM To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Thanks. I'll keep it on file for next time. Here is the entire deck with this slide (8) just before the BPA Gen slide.

Kyna Alders (she/her)

Deputy Chief Operating Officer (acting)

Bonneville Power Administration

Phone: 503-230-5971 / Cell: (b)(6)

From: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Sent: Tuesday, August 30, 2022 9:54 PM

To: Alders, Kyna L (BPA) - K-7 < klaiders@bpa.gov>

Subject: FW: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

This is the one

### Thanks

Joel Cook - From Workspace ONE Boxer

On Aug 30, 2022 10:06 AM, "Alders,Kyna L (BPA) - K-7" < <u>klalders@bpa.gov</u>> wrote: Or this one?

Kyna Alders (she/her)

Deputy Chief Operating Officer (acting)

Bonneville Power Administration

Phone: 503-230-5971 / Cell: (b)(6)

From: Symonds, Mark C (BPA) - B-3 < mcsymonds@bpa.gov>

Sent: Tuesday, August 30, 2022 9:59 AM

To: Scruggs, Joel L (BPA) - DK-7 < <u>ilscruggs@bpa.gov</u>>; Mantifel, Russell (BPA) - PGL-5 < <u>rxmantifel@bpa.gov</u>>; Zimmerman, Nita M (BPA) - B-3 < <u>nmzimmerman@bpa.gov</u>>; Alders, Kyna L (BPA) - K-7 < <u>klalders@bpa.gov</u>>

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

"The Other Joel",

Is this the type of graphic Joel is looking for?

Mark

From: Scruggs, Joel L (BPA) - DK-7 < jlscruggs@bpa.gov>

Sent: Tuesday, August 30, 2022 9:24 AM

To: Mantifel, Russell (BPA) - PGL-5 < rxmantifel@bpa.gov>; Zimmerman, Nita M (BPA) - B-3 < nmzimmerman@bpa.gov>;

Alders,Kyna L (BPA) - K-7 <klalders@bpa.gov>; Symonds,Mark C (BPA) - B-3 <mcsymonds@bpa.gov>

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Here are the slides that Joel intends to speak from.

Joel Scruggs (He/Him)

Director of Communications | Communications (DK)
BONNEVILLE POWER ADMINISTRATION

bpa.gov | P 503-230-5511 | C (b)(6)











From: Mantifel, Russell (BPA) - PGL-5 < rxmantifel@bpa.gov>

Sent: Tuesday, August 30, 2022 9:04 AM

To: Scruggs, Joel L (BPA) - DK-7 < jlscruggs@bpa.gov>; Zimmerman, Nita M (BPA) - B-3 < nmzimmerman@bpa.gov>;

Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov >; Symonds, Mark C (BPA) - B-3 < mcsymonds@bpa.gov >

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

I am not, sorry.

From: Scruggs, Joel L (BPA) - DK-7 < ilscruggs@bpa.gov>

Sent: Tuesday, August 30, 2022 8:44 AM

To: Zimmerman, Nita M (BPA) - B-3 < nmzimmerman@bpa.gov >; Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov >;

Symonds, Mark C (BPA) - B-3 <mcsymonds@bpa.gov>; Mantifel, Russell (BPA) - PGL-5 <rxmantifel@bpa.gov>

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Good morning. Joel C. says there's a common picture that shows our load, hydro, wind, CGS, etc. and illustrates the variability of wind and how hydro fills in the gaps. Are any of you familiar with this graphic?

Joel Scruggs (He/Him)

Director of Communications | Communications (DK)

BONNEVILLE POWER ADMINISTRATION

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From: Zimmerman, Nita M (BPA) - B-3 < nmzimmerman@bpa.gov>

Sent: Tuesday, August 30, 2022 8:42 AM

To: Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov>; Scruggs, Joel L (BPA) - DK-7 < jlscruggs@bpa.gov>; Symonds, Mark C

(BPA) - B-3 <mcsymonds@bpa.gov>; Mantifel,Russell (BPA) - PGL-5 <rxmantifel@bpa.gov> Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Adding Russ and Mark to see what they have.

Sent from Workspace ONE Boxer

On Aug 30, 2022 8:39 AM, "Scruggs, Joel L (BPA) - DK-7" < ilscruggs@bpa.gov > wrote: Good morning, Kyna. I don't know if we have another balancing authority graphic. Checking with my team. Nita - Please weigh in if your team has something newer.

Joel Scruggs (He/Him)

Director of Communications | Communications (DK)

**BONNEVILLE POWER ADMINISTRATION** 

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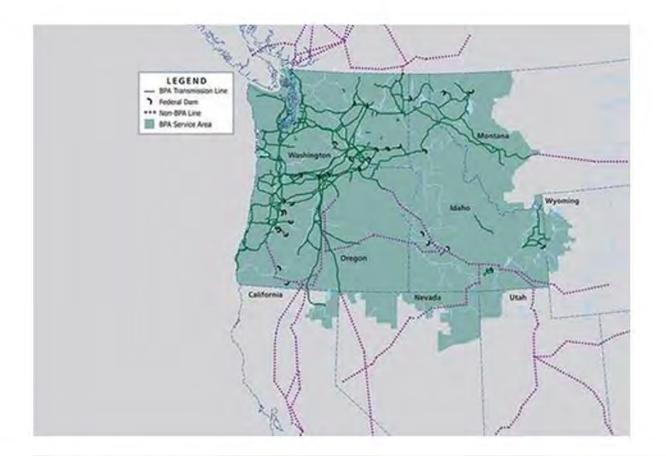












From: Alders, Kyna L (BPA) - K-7 < klaiders@bpa.gov>

Sent: Tuesday, August 30, 2022 8:36 AM

To: Scruggs, Joel L (BPA) - DK-7 < ilscruggs@bpa.gov >; Zimmerman, Nita M (BPA) - B-3 < nmzimmerman@bpa.gov >

Subject: FW: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

# Do we have a good BPA BA slide?

Kyna Alders (she/her)

Deputy Chief Operating Officer (acting)

Bonneville Power Administration

Phone: 503-230-5971 / Cell: (b)(6)

From: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Sent: Monday, August 29, 2022 4:52 PM

To: Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 < br/>brhannigan@bpa.gov>

Subject: RE: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

#### Thanks

I don't need talking points unless you have some for EIM. I was hoping for a better slide showing BPA's BA. It is the common picture of our load, hydro, wind, CGS etc. hoping to show the variability of wind and how hydro fills in the gaps.

Otherwise I'm good.

From: Alders, Kyna L (BPA) - K-7 < klaiders@bpa.gov>

Sent: Monday, August 29, 2022 12:11 PM

To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 < br/>brhannigan@bpa.gov>

Subject: FW: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi Joel,

Jacob and I are both off this afternoon. Did you need talking points as well? I don't think anyone was working on that.

Kyna

Kyna Alders (she/her)

Deputy Chief Operating Officer (acting)

Bonneville Power Administration

Phone: 503-230-5971 / Cell: (b)(6)

From: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov> Sent: Monday, August 29, 2022 11:45 AM To: Alders, Kyna L (BPA) - K-7 < klalders@bpa.gov>

Cc: Hannigan IV, Benjamin R (BPA) - A-7 < bringing an @bpa.gov >

Subject: Fwd: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Sent from Workspace ONE Boxer

----- Forwarded message -----

From: "Wittig, Veronica (BPA) - FR-2" < vxwittig@bpa.gov>

Date: Aug 29, 2022 11:37 AM

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

To: "Hannigan IV, Benjamin R (BPA) - A-7" < brannigan@bpa.gov>, "Sigo, Jacob L (BPA) - K-7"

<ilsigo@bpa.gov>

Cc: "Mesa, Aaron J (CONTR) - F-2" <aimesa@bpa.gov>, "Schmid, Ashley M (BPA) - FRG-2"

<amschmid@bpa.gov>,"Scruggs,Joel L (BPA) - DK-7" <jlscruggs@bpa.gov>

Hello-

At the 9am meeting Joel Scruggs offered to review Joel Cook's talking points for the WEI. Please let Joel S. know if this is something Joel Cook would like help with.

Thanks, Veronica

From: Schmid, Ashley M (BPA) - FRG-2 <amschmid@bpa.gov>

Sent: Monday, August 22, 2022 2:39 PM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brannigan@bpa.gov>; Mesa, Aaron J (CONTR) - F-2 < ajmesa@bpa.gov>;

Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Cc: Wittig, Veronica (BPA) - FR-2 <vxwittig@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Thanks Ben!

Also I found this bio and provided it to WEI for Joel.

Joel Cook was named chief operating officer in April 2021. He is responsible for Power Services; Transmission Services; Environment, Fish and Wildlife; Customer Support Services; and the Business Transformation Office.

Cook's focus as COO will be to sustain BPA's focus on competitiveness, grid modernization and customer responsiveness as the agency approaches negotiations for new, long-term wholesale power contracts with its 142 northwest electric utility customers.

Cook has spent his entire career in the energy and electric utility industry. He joined BPA in 2017 as the senior vice president of Power Services. Previously, he served as the vice president of Retail Marketing and Western Trading at Talen Energy in Allentown, Pennsylvania. At Talen, one of the largest independent power producers in the United States, Cook oversaw western marketing and trading operations; eastern competitive retail electric and natural gas marketing; and 13 mechanical engineering and construction companies. He began his career in the energy and electric utility industry with Montana Power Company.

Cook has over 30 years' experience in wholesale and retail energy commodity sales, marketing, trading, supply, operations and risk management. His commodity expertise includes electric, natural gas, coal, renewable energy, oil, petroleum products and nuclear fuel.

Cook has a Master in Business Administration with a concentration in finance from the University of Montana, and a Bachelor of Science in petroleum engineering from the Montana College of Mineral Science and Technology.

Thank you,

#### Ashley M. Schmid

General Accounting Supervisor

BONNEVILLE POWER ADMINISTRATION



Please consider the environment before printing this email.

From: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Sent: Monday, August 22, 2022 2:13 PM

To: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>; Sigo, Jacob L (BPA) - K-7 <ilsigo@bpa.gov>

Cc: Wittig, Veronica (BPA) - FR-2 < vxwittig@bpa.gov >; Schmid, Ashley M (BPA) - FRG-2 < amschmid@bpa.gov >

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Great. I will run these by Joel and see what he likes.

Ben

From: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Sent: Monday, August 22, 2022 12:19 PM

To: Hannigan IV,Benjamin R (BPA) - A-7 < <a href="mailto:bpa.gov">brhannigan@bpa.gov</a>; Sigo,Jacob L (BPA) - K-7 < <a href="mailto:lsigo@bpa.gov">jsigo,Jacob L (BPA) - K-7 <a href="mailto:lsigo@bpa.gov">jsigo,Jacob L (BPA) - K-7 <a href="mailto:lsigo@bpa.gov">jsigo,Jacob L

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Good afternoon Ben & Jacob,

Here are what the team came up with for Joel regarding topics for WEI.

Provide a general overview of BPA's purpose and operational structure. What factors cause BPA to have a good or bad financial year? How does BPA manage those risks?

Talk about BPA's experience joining the EIM. What were the challenges? What have been the benefits of BPA joining the EIM?

Are there any trends that you are monitoring or are concerned about?

Given the recent passing of the Inflation Reduction Act (IRA) that includes funding for electric vehicles, rooftop solar, and energy efficient appliances, do you anticipate any impacts to BPA as a result of this?

What was the motivation behind creating the new Workforce and Strategy Office?

Are there any highlights to share from the Secretary of Energy's recent visit to BPA?

Discuss the role of weather and streamflows to BPA financial results and the Pacific Northwest region.

Discuss the impact of the war in Ukraine to BPA and power prices.

Challenges and opportunities with a hybrid (telework vs in-person) workforce.

Hiring and/or retention challenges in the new normal of telework.

Please let us know if you need anything else.

Thanks, Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < bringing bpa.gov>

Sent: Friday, August 19, 2022 3:29 PM

To: Mesa, Aaron J (CONTR) - F-2 <a jmesa@bpa.gov>
Cc: Sigo, Jacob L (BPA) - K-7 <i lsigo@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Great.

From: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Sent: Friday, August 19, 2022 3:27 PM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov >

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi Ben,

The team is working on some ideas for Joel and we will get them over to him hopefully on Monday.

Thanks, Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < bringing bpa.gov>

Sent: Friday, August 19, 2022 3:21 PM

To: Mesa, Aaron J (CONTR) - F-2 < aimesa@bpa.gov > Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov >

Subject: RE: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi, Aaron, I just spoke with John and he made it clear that he wants Joel to take this speaking role. Can you find out what they want him to address and get that info to Kristel Turner so she can start writing something up for him?

Ben

From: Sigo,Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Sent: Thursday, August 18, 2022 3:32 PM

To: Mesa, Aaron J (CONTR) - F-2 < ajmesa@bpa.gov>

Cc: Hannigan IV, Benjamin R (BPA) - A-7 < bringing bpa.gov >

Subject: Fwd: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Sent from Workspace ONE Boxer

----- Forwarded message -----

From: "Cook, Joel D (BPA) - K-7" < jdcook@bpa.gov>

Date: Aug 18, 2022 3:27 PM

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

To: "Sigo, Jacob L (BPA) - K-7" < ilsigo@bpa.gov >

Cc:

Thanks Jacob,

Who can tell me what topic I'm covering? Is there going to be prepared remarks for me or a PowerPoint. I will not have time to develop anything.

From: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>
Sent: Thursday, August 18, 2022 1:00 PM
To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Subject: FW: Your availability/interest in participating at WEI Financial Forum 8/31

FYI

From: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Sent: Thursday, August 18, 2022 12:59 PM

To: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 < br/>brhannigan@bpa.gov>

Cc: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

Hi Jacob,

I have attached a bit more information for Joel to look over. Let us know if you need anything else.

Thank you,

Aaron

From: Sigo, Jacob L (BPA) - K-7 < <u>ilsigo@bpa.gov</u>>
Sent: Thursday, August 18, 2022 12:52 PM

To: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>; Hannigan IV, Benjamin R (BPA) - A-7 <br/>brhannigan@bpa.gov>

Subject: FW: Your availability/interest in participating at WEI Financial Forum 8/31

Can you share some more information about this event?

From: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov> Sent: Thursday, August 18, 2022 12:49 PM To: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: Your availability/interest in participating at WEI Financial Forum 8/31

I might be but know nothing about it Do you have any information

From: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov> Sent: Thursday, August 18, 2022 10:45 AM To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Subject: Your availability/interest in participating at WEI Financial Forum 8/31

Importance: High

Hi Joel,

Would you be willing to participate in this WEI Financial Forum on Wednesday, August 31, 2022? John Hairston agreed to join Marcus, but now is stretched too thin.

The challenge is that you are returning from Denver, CO the night before and your flight gets in very late Tuesday night, and this speaking engagement is at 9:15am Wednesday morning in downtown Portland.

8/31/2022	9:15 AM	10:15 AM	Industry Address	Speaker: John Hairston, Administrator and CEO, BPA

# Jacob Sigo | Management and Program Analyst

**Business Transformation Office** 

Office: (503) 230-3369 / Cell: (b)(6)

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bpa.gov











From: Mesa, Aaron J (CONTR) - F-2 <aimesa@bpa.gov>

Sent: Thursday, August 18, 2022 10:36 AM

To: Hannigan IV, Benjamin R (BPA) - A-7 < <a href="mailto:brannigan@bpa.gov">brhannigan@bpa.gov</a>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

No problem!

Jacob – let us know what Joel thinks? Marcus would be happy to have Joel if he can make it.

Thanks, Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < bringing bpa.gov >

Sent: Thursday, August 18, 2022 10:29 AM

To: Mesa, Aaron J (CONTR) - F-2 <a in terms a line of the same of

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Thanks. Sorry to spring this on you.

#### Ben

From: Mesa, Aaron J (CONTR) - F-2 <a imesa@bpa.gov>

Sent: Thursday, August 18, 2022 10:24 AM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Cc: Sigo, Jacob L (BPA) - K-7 < ilsigo@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

#### Good morning Ben,

Let me go ahead and check in with Marcus/Veronica on this. Veronica is out of office until next Monday. Veronica has been working with WEI on this event. I will get back to you soon.

#### Thanks, Aaron

From: Hannigan IV, Benjamin R (BPA) - A-7 < <a href="mailto:brhannigan@bpa.gov">brhannigan@bpa.gov</a>>

Sent: Thursday, August 18, 2022 10:19 AM

To: Mesa, Aaron J (CONTR) - F-2 <a in esa@bpa.gov>
Cc: Sigo, Jacob L (BPA) - K-7 <i lsigo@bpa.gov>

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Hi. Aaron, I just spoke with John and believes he is stretched too thin to speak at this event. He had suggested that Joel Cook might be a good substitute but both he and John will be in Denver 8/29-8/30 and coming back late. He may not like the travel and WEI event so close to each other. Maybe Marcus has a suggestion?

#### Ben

From: Mesa, Aaron J (CONTR) - F-2 <a in terms a @bpa.gov>

Sent: Friday, July 1, 2022 8:06 AM

To: Hannigan IV, Benjamin R (BPA) - A-7 < brhannigan@bpa.gov>

Subject: FW: WEI Financial Forum - John H. and Marcus participation -

# Hi Ben,

I see a hold for WEI on John's calendar for 8/31. Here is a draft agenda I thought I would share. I let Veronica know John should be confirmed.

,	Speaker: John Hairston,	Industry Address	10:15 AM	9:15 AM	8/31/2022
, BPA	Administrator and CEO, BF			1.000	
)	Administrator and CEC	100000000000000000000000000000000000000		1 a. m	100000

#### Thanks,

From: Wittig, Veronica (BPA) - FR-2 < vxwittig@bpa.gov>

Sent: Thursday, June 30, 2022 11:54 AM

To: Mesa, Aaron J (CONTR) - F-2 < ajmesa@bpa.gov > Cc: Harris, Marcus A (BPA) - F-2 < maharris@bpa.gov >

Subject: RE: WEI Financial Forum - John H. and Marcus participation -

Hi Aaron,

I just want to confirm that John Hairston and Marcus are aware of this commitment and that their calendars have been updated accordingly. My understanding is that Chris worked with Marcus and John H. before he left to get this set-up.

Thanks in advance, Veronica

----Original Appointment----

From: Amy Nye < nye@westernenergy.org>

Sent: Friday, April 29, 2022 8:51 AM

To: Amy Nye; Wright Jeffrey A (Jeff); Marcelia, Matthew; Diane Syria; Christopher Liddle; Bernards, Kevin J (BPA) - FRP-2; Gonzales Darling, Valerie S (BPA) - FC-2; Hayson, Karen M.; Kathy Ketchum; Fong, Kathy; Melissa Ankeny; Schmid, Ashley

M (BPA) - FRG-2; Johnston, Angela; Wittig, Veronica (BPA) - FR-2; Consult One

Cc: Pavel, Tyler

Subject: WEI Financial Forum Planning

When: Thursday, June 30, 2022 11:30 AM-12:00 PM (UTC-08:00) Pacific Time (US & Canada).

Where: Zoom (Link Enclosed)

Topic: WEI Financial Forum

Time: This is a recurring meeting Meet anytime

Join Zoom Meeting

https://us02web.zoom.us/j/84538510330?pwd=aEdrN2JUVGF5ZmsxR21Mb0dXeUFXQT09

Meeting ID: 845 3851 0330

Passcode: (b)(6)

One tap mobile

+16699006833,,84538510330#,,,(b)(6) # US (San Jose)

+12532158782,,84538510330#,,,,(b)(6) ## US (Tacoma)

From: Conforti,Karen-Maria A (BPA) - K-3
Sent: Tuesday, July 11, 2023 9:33 AM

To: Cook, Joel D (BPA) - K-7; Cooper, Suzanne B (BPA) - P-6

Cc: Johnston, Chanelle M P (BPA) - K-7

Subject: RE: more info on the GE meeting next week, Tues July 18 afternoon

# Good morning -

Here's the Enterprise Board agenda for Tuesday, July 18, for your planning purposes.

Time	Topic	Objective	R. Furrer J. Hairston	
1:00 - 1:05	Safety and People & Culture minutes	Highlight safety and leadership behaviors		
1:05 - 2:30	Day Ahead Market Timeline	Discuss two time-sensitive focus areas	S. Cooper	
2:30 - 3:00	Aviation ADF	Request decision on human external cargo	T. McDonald	
3:00 - 3:50	Columbia River Treaty	Share status of negotiations	S. Cooper	
3:50	Adjourn			

# Thanks,

Karen

# Karen-Maria Conforti (she/her/hers)

Enterprise Program Management Officer | Office of the Chief Operating Officer Co-Chair, Disability Awareness Resource Group

P 503-230-4711 | C(b)(6)

From: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>

Sent: Tuesday, July 11, 2023 8:34 AM

To: Cooper, Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>

Cc: Conforti, Karen-Maria A (BPA) - K-3 < kmconforti@bpa.gov>; Johnston, Chanelle M P (BPA) - K-7

<CMJohnston@bpa.gov>

Subject: RE: more info on the GE meeting next week, Tues July 18 afternoon

#### Good Morning,

I discussed that conflict with Channel yesterday. If Karen can break at that time I will come join for a few minutes otherwise I will leave it to you to cover. It is unfortunate that it is scheduled over EB.

Thanks for the reminder.

# Joel D. Cook Chief Operating Officer, K-7

#### BONNEVILLE POWER ADMINISTRATION

C: (b)(6) P: 503-230-7640 I jdcook@bpa.gov

From: Cooper, Suzanne B (BPA) - P-6 < <a href="mailto:sbcooper@bpa.gov">sbcooper@bpa.gov</a>>

Sent: Monday, July 10, 2023 5:58 PM

To: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Cc: Conforti, Karen-Maria A (BPA) - K-3 < kmconforti@bpa.gov>

Subject: FW: more info on the GE meeting next week, Tues July 18 afternoon

Hi Joel – Wanted to bring this meeting to your attention. It is next Tuesday, 7/18, and overlaps with the EB meeting that afternoon. You have the meeting invite on your calendar. GE's purpose for requesting to meet with BPA is below (and in the meeting invite). I plan to step out of the EB to join at least a portion of this meeting if not all of it. Thought you may want to join for a bit as well to meet these folks – if so, perhaps Karen could time a break for the EB to accommodate 15 minutes for this.

# GE's original message:

Each year GE has a partnering meeting with the USACE Hydraulic Design Center in Portland and now that we are post-covid, we will be meeting in person on Tuesday July 18<sup>th</sup> from 09:00 – 13:00. The meeting importance is now greater than before, as we are executing major projects at McNary and Chief Joseph Dams and our CEO for Hydro North America, Romain Pellegrino and 2 other managers Claude Langis (Hydro North America Sr Director Commercial Operations) and Debbie Mursch (Director Business Development) will be attending.

We would like to take advantage of being in the area and schedule an introductory meeting with the BPA Leadership team to discuss hydro generation, retrofits and current market place challenges.

From: Koehler, Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov>

Sent: Monday, July 10, 2023 3:15 PM

To: Cooper,Suzanne B (BPA) - P-6 < sbcooper@bpa.gov >; Spraggins,Melanie (BPA) - P-6 < mspraggins@bpa.gov >
Cc: Todd,Wayne A (BPA) - PGA-6 < watodd@bpa.gov >; Komoroski,Kenneth D (BPA) - PGA-6 < KDKomoroski@bpa.gov >
Subject: more info on the GE meeting next week, Tues July 18 afternoon

The PGAF team reminded me that there is information about the meeting in the calendar invite. Note their message at the bottom setting up the reason for the meeting

#### GE's Proposed Agenda

# **BPA GE Hydro Discussions**

#### **Date and Location:**

July 18, 2023 14:00 – 16:00PT BPA HQs room 678 (EB is in 208) 905 NE 11th Ave, Portland, OR 97232

# Meeting Attendees:

#### BPA:

Wayne Todd -

According to meeting invitation:
Doug Komoroski
John Hayes
Melanie Spraggins
George Brown
Birgit

#### GE:

Romain Pellegrino – Hydro North America CEO Claude Langis – Hydro North America Sr Director Commercial Operations Debbie Mursch – Director Business Development Matt Pevarnik – Account Manager

Purpose of Meeting: Introductory of leadership teams and hydro generation discussions concerns and opportunities

- 1. Introductions
- 2. BPA
  - a. Overview
  - b. NW Hydro Generation
  - c. Domestic Manufacturing
- 3. GE Hydro
  - a. GE Vernova and Hydro Global Update
  - b. Hydro Innovations
  - c. Concerns
  - d. Asks of BPA
- 4. Hydro Generation
  - a. For the Energy Transition
  - b. How to remain competitive and reliable

#### GE's original message:

Each year GE has a partnering meeting with the USACE Hydraulic Design Center in Portland and now that we are post-covid, we will be meeting in person on Tuesday July 18<sup>th</sup> from 09:00 – 13:00. The meeting importance is now greater than before, as we are executing major projects at McNary and Chief Joseph Dams and our CEO for Hydro North America, Romain Pellegrino and 2 other managers Claude Langis (Hydro North America Sr Director Commercial Operations) and Debbie Mursch (Director Business Development) will be attending.

We would like to take advantage of being in the area and schedule an introductory meeting with the BPA Leadership team to discuss hydro generation, retrofits and current market place challenges.

We have availability Monday July  $17^{th}$  from 13:00 - 17:00 and Tuesday July  $18^{th}$  14:00 - 17:00PM. We are envisioning a 1.5 hour meeting.

Could you assist or provide a contact name to support setting up this meeting?

Thanks and hope you have a good weekend.

Matt

Matt Pevarnik GE Renewables US LLC Hydro Sales 8000 E. Maplewood Ave. Suite 250 
 From:
 Armentrout, Scott G (BPA) - E-4

 Sent:
 Monday, March 20, 2023 6:58 AM

To: Koehler, Birgit G (BPA) - PG-5; Cook, Joel D (BPA) - K-7

Cc: Senters,Anne E (BPA) - LN-7; Zelinsky,Benjamin D (BPA) - E-4; Leary,Jill C (BPA) - LN-7;

Godwin, Mary E (BPA) - LN-7

Subject: RE: LSR Paper - elevation form for discussion

(b)(5)

#### SCOTT G ARMENTROUT

Executive Vice President, Environment, Fish & Wildlife, SES | E-4

BONNEVILLE POWER ADMINISTRATION

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From: Koehler, Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov>

Sent: Monday, March 20, 2023 6:56 AM

To: Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov>; Armentrout, Scott G (BPA) - E-4 < sgarmentrout@bpa.gov>;

Baskerville,Sonya L (BPA) - AIN-WASH <slbaskerville@bpa.gov>; Hairston,John L (BPA) - A-7 <jlhairston@bpa.gov>

Cc: Senters, Anne E (BPA) - LN-7 <aesenters@bpa.gov>; Zelinsky, Benjamin D (BPA) - E-4 <bdzelinsky@bpa.gov>; Leary, Jill

C (BPA) - LN-7 < icleary@bpa.gov>; Godwin,Mary E (BPA) - LN-7 < megodwin@bpa.gov>

Subject: RE: LSR Paper - elevation form for discussion

(b)(5)

From: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Sent: Friday, March 17, 2023 1:49 PM

To: Koehler, Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov >; Armentrout, Scott G (BPA) - E-4 < sgarmentrout@bpa.gov >;

Baskerville, Sonya L (BPA) - AIN-WASH <slbaskerville@bpa.gov>; Hairston, John L (BPA) - A-7 <<u>jlhairston@bpa.gov</u>>

Cc: Senters, Anne E (BPA) - LN-7 <aesenters@bpa.gov>; Zelinsky, Benjamin D (BPA) - E-4 <br/>bdzelinsky@bpa.gov>; Leary, Jill

C (BPA) - LN-7 < icleary@bpa.gov >; Godwin,Mary E (BPA) - LN-7 < megodwin@bpa.gov >

Subject: RE: LSR Paper - elevation form for discussion

(b)(5)

Joel D. Cook

Chief Operating Officer, K-7

BONNEVILLE POWER ADMINISTRATION

C: (b)(6) P: 503-230-7640 | jdcook@bpa.gov

From: Koehler, Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov>

Sent: Friday, March 17, 2023 12:23 PM

To: Armentrout, Scott G (BPA) - E-4 < sgarmentrout@bpa.gov >; Baskerville, Sonya L (BPA) - AIN-WASH

 $<\!\!\underline{\mathsf{slbaskerville@bpa.gov}}\!\!>\!; \mathsf{Hairston,\!John} \ \mathsf{L} \ (\mathsf{BPA}) - \mathsf{A-7} <\!\!\underline{\mathsf{jlhairston@bpa.gov}}\!\!>\!; \mathsf{Cook,\!Joel} \ \mathsf{D} \ (\mathsf{BPA}) - \mathsf{K-7} <\!\!\underline{\mathsf{jdcook@bpa.gov}}\!\!>\!; \mathsf{Cook,\!Joel} \ \mathsf{D} \ (\mathsf{BPA}) - \mathsf{Cook,\!Joel} \ \mathsf{D} \$ 

Cc: Senters, Anne E (BPA) - LN-7 < aesenters@bpa.gov >; Zelinsky, Benjamin D (BPA) - E-4 < bdzelinsky@bpa.gov >; Leary, Jill

C (BPA) - LN-7 < icleary@bpa.gov>; Godwin,Mary E (BPA) - LN-7 < megodwin@bpa.gov>

Subject: RE: LSR Paper - elevation form for discussion



(b)(5)

From: Koehler, Birgit G (BPA) - PG-5

Sent: Wednesday, March 15, 2023 7:43 AM

To: Armentrout, Scott G (BPA) - E-4 < sgarmentrout@bpa.gov >; Cook, Joel D (BPA) - K-7 < jdcook@bpa.gov >;

Baskerville, Sonya L (BPA) - AIN-WASH <slbaskerville@bpa.gov>; Hairston, John L (BPA) - A-7 <jlhairston@bpa.gov>

Cc: Senters, Anne E (BPA) - LN-7 < aesenters@bpa.gov >; Zelinsky, Benjamin D (BPA) - E-4 < bdzelinsky@bpa.gov >; Leary, Jill

C (BPA) - LN-7 < icleary@bpa.gov>; Godwin,Mary E (BPA) - LN-7 < megodwin@bpa.gov>

Subject: RE: LSR Paper - elevation form for discussion

(b)(5)

From: Armentrout, Scott G (BPA) - E-4 < sgarmentrout@bpa.gov>

Sent: Tuesday, March 14, 2023 7:25 PM

To: Koehler,Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov >; Cook,Joel D (BPA) - K-7 < jdcook@bpa.gov >; Baskerville,Sonya L

(BPA) - AIN-WASH <<u>slbaskerville@bpa.gov</u>>; Hairston,John L (BPA) - A-7 <<u>jlhairston@bpa.gov</u>>

Cc: Senters, Anne E (BPA) - LN-7 < aesenters@bpa.gov >; Zelinsky, Benjamin D (BPA) - E-4 < bdzelinsky@bpa.gov >; Leary, Jill

C (BPA) - LN-7 < icleary@bpa.gov>; Godwin,Mary E (BPA) - LN-7 < megodwin@bpa.gov>

Subject: FW: LSR Paper - elevation form for discussion

(b)(5)

#### SCOTT G ARMENTROUT

Executive Vice President, Environment, Fish & Wildlife, SES | E-4

BONNEVILLE POWER ADMINISTRATION

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From: Holm, Leanne V CIV USARMY CENWD (USA) < Leanne.V.Holm2@usace.army.mil>

Sent: Tuesday, March 14, 2023 7:11 PM

To: Barrow, Brandon E <br/>
<a href="mailto:bbarrow@usbr.gov">bbarrow@usbr.gov</a>; Coffey, Frances E (Beth) SES USARMY CENWD (USA)

<Frances.E.Coffey@usace.army.mil>; Holm, Leanne V CIV USARMY CENWD (USA) <Leanne.V.Holm2@usace.army.mil>;

Dykstra, Timothy A CIV USARMY CENWD (USA) <Timothy.A.Dykstra@usace.army.mil>; Thompson, Bradley E CIV USARMY CENWD (USA) <Bradley.E.Thompson@usace.army.mil>; Gray, Lorri J HQE USARMY CENWP (USA)

<Lorri.J.Gray@usace.army.mil>; Armentrout,Scott G (BPA) - E-4 <sgarmentrout@bpa.gov>; Zelinsky,Benjamin D (BPA) -

E-4 <bdzelinsky@bpa.gov>; Godwin,Mary E (BPA) - LN-7 <megodwin@bpa.gov>; Leary,Jill C (BPA) - LN-7

<icl><icleary@bpa.gov>; Springer, Roland K <rspringer@usbr.gov>; Williamson, Jeremiah I

<jeremiah.williamson@sol.doi.gov>; Carrington, Jennifer J <JCarrington@usbr.gov>; Hoefer, Scott E

<<u>SHoefer@usbr.gov</u>>; Morrison, Hugh R < hugh morrison@fws.gov>; Gordon, Judith < judith gordon@fws.gov>;

Bottcher, Jared L < jared bottcher@fws.gov>; BrittonKuttel, Erin < erin brittonkuttel@fws.gov>; Wilson, Frank S

<Frank.Wilson@sol.doi.gov>; Michael Tehan <michael.tehan@noaa.gov>; Ryan Couch <ryan.couch@noaa.gov>; Ritchie

Graves < ritchie.graves@noaa.gov >; Chris McNulty < chris.mcnulty@noaa.gov >; Michael (Mike) Eitel

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Subject: [EXTERNAL] LSR Paper - elevation form for discussion



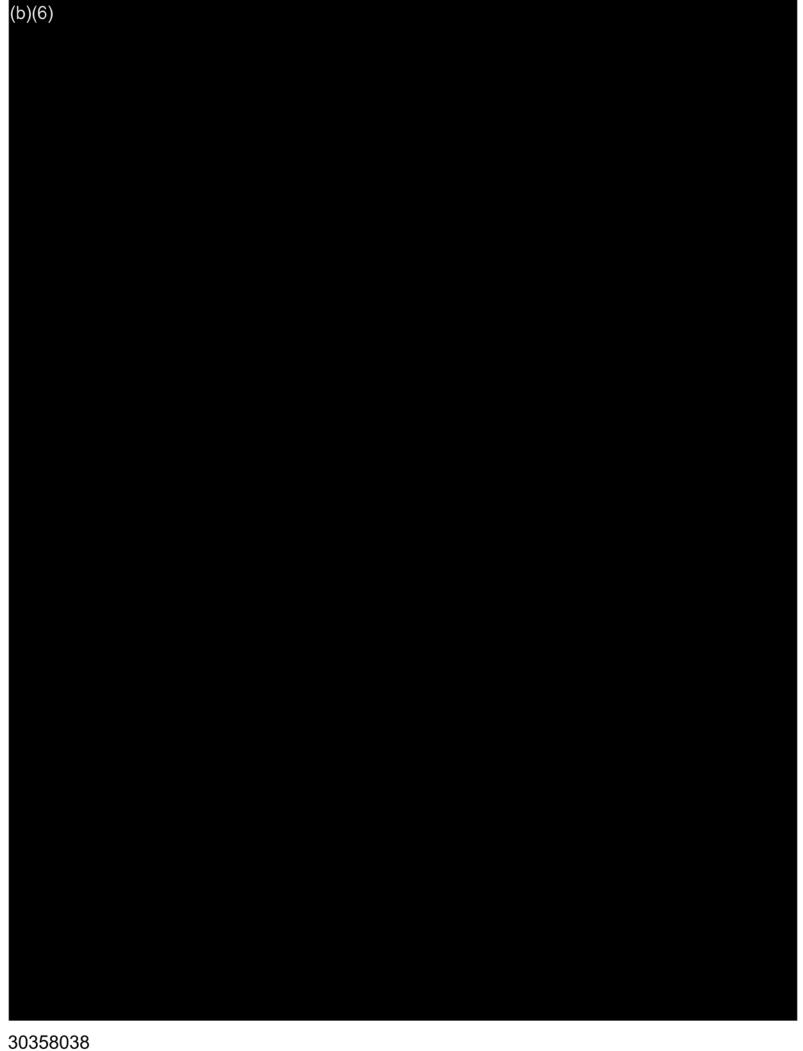
Leanne Holm Attorney

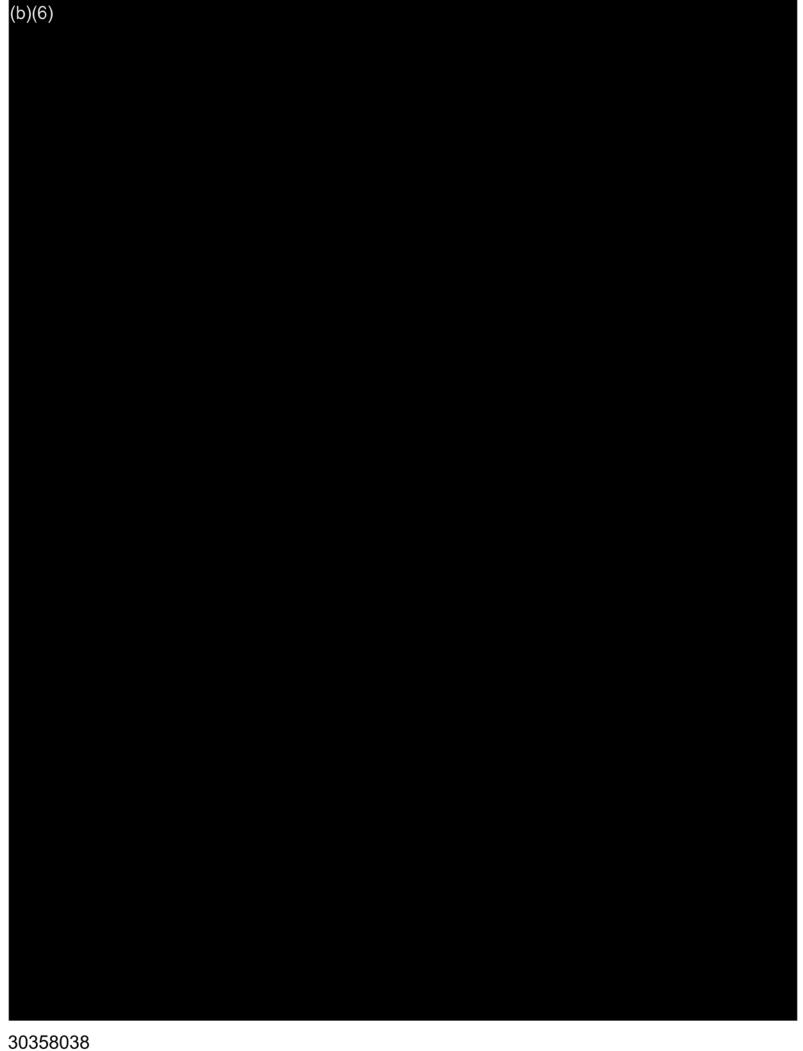
U.S. Army Corps of Engineers, Northwestern Division

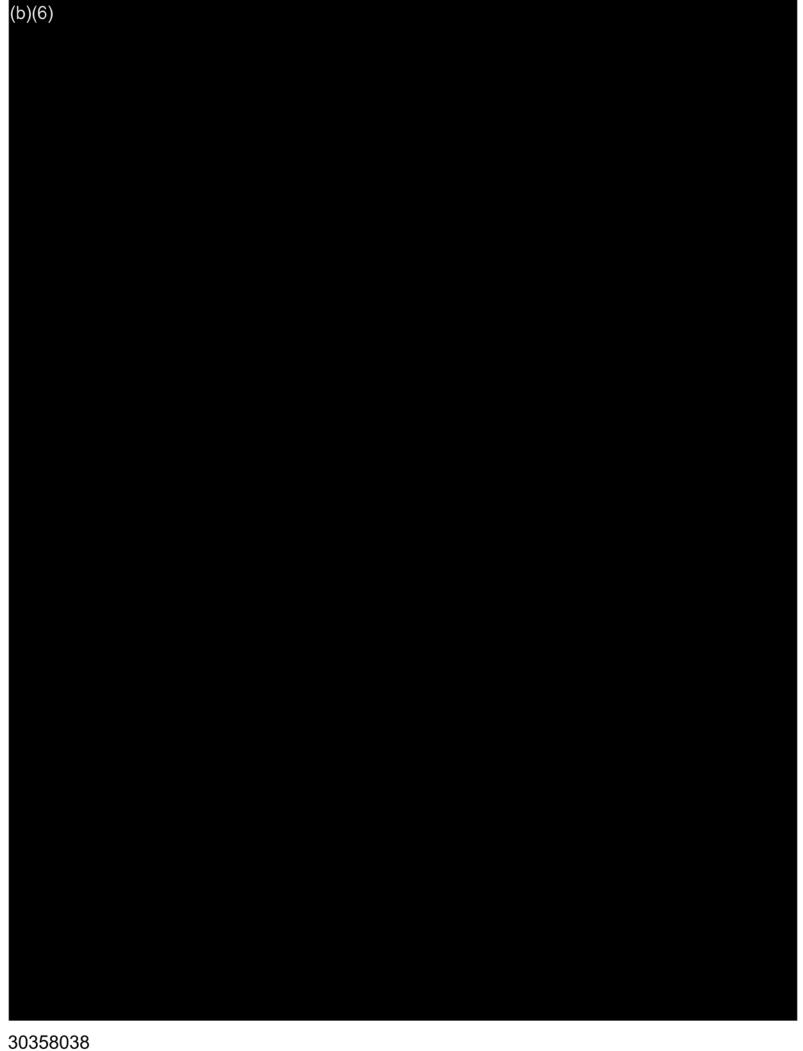
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From: Cook, Joel D (BPA) - K-7

Sent: Wednesday, August 23, 2023 11:43 AM

To: Crystal Ball

Subject: RE: [EXTERNAL] PNUCC August BOD Minutes

Thanks

Joel D. Cook Chief Operating Officer, K-7

BONNEVILLE POWER ADMINISTRATION

C: (b)(6)

P: 503-230-7640 I jdcook@bpa.gov

From: Crystal Ball < crystal@pnucc.org>
Sent: Tuesday, August 22, 2023 11:52 AM

To: PNUCC Board and Members <contactspnucc@gmail.com>

Cc: Crystal Ball <crystal@pnucc.org>; Gillian Charles <gcharles@redkiteconsultingllc.com>; Aliza Seelig

<aliza@pnucc.org>

Subject: [EXTERNAL] PNUCC August BOD Minutes

The minutes for the August 4 PNUCC Board of Directors meeting are attached for your review. We have summarized the key takeaways from guests who provided more information about how utilities are planning for the future and why state regulators are interested in a unified West-wide electricity market. In addition to the meeting minutes, a "concept paper" that provides more information about the state regulators' concept and next steps is also attached.

State Utility Regulators' Interest in Unified West-Wide Market Explained

- Oregon Public Utility Commissioner Mark Thompson said state regulators have been hungry for ideas for a
  unified West-wide market that would be independently governed.
- The idea is to stand up an independent entity that would explore governance of a West-wide market. That
  independent entity would be capable of contracting with a provider of market services. It would then take the
  governance proposal and combine that with market services to form an independent entity in the West.
- The entity would be able to leverage existing resources and existing benefits from programs that have already been stood up in the West such as the Energy Imbalance Market.
- As for next steps, the idea is to form a working group to define the key elements of the new entity. That step
  could be taken quickly, maybe early next year. (See attached concept paper for more details.)

# NorthWestern Energy's Resource Adequacy Strategy

- Key components of NorthWestern Energy's 2023 electric Integrated Resource Plan includes the completion of the Yellowstone County Generating Station (a 170 MW flexible internal combustion gas generator) in 2024 and the acquisition of additional capacity from the Colstrip power plant beginning in 2026.
- The plan provides a long-term view for meeting NorthWestern's supply needs at a time when utilities are facing more risks relying on short-term market purchases and increasing transmission constraints.

#### Energy Efficiency as a Strategic Resource

- Utilities and partners are continuing to pool resources through the Northwest Energy Efficiency Alliance (NEEA) to transform markets for energy efficiency and benefit all consumers.
- The proliferation of low-cost renewables is creating price competition for energy efficiency.

- Utilities will need to use energy efficiency in a way they haven't before. It should continue to be the foundation
  before we build-out new resources. Any additional savings we can achieve is one less permit, one less regulatory
  hurdle we have to go through.
- Figuring out how utilities educate and outreach in a way that they integrate energy efficiency as foundational to all the other conversations customers and businesses wants to have is really going to be exciting.

Thanks, Crystal

Crystal Ball (she/her) Executive Director



 From:
 Wright, Troy S (CONTR) - AIR-7

 Sent:
 Friday, May 12, 2023 2:27 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, May 12, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, May 12, 2023.

Have a great weekend!

#### **NWEC Spring Conference**

The NW Energy Coalition held its virtual Spring Clean & Affordable Energy Conference this week and last. The two topics for week one were Local Energy Resources & Resiliency and The Value of Markets & Transmission Expansion to the West. On the Local Energy topic panelists talked about how community scale resources can provide resilience as well as, in the case of Tribes, energy sovereignty. Scott Gibson from Snohomish PUD was on the panel and shared about their Arlington Microgrid project with includes community solar generation, battery storage, a vehicle to grid fleet charging stations.

The Markets & Transmission panel provided a quick tutorial on markets and how they are different from the status quo with an emphasis that they can reduce costs and increase reliability. The topic of two possible markets and seams that would be created was raised. While all agree multiple markets is not the most efficient outcome on many fronts, it is becoming more of a foregone conclusion. Spencer Gray from NW & Intermountain Power Producers Coalition noted that a market can make transmission congestion more transparent and can help the use of demand response as a targeted solution as well as help direct the location of transmission expansion.

The week two topics were Resource Adequacy & Reliability and a keynote conversation with Sonia Aggarwal of Energy Innovation. The RA panel was strong and emphasized the need to focus on reliability as we transition to generation with different characteristics. Sarah Edmonds from the Western Power Pool talked about the importance of the Western Resource Adequacy Program and how pooling resources may reduce the amount of reserves needed. She also emphasized that WRAP is agnostic to the type of resource, but assigns a RA metric to each resource based on its characteristics. There was also discussion about how energy efficiency reduces loads to contribute indirectly to adequacy as well as the use of demand response as an adequacy tool.

The conversation with Sonia Aggarwal was led by Nancy Hirsh from NWEC. Much of the conversation was focused on energy related investments that are coming from the Federal government as Ms. Aggarwal was formerly the Special Assistant to President Biden for Climate Policy, Innovation, and Deployment. She started by saying there is no silver bullet to transition the electric sector to zero carbon and we must pursue all avenues, including markets and transmission expansion. She mentioned reconductoring existing transmission and locating new generation resources near existing transmission infrastructure.

#### NRDC on Market Expansion

In a recent <u>blog post</u> NRDC's Kelsie Gomanie spelled out the organizations support for markets – they improve grid reliability, encourage the development of renewable energy resources, and lower prices. She also emphasized their support for one market in the west over two because "a single, organized power market is the best way to keep prices low, bolster reliability, and hasten decarbonization." She cites two additional reasons for supporting a single market:

- Under a two-market scheme, we could see the creation of large "seams" between markets that likely will raise
  the cost of energy transfers. CAISO isn't going away, so any new western regional market will immediately
  create a seam between it and CAISO or its successor.
- 2. Governance and public participation are strong points for a CAISO-operated day-ahead market. Any party can join in CAISO-led discussions on virtually any issue and CAISO's proposed governance structure for its day-ahead market includes meaningful representation in the decision-making process from participating states outside of California and other stakeholders. By contrast, SPP's existing rules on stakeholder participation present challenges. For example, SPP charges thousands of dollars annually for most parties to participate in stakeholder proceedings.

IDAHO NEWS John Williams

#### Idaho Power Requests Changes to On-site Generation Offering

Idaho Power is requesting changes to its on-site generation offering that are a step toward ensuring fair prices for all customers. Idaho Power is seeking approval of a compensation structure that accurately measures an on-site generator's use of the electrical grid and an export credit rate that will result in a fair and accurate valuation of customers' exported energy.

The proposed changes follow the Idaho Public Utilities Commission's (IPUC) acknowledgement of a Value of Distributed Energy Resources study (IPC-E-22-22) analyzing the benefits and costs of on-site generation, such as residential rooftop solar, on Idaho Power's system. The study provides a basis for implementing changes to ensure that customers are paid fair rates for their exports and customers without solar or other on-site generation systems are not subsidizing the rates for self-generating customers.

Solar power is an important part of Idaho Power's energy mix, and the company supports customers who choose to participate in their own on-site generation. The company's goal with this request is to modernize the 20-year-old compensation structure for on-site generation to ensure prices for excess energy are fair and equitable for all customers.

For all customers with non-legacy systems, Idaho Power is asking the IPUC to implement changes starting January 1, 2024, including:

A change from net monthly to real-time net billing, which would better measure customers' actual reliance on the grid. A change in the excess exported energy credit from a kilowatt-hour (kWh) credit ranging in value of 5 to 12 cents, depending on the customer class, to a time differentiated financial bill credit ranging from approximately 5 to 20 cents per kWh that would be updated annually. A modification to the eligibility cap for large commercial, industrial and irrigation customers.

# Idaho researchers will receive \$24 million for a new research project on the impact of changes in climate, population and technology on energy and water use in Idaho

The funding comes through a \$20 million five-year award from the National Science Foundation (NSF) Established Program to Stimulate Competitive Research (EPSCoR), with the state contributing an additional \$4 million. Researchers from University of Idaho, Boise State University, Idaho State University, the Coeur d'Alene Tribe and the Shoshone Bannock Tribes are leading the award in collaboration with utility companies, state and federal government agencies, and Idaho cities and counties. Researchers will work to identify energy and water use strategies that will be resilient to Idaho's changing needs, based on ongoing feedback from communities.

"This project is necessary right now because the intersection of water and energy issues is critical to Idaho's people, industries and livelihoods," said Idaho EPSCoR Director Andrew Kliskey, who is the research project principal investigator and a U of I professor. "It demonstrates big picture, use-inspired, science-informed approaches."

Water and energy systems rely on each other. In Idaho, water generates more energy than other sources — such as natural gas, coal power plants and solar power — through both hydropower and other power generation processes. Energy is needed for many uses, including irrigating crops and delivering water to humans. But drought and climate change limit water availability. Idaho will need to balance its demands on these two interdependent resources as the state's population increases, technology advances and community priorities evolve, say the researchers. (Andy Kliskey/Idaho EPSCoR Director/Co-Director of the Center for Resilient Communities at U of I)

NV Energy will file to reduce quarterly energy costs to provide cost relief to customers during hot summer months In order to provide customers with lower energy costs this summer, NV Energy is making a filing with the Public Utilities Commission of Nevada (PUCN) on May 15 that will request to reduce energy costs for customers, starting July 1, 2023. The reduction will vary between approximately five percent and 16 percent for July, August and September, depending on a customer's location and type of electric service they receive.

The price NV Energy pays for natural gas consistently increased in 2022 by more than 70 percent and peaked in January of 2023, increasing nearly 500 percent since 2021. These significantly higher natural gas prices caused NV Energy's costs to increase. NV Energy files quarterly rate adjustments based on the actual natural gas prices paid by the company to recover these costs. Provided natural gas prices remain stable, the cost increase customers are currently experiencing is expected to decrease over the next year as the high 2022 natural gas costs are paid off and NV Energy experiences lower natural gas prices in the future.

However, NV Energy recognizes that waiting for these prices to drop over the next year, does not provide cost relief fast enough for customers that rely on electricity for cooling their homes and businesses during the hot summer months. To speed up price relief, NV Energy is requesting that the Public Utilities Commission of Nevada modify how NV Energy collects its natural gas costs to provide rate relief to our customers.

"Our customers have all been impacted by the higher natural gas prices and the corresponding effect it has on our customers' rates," said Doug Cannon, NV Energy President and CEO. "Recognizing the challenges higher energy rates create for customers, especially in the summer months, we decided to step in and deliver a solution. The goal of this proposal is to help reduce costs for customers during the hot summer months when energy bills are at their peak due to high electricity usage."

Quarterly energy adjustments are the result of the increased cost of delivering energy from the previous 12-months. These are a pass-through cost. In other words, customers pay the same price that NV Energy pays and the company does not mark up costs on natural gas purchases. (NV Energy news)

#### Clean energy, at what cost? BLM to decide what's next for Idaho Lava Ridge Wind Project

After closing its 90-day comment period for the Lava Ridge Wind Project's <u>draft Environmental Impact Statement</u>, the Bureau of Land Management must make revisions to release a final statement in the coming months in order for the project to move forward.

<u>The Lava Ridge Wind Project</u> would consist of 400 turbines up to 740 feet in height and the associated infrastructure, including new roads, powerlines, substations, maintenance facilities and battery storage facilities. It would be located 25 miles northeast of Twin Falls.

Magic Valley Energy LLC — an affiliate of New York-based energy infrastructure company <u>LS Power</u> — seeks the BLM's permission to build the project in Jerome, Lincoln and Minidoka counties on approximately 197,474 acres of federal, state and private land.

According to the draft impact statement, the developer chose the proposed location based on the quality of wind in the area, the power markets accessible by existing and planned transmission lines, and the absence of land use constraints. The public comment period for the current phase of review ended on April 20, after the BLM added a 30-day extension to the initial deadline.

BLM spokesperson Heather Tiel-Nelson told the Idaho Capital Sun that the bureau received nearly 11,000 public comments. Over the next several months, Tiel-Nelson said the bureau will review the comments and post a summary report to their website by early summer.

Tiel-Nelson said the bureau is not focused on how many comments it received in favor or against the project, but rather it will consider comments that are "substantive," or comments that identify factual errors, data gaps, relevant methods or scientific studies.

The draft impact statement includes multiple alternatives that are reduced versions of the project that would minimize the project's impact on Wilson Butte Cave, Minidoka National Historic Site and local communities.

According to the <u>draft impact statement</u>, the BLM identified two preferred alternatives for the project. Alternative C would reduce the project area to 146,300 acres and 378 turbines. Tiel-Nelson said the alternative would minimize impact, but still provide the capacity to generate electricity at a level comparable to the proposed action.

Alternative E, the BLM's other preference, would reduce the project to 122,400 acres and 269 turbines. Tiel-Nelson said this option would leave a smaller project footprint and less infrastructure while minimizing the impact to the viewshed near Minidoka National Historic Site.

Tiel-Nelson said the bureau anticipates to finalize the project's environmental impact statement by late fall or early winter. After finalizing the statement, the BLM will issue a decision to inform the next steps and timelines for construction.

U.S. Sen. Jim Risch, R-Idaho, took a strong stance Tuesday against the proposed Lava Ridge wind-turbine project northeast of Twin Falls, summing up his position to the nation's top public lands manager in three words: "Don't do it!" Risch issued this stern advice in a tense exchange with Secretary of Interior Deb Haaland during a Senate Energy and Natural Resources Committee hearing last week in Washington, D.C. (Mia Maldonado /the Idaho Capital Sun)

WEST COAST NEWS Doug Marker

#### With deadline near, CAISO regionalization bill is amended to limit out of state renewables

Another deadline looms for California Assembly Bill 538 to either pass the Assembly Appropriations Committee by next Friday, or wait for next year's session. The California Assembly rules require all bills to be reported out of the Appropriations Committee by May 19.

To address opposition from labor unions, the author amended the bill to protect California's preference for in-state renewable resources. California's current renewable portfolio standard requires that 75 percent of utility contracts for renewable resources be located inside California or be directly connected to a California balancing authority. In a regionalized ISO, any resource participating in ISO would qualify. The amendment to the bill defines "point of interconnection" as those connecting to a California balancing authority as of June 30, 2023.

#### California Air Resources Board sets clean power requirements for heavy truck and trains

The California Air Resources Board approved two major transportation emission requirements that will place more demand for electrification and non-GHG emitting motor technology. The board required publicly owned heavy truck fleets to be electric or non-emitting by 2035 and also heavy trucks entering seaports and railyards. The rule applies to about a quarter of the heavy trucks operating in the state.

In a second rule, the CARB required that, beginning in 2030, all locomotives used in California be less than 23 years old and, then has a schedule for requiring use of non-emitting trains so that by 2058 all trains in California will be non-emitting. The CARB emphasized the significance of reducing local concentrations of air pollution for public health.

#### Western Area Power Administration explores Southwest Power Pool RTO membership

Portions of our sister federal PMA are proposing to go all in on regional transmission organization membership. WAPA's Colorado River Storage Project, its Rocky Mountain region, and its Upper Great Plains (UGP) region would join or, in UGP's case, expand participation in the Southwest Power Pool RTO. WAPA is seeking public comment through June 12. In addition to two public meetings, WAPA is holding a tribal consultation today.



They say on quiet nights, you can hear John Coltrane
High in the Berkeley Hills, a jazz-lover's house is on the
market. The "Saxophone House" is framed by two gold towers in
the shape of soprano saxophone bells with a curving front
centerpiece echoing an alto sax bow. There are three more horns
decorating the back of the house. The home boast views from
multiple balconies with railings shaped like treble clefs. The house
lists for just under \$2 million, surprisingly low for the
neighborhood, but perhaps reflecting its very specialized appeal. It
seems to me that a former BPA Administrator, now working in
California, ought to be interested...

MONTANA NEWS Kate Wilson

#### **Legislative Updates**

The Montana Legislative session ended Tuesday, May 3, one of the longest sessions on record. In total, 1698 bills that were introduced, and more than 740 were passed.

Shaping Energy Policy via Legislation this Session:

The most notable energy bills this session included abolishing the state's energy policy in its entirety, as House Bill 170 did, supported by Governor Gianforte. Even more controversial this session was a latecomer (6 weeks past the deadline for non-revenue bills); House Bill 971 was drafted in response to an early April court ruling that revoked an air quality permit NorthWestern Energy had secured to build a gas plant near Billings. Members of the public submitted more than 1,000 comments on the proposal, 95% of which were in opposition. The committees were criticized for suspending the rules to allow the bill to be introduced at all, and not allowing for a sound public process. Senate Bill 557 put stricter parameters around environmental groups' access to the Montana Environmental Policy Act (MEPA), potentially impacting large projects such as mines, power plants and timber sales. During this session, lawmakers also went on the offensive for fossil fuel and monopoly utility interests. House Bill 284, for example, reinstates NorthWestern Energy's access to pre-approval, which allows a regulated utility to insure the recovery of the costs of large projects before building them (via the PSC). This bill does so by extending the opportunity to the state's other IOU, Montana-Dakota Utilities, thereby resolving the "special act" issue that led a Missoula judge to strike down NorthWestern's access to preapproval last year. Senate Bills 228 and 208 prohibit local governments from regulating the "use, transport, connection or reconnection of petroleum-based fuel sources," thus ensuring they will continue to be utilized. And House Bill 241 prevents local governments from requiring "solar ready" (or EV) wiring in new construction. House Bill 55 set some of the highest EV registration in the country (in lieu of gas tax).

How the 2023 Legislature shaped Montana energy policy (montanafreepress.org)

Of note, the three newest study bills related to the <u>regionalization of electric markets</u>, <u>pumped hydropower</u>, and the <u>creation of consumer cooperatives</u> would likely have passed, but did not reach executive action given the abrupt ending of the session. There was, however, two energy study bills that did pass earlier in the session, **House Bill 220** (drafted by NorthWestern Energy to create a partisan committee on energy resource planning and acquisition) and **House Joint Resolution 6**, an electric power reserves study that BPA will be requested to participate in during the interim. The Energy & Telecommunications Interim Committee will be the likely recipient of this study. Legislators essentially vote to "rate" the priority of each study bill; leadership decides which committee will receive them.

Finally, two resolutions related to the Federal Columbia River Power System were passed as well — **Senate Joint Resolution 10**, opposing the breaching of the Lower Snake River Dams, and **Senate Joint Resolution 16**, requesting that Article 13 of the Columbia River Treaty be removed in the next iteration (Canada's right to 1.5M acre feet of water above Libby Dam). Letters related to both will be sent to members of congress in the coming weeks.

#### Session-related articles/information:

- Bill banning Montana from analyzing climate impacts passes Legislature (montanafreepress.org)
- Republican lawmakers advanced bills to keep climate change out of state permitting (billingsgazette.com)

#### **Montana News**

- Sen. Daines and Sen. Cantwell (WA) introduce the Community & Hydropower Improvement Act: The Act proposes
- to "bolster hydropower production throughout the US by streamlining the permitting and licensing process, increasing tribal engagement and oversight, expediting low impact projects, promoting healthy habitat, and coordinating federal decision making." It is being touted as the largest bipartisan licensing reform in decades. <u>Community-and-Hydropower-Improvement-Act-One-Pager.pdf</u> (senate.gov)
- "...As Tester goes for a fourth consecutive Senate win in 2024, the city that's been his political backyard [...] and a once-Democratic stronghold has gone Republican." Great Falls Democrats say they "have been hurt by a lack of organized strategy or a consistent economic message, erratic help from the state Democratic Party, the decline of organized labor and the near-evaporation of the local newspaper, leading to voters being informed mostly by national media and nationalized partisan politics." What changed in former Democratic stronghold Great Falls? (montanafreepress.org)
- "When the city of Whitefish, Montana, needed a major upgrade of its wastewater treatment plant, it turned to
  Flathead Electric Cooperative for ideas: The result is a modern, more reliable facility built to handle population
  growth while using less electricity and cutting power costs by about \$34,000 a year." Montana's Flathead Electric
  Cooperative Helps Modernize Sewage Treatment Plant America's Electric Cooperatives
- NorthWestern Energy customers impacted by outage in Missoula May 4<sup>th</sup>: Nearly 1,200 customers out of power in Missoula | KECI (nbcmontana.com)
- Three projects in western MT will receive funding for wildfire protection: The USFS Northern Region received over \$2M for three projects in the Lolo and Flathead National Forests which "align with the Wildfire Crisis Strategy and State Forest Action Plans, provide watershed improvement outcomes, can deliver results in FY23, and build upon past and ongoing cross boundary investments."
  - Montana receives over \$2 million for wildfire protection efforts | KECI (nbcmontana.com)
- "A dispute that began last year between a Navajo Nation-owned coal company that operates the Spring Creek Mine in southeast Montana and BNSF Railway, one of the largest railroad companies in the US, has spread from a federal courthouse in Billings to Washington D.C." NTEC has now gone to the US Surface Transportation Board, the independent federal agency that oversees the nation's railroads, "essentially asking the federal government to force BNSF to move coal from the Spring Creek Mine to Roberts Bank, British Columbia, where it can be loaded onto ships for export to Asia."
  - NTEC coal company demands emergency service from BNSF (montanafreepress.org)
- Bozeman Creek may have played a role in founding a settler community whose mystique is owed in large part to its
  wild setting, but over the years the creek has turned nearly invisible as structures in downtown Bozeman were built
  literally over the top of its flows: <a href="How Development Forced Bozeman's Namesake Creek Underground">How Development Forced Bozeman's Namesake Creek Underground</a>
  (mountainjournal.org)
- "As Montana's population has grown, development, drought, disease, invasive species and recreation have
  combined to put more and more pressure on the state's water resources in all their forms from rivers, lakes and
  streams to groundwater." Water resources face increasing pressure, from chemicals to crowding (missoulian.com)



Photo: Yellowstone River (Billings Gazette, Brett French)

- The Office of the Comptroller of Currency (OCC) recently visited the CSKT Tribal Council: The OCC ensures that the
  federal banking system operates in a safe and sound manner, provides fair access to financial services, treats
  customers fairly, and complies with applicable laws and regulations. Shane Morigeau, Deputy Executive Officer for
  Public Affairs & Communications at CSKT (also a legislator), worked closely with OCC to coordinate the visit. Tribal
  Council Chairman, Tom McDonald, described a 'collage of issues that need to be fixed.' It's important for us to have
  access to resources all other Americans have." Office of the Comptroller of Currency Visits Flathead Reservation |
  News | charkoosta.com
- Amy Cilimburg (Executive Director of Climate Smart Missoula) was featured in NWEC's clean energy conference
  (virtual sessions split between this week and last): She was part of the team that launched Climate Smart Missoula
  and has been at the helm since its inception. Amy has worked on climate and energy policy for the past decade,
  encouraging solutions at the local, state and federal levels. <u>ELECTRIFY MISSOULA Home</u> and <u>Climate Smart</u>
  <u>Missoula</u>
- Montana's Energy Office (DEQ) is currently seeking project partners for an application for funding from the Federal Highways Administration's Charging & Fueling Infrastructure Discretionary Grant Program (IIJA): If successful, the funding will be used to strategically deploy EV charging infrastructure across the state. CFI Request for Interested Partners FINAL.pdf (mt.gov)
- The Montana Dept. of Transportation has released a Request for Information (RFI) to gather interested entities
  input on the solicitation of projects to implement the <u>National Electric Vehicle Infrastructure (NEVI) Formula</u>
  Program.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7

BONNEVILLE POWER ADMINISTRATION

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From: Wright,Troy S (CONTR) - AIR-7
Sent: Friday, January 6, 2023 3:46 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, January 6, 2023
Attachments: 2023,0106\_Regional Relations Weekly Report.docx

Hello everyone-

Attached is the Regional Relations Report for Friday, January 6, 2023.

# Public Interest Organizations Josh Warner

# ICL Teams with Sen Risch... really?

"Senator Risch Prevents Gridlock on Snake River Dams". This is an interesting headline from the Idaho Conservation
League, which strongly advocates for removal of the lower Snake River dams, to say about Sen Risch (R-ID), a staunch
dam defender. In a blog post by ICL's Mitch Cutter, he mentioned language that had been put in the Water Resources
Development Act (WRDA) bill that would have created, "yet another collaborative process to consider the impacts of
Columbia River Basin dams on declining runs of salmon and steelhead." He says this language was introduced by then
Rep Peter DeFazio (D-OR), whom Cutter identifies as a, "staunch defender of the Bonneville Power Administration." (As
an aside, he also says Rep. DeFazio single-headedly kills Rep Simpson's (R-ID) LSRD breaching proposal. An interesting
perspective.) Sen Risch also disliked the language to create another process and claimed credit for having the language
removed from WRDA, in order to defend the dams. I think one of the morals of the story is that there is much
disagreement on best method(s) to protect or dismantle the lower Snake River dams.

Cutter ends the post on a note that could be seen as conciliatory or aggressive, depending on one's perspective: "In the coming year, we will continue our work with the Biden-Harris Administration and governors to prepare the region for breaching of the lower Snake River dams, and we'll continue to find ways to seek common ground with diverse stakeholders to restore these iconic fish."

# Idaho News John Williams

#### Idaho news - PUC get criticize for its approval of IPC's solar study

The Idaho Public Utilities Commission approved a study conducted by Idaho Power that suggested the utility should be allowed to lower the credit rate paid to customers who own home solar power systems.

The decision, made on Dec. 22, opens the door for the company to move ahead with proposing a cut to the export credit rate, or compensation that households that generate solar power get for the energy they give back to the grid, said a press release from the Idaho Chapter of the Sierra Club.

In November, the commission held three public hearings in Pocatello, Twin Falls, and Boise to hear opinions on the study. At the Boise hearing, those who spoke represented rooftop solar panel owners, students, environmental groups, and solar panel businesses from communities across the Treasure Valley and beyond, all of whom spoke in opposition to the study.

Lisa Young, executive director of the Sierra Club in Idaho, said in the release that the commission "ignored all that input, requiring no additional changes to Idaho Power's study after listening to six hours of powerful public testimony." The

study suggests fair compensation for solar energy generation is 2.8 to 4 cents per kilowatt hour, rather than the current 8 to 10 cents per kilowatt hour rate, as previously reported. Many who testified at the Boise hearing argued that reducing the rate would discourage people from installing solar panels, and could quash the flourishing solar installation industry, as previously reported.

An independent study commissioned by the Sierra Club found that a fair compensation rate would be closer to 18.3 cents per kilowatt hour, as previously reported. In its press release, the Idaho Chapter of the Sierra Club said Idaho Power's efforts are "a years-long attempt to reduce rooftop solar compensation rates."

Youth belonging to the Idaho Climate Justice League, which is affiliated with the Sierra Club, wrote an open letter to the commission criticizing the decision. "Your power to regulate exists to protect the community, not the profits of Idaho Power, and you have utterly failed to wield this power in any meaningful way," a portion of the letter says.

Alex McKinley, owner of Empowered Solar, said in the Sierra Club's press release, "it is unfortunate that Idaho Power continues to view customer owned generation as a threat instead of an asset."

"By ignoring public input and accepting Idaho Power's biased analysis, the PUC has put corporate profits ahead of grid reliability and affordability for consumers," McKinley said in the release.

Lisa Young, executive director for the Sierra Club's Idaho Chapter, said via email that she thinks a new hearing for adjusting the compensation rate would draw "huge public outcry, even bigger than we've already see on these solar cases over previous years. Between local residents, businesses, farmers, and municipalities pleading for fair rates and the blatant biases in Idaho Power's calculations, we hope the (commission) will stand on the right side of history in the next case and decide to maintain equitable compensation rates (at or near retail value) for rooftop solar owners." (Idaho Press Staff)

#### Nevada - A new administration in Carson City

Joe Lombardo is the new governor and he put in place as the Gov. Elect in November a transition team to help guide with appointments and direction for his administration.

Lombardo, who is wrapped up his second term as Clark County Sheriff, will mark the start of his career in statewide policymaking and a chance to capitalize on campaign promises like diversifying Nevada's tourism-reliant economy and bolstering the state's fledgling education system.

The Republican governor, however, will also have to navigate Democratic majorities in both legislative chambers to enact his priorities. In the Nov. 8 general election, Democrats won a 28-14 supermajority in the Assembly and a 13-8 edge in the Senate. Any legislation that makes it to Lombardo's desk will need bipartisanship support or else risk being vetoed.

On energy: a big question is how Lombardo approaches climate change in his policymaking. What does a Lombardo administration mean for the <u>state's climate strategy</u>, an expansive plan that details the state's path to net-zero emissions by 2050? What about the strategy's stated goal calling to eventually transition away from natural gas? One clue might be in Lombardo's appointment of a Southwest Gas official to his <u>transition team</u> (the utility had expressed concerns about the plan).

At the same time, many of the state's climate goals are set by statute, including a renewable portfolio standard for <u>utilities of 50 percent by 2030</u>. And there is some money on the table — the federal government set aside funding for climate programs in the Inflation Reduction Act.

David Bobzien, Director of the Nevada Governor's Office of Energy (GOE) announced his resignation back on December 7th, effective Jan. 2, 2023. The question is who will replace Bob and will the office continue to participate in the same manner as the past Director on Western energy forums? (Las Vegas Sun's Casey Harrison and the Nevada Independent's Daniel Rothberg)

Last month, NV Energy filed with the Public Utilities Commission of Nevada (PUCN) a plan that seeks to advance Nevada's energy independence by reducing its reliance on the open energy market and increasing renewable energy capacity in Nevada.

This proposal puts forward a balanced and measured approach to address the effects of region wide heatwaves and drought on the availability of western energy resources and to shield NV Energy customers from the impacts of California regulatory changes and resource adequacy challenges that state has experienced.

"Over the past three summers, the historic energy supply for Nevada has been challenged and has seen increased risk of summer energy shortages due to increased competition for energy across the west, primarily due to energy shortfalls in California," said Doug Cannon, NV Energy President and Chief Executive Officer. "Our plan will advance Nevada's energy independence – ensuring reliable energy for our customers no matter how hot it gets across the western United States while also advancing our state's sustainability and clean energy goals."

The plan seeks to add Nevada-based energy generation and storage capacity that will be scheduled for commercial operation in the summer of 2024 and 2025 and to make upgrades to our transmission system to accommodate more renewable energy resources.

#### These resources include:

- A 200-megawatt grid-tied battery storage system on the site of the coal-fired Valmy Generating Station, which is planned for retirement by year-end 2025
- 120-megawatt portfolio of geothermal projects from Ormat
- 20-megawatt Enhanced Geothermal system from Eavor
- 440 megawatts of highly efficient natural gas-fired combustion peaking turbines on the site of the Silverhawk
  Generating Station in southern Nevada. These will provide the energy needed during critical periods of intense
  demand to maintain system reliability and also support the transition to more renewable energy. These turbines
  are also capable of running on hydrogen, a non-carbon fuel.

NV Energy evaluated multiple resource options as part of its planning process to address the energy needs of Nevada and do so in a cost-effective way. This plan ensures NV Energy remains well on track to meet the state's renewable portfolio requirement of 50 percent by 2030 and its 2050 clean energy goal while ensuring customers have safe, affordable and reliable power year-round.

The PUCN will schedule a consumer session to seek public input on NV Energy's integrated resource plan amendment filing. The company expects a decision on this filing by mid-year 2023. (NV Energy news)

# Oregon News Hannah Dondy-Kaplan

#### **Oregon Politics**

As our Oregon representatives in Washington muddled through a chaotic week, Kate Brown had her last few days in office. Things are gearing up for Governor Elect Koteks's inauguration next week, swearing in of new representatives on the 9<sup>th</sup> and the start of the legislative session on the 17<sup>th</sup>. BPA's constituents are anxiously awaiting draft bills to see what this year's long session will bring.

#### Other news

On Tuesday of this week the commissioners from the Eugene Water and Electric Board (EWEB) voted to decommission the Leaburg dam, a 90 year old dam on the McKenzie River outside of Springfield. The dam has not generated power since 2018 when operation stopped due to the need for repairs and seismic upgrades. The commissioners made the decision based on the cost for upgrades as well as the benefits of dam removal on water quality and fish and wildlife habitat. EWEB buys most of its power from BPA, but in the past the dam had produced up to 4% of Eugene's energy needs. The next steps are for an action plan to be developed—removal of the dam likely would not occur for 10 years.

# West Coast News Doug Marker

#### **CAISO Postpones Regionalization Report**

Just before the holidays, the California ISO postponed publishing a draft report on the benefits of regionalizing its operations. The CAISO has a deadline to submit a final report to the California Legislature by February 28. The CAISO has contracted with the National Renewable Energy Laboratory (NREL) to compile the report from existing studies of how expanding its energy market could advance California's clean energy goals and reduce costs. The CAISO had planned to post NREL's draft report on December 21 but has delayed that posting until January 13. The CAISO now plans to hold a public meeting on January 20 to discuss the NREL draft. Comments will be due on February 3.

Last year, the Legislature directed the report to inform possible legislation in this year's session to grant the CAISO more independence from California governance in order to expand its operations across the West. The sponsor of the legislation, Assemblymember Chris Holden, says he intends to introduce such legislation by the Assembly's deadline for new bills on February 17.

#### California Legislative Analyst Says State GHG Reduction Plan Falls Short of 2030 Target

The California Legislative Analyst's Office released a report this week critical of the California Air Resources Board's (CARB) December scoping plan for meeting the state's emission reduction goals. CARB adopted the updated scoping plan to define strategies to meet GHG reduction goals in 2030, 2035 and 2045. The Legislative Analyst's Office said that CARB's plan will likely fall short for the 2030 goal, primarily because of the design of the state's cap-and-trade market. There are too many allowances available, the report found, for the cap-and-trade market to meet its share of accountability for the 2030 goal. The report urged the Legislature to require the CARB to revisit its rules for the cap-and-trade market by this coming July.

#### Governor Newsom Names Chief Energy Advisor to California Public Utilities Commission

California Governor Gavin Newsom announced his appointment of Karen Douglas to the California Public Utilities Commission. Douglas has been Newsom's energy advisor since early last year, after serving for 13 years on the California Energy Commission. Douglas will take the seat vacated by retiring Cliff Rechtschaffen (whose name I have had in my spellcheck since 2016). Douglas is the second Newsom staffer he has named to the CPUC, after placing former aide Alice Reynolds as President of the commission. Followers of the CPUC have noted Newsom's attention to commission policy and Douglas' appointment reinforces that perception. Before she was on the CEC, Douglas was director of the California Climate Initiative at the Environmental Defense Fund. Newsom also reappointed John Reynolds to a new term on the CPUC. Reynolds is a former commissioner staffer and has been relatively low profile on



electricity issues. Rechtschaffen, I will reiterate, will be missed in wider Western electricity policy circles for his active collaboration in a number of regional policy venues.

# Southern Football Fans Rake California for National Champion Game Tailgate Ban

It doesn't take much for died-in-the-wool Southern college football fans to make fun of California. The announcement of a ban on tailgating before Monday's National Championship game at Los Angeles' SoFi Stadium sent Georgia and Texas Christian fans into howls of outrage about the effete sensibilities of the championship game's California host. "While California may not know this," tweeted Georgia Governor Brian Kemp, "in the South a tailgate with friends & family is the only way to prepare for a big game." One popular Georgia Twitter fan has launched a campaign for Congress to pass the "Gerald R. Ford Right to Tailgate Act of 2023".

It turns out, however, that the ban came from Texas, not California. SoFi Stadium happily hosts tailgating for the NFL Chargers and Rams home games. It was the College Football Playoff organizer, based in Irving Texas, who has implemented a tailgating ban at the last three national championship games. The CFP invites fans to pay for food and drink at its own hosted game day party.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7 BONNEVILLE POWER ADMINISTRATION

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From: Manchester, Kathleen L (CONTR) - AIT-7

Sent: Friday, May 13, 2022 5:07 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, May 13, 2022

Attachments: 051322.docx

Hello all,

Attached is the Regional Relations report for Friday May 13, 2022.

Public Interest Organizations Josh Warner

#### **Accolades for Entering WEIM**

Renewables advocacy groups are celebrating with BPA about our entry into the Western Energy Imbalance Market. The NW Energy Coalition tweeted congratulations and lauded the \$2 billion in benefits to date for participants and that the amount, "will no doubt continue to grow with BPA's help." Renewable NW shared similar sentiments and a, "THANK YOU to all the hard working folks who have spent the last few years making this happen." Well done!

# Idaho News John Williams

#### Water news

April showers -- and snowfall -- combined with cooler-than-average temperatures have helped Idaho's water supply over the past month, but it's going to take a lot more to get the southern part of the state out of drought, hydrologists and water operations managers said during Thursday morning's Idaho Water Supply Committee meeting. On April 29, Gov. Brad Little approved an emergency drought declaration for 34 counties in central and southern Idaho -- the entirety of the state south of the Salmon River.

Under Idaho law, that declaration allows irrigators to make emergency water rights transfers. It also clears the way for federal assistance. One thing that's helped since the committee's previous meeting, on April 15, has been below-average temperatures and above-average precipitation, especially new snow in the mountains. Danny Tappa with the USDA's Natural Resources Conservation Service monitors snowpack. He said the NRCS has seen improvements in snow-water equivalent for early May, "but we've largely missed peak snowpack across the entire state." A significant amount of snowmelt typically happens in April, but this year, "we didn't really see it," Tappa said, adding that snowpack "more or less plateaued" during April, a time when it has often declined in past years. The Bureau of Reclamation is releasing water from the Anderson Ranch and Arrowrock reservoirs into Lucky Peak to start delivering irrigation water.

In other related news, the Director of the Idaho Department of Water Resources (IDWR) issued a methodology order for Snake River ground water users, predicting a 162,600 acre-foot shortfall to senior priority surface water users in the Eastern Snake River Plain (ESPA) region for the 2022 irrigation season. The shortfall prediction means that IDWR will curtail more than 328 ground water rights with priority dates junior to Dec. 25, 1979 in the coming weeks if holders of those water rights do not come into compliance with an approved mitigation plan through their local ground water

district. According to the order, curtailment will begin on May 20th for junior ground water users who have not joined an approved mitigation plan prior to that time. (Channel 7 KTVB.com and IDWR news)

# Environmental group apply pressure to Idaho Power for community solar

Despite decades of advocacy from businesses, climate-concerned citizens, and scientists urging for a rapid transition to clean energy, solar remains out of reach for many Idaho Power customers. That's why many conservation and environmental groups were excited when Idaho Power announced its Clean Energy Your Way subscription program as part of its goal to reach 100% carbon-free energy by 2045. It's a positive step, but it doesn't go far enough.

Idaho Power's subscription program will allow customers to opt in to receive some of their power from a newly-built renewable resource. However, the program will cost customers additional money each month and the new resource will still be controlled by the utility. Idahoans shouldn't settle for utility ownership and control of solar resources, which is why a coalition of environmental groups in Idaho are asking Idaho Power to work directly with interested community groups to create a community owned solar program. In a community owned solar program, a solar developer or local business installs a solar array on a community building such as a school or a church. Then, local customers can rent or purchase solar panels and receive both the energy and financial investment benefits from that panel, even if they don't live on the same property as the solar array. In this program, communities decide where the solar is sited and how much solar they want to install.

Community ownership of solar energy has many benefits. Unlike energy production under the traditional utility model which sends wealth to out-of-state shareholders, community ownership gives communities local, democratic control over the source and cost of their power. It generates local jobs and investment income while providing an innovative way for low-income folks to receive clean energy. Community solar installations also increase the reliability of the electric grid, making our communities more resilient to wildfires and other changing weather conditions.

Community owned solar is also an opportunity to address historic energy injustices. Our country's energy systems have historically placed the harms of energy production on low-income communities and communities of color while sending profits generated by energy production to the wealthy. For example, low-income communities and communities of color spend a much higher percentage of their income on electric bills than wealthier individuals, but they are also much more likely to feel the detrimental health effects of the polluting coal and gas plants that produce electricity. Low income, rural communities are also more likely to be negatively affected by utility infrastructure siting (such as transmission lines) but are not likely to receive the financial returns on that infrastructure.

Community owned solar gives control over energy production back to the people. It grows our clean energy portfolio and promotes a resilient electric grid. Most importantly, it represents an innovative, democratic, and just way forward for electricity generation in our changing economy and environment. Idaho Power's long-standing battle over customerowned solar net-metering will resurface again this summer when the results of its solar value study are released. Advocates will urge people to use their voice to help ensure a fair valuation for customer owned solar in Idaho. (Emma Sperry, JD, Climate Fellow, Idaho Conservation League)

### Utah's new state energy and Innovation plan

Gov. Spencer J. Cox and the Utah Office of Energy Development (OED) released Utah's new State Energy and Innovation Plan. Identifying six key commitments, the State Energy and Innovation Plan will serve as a guidepost for energy development in Utah. Thom Carter, Energy Advisor to the Governor and Executive Director of OED, announced the release of the plan during his remarks at the One Utah Summit. The plan lives on the OED's website as an interactive story map at <a href="mailto:energy.utah.gov/plan">energy.utah.gov/plan</a>.

"At the beginning of my administration, I released the One Utah Roadmap and directed the Utah Office of Energy Development to update the statewide energy plan," said Gov. Cox. "State code requires state energy policy to have "adequate, reliable, affordable, sustainable, and clean energy resources and that's precisely what this plan does. It's crucial that we ensure Utah's energy future is secure, innovative, and reliable in order to maintain our high quality of life and robust economy."

"Gov. Cox frequently tells his team that good policy can't be written sitting in our offices in Salt Lake," said Thom Carter.
"He encouraged us to travel the state so we could really understand the important issues facing Utahns. After taking that advice, traveling the state for a year, and talking to many experts, stakeholders, and the public, we've created this interactive state energy plan that demonstrates our commitment to a balanced market-driven approach to energy."

The six commitments detailed in the plan are:

- Utah is committed to an "any of the above" energy future, supporting efforts and policies that provide a variety
  of tools and resources that citizens, communities, businesses, and industries can choose from to deliver or
  obtain affordable, reliable energy.
- Utah is committed to American energy independence, pursuing policies and actions that will enable more domestic energy development and enhance global energy security.
- Utah is committed to pragmatic, market-driven climate solutions that enable innovative energy production. This includes a focus on supporting Utah-based research and development, ensuring we stay good stewards of our environment for future generations of Utahns.
- 4. Utah is committed to supporting rural communities through economic development and diversification efforts, infrastructure investment, and workforce training and development.
- Utah is committed to supporting a clean energy future through a strong and responsible mining program for critical minerals; investment in emerging energy technology such as hydrogen, storage, and energy efficiency; and air quality research and incentive programs.
- Utah is committed to collaboration with its local, regional, and federal partners to pursue infrastructure and innovation projects such as EV charging, transmission, emerging fuel hubs, and coal community support and diversification.

# Idaho National Laboratory and Wyoming form partnership on advanced energy tech

Battelle Energy Alliance (BEA), the management and operating contractor for Idaho National Laboratory, has signed a five-year memorandum of understanding with the State of Wyoming to collaborate on the research, development, demonstration, and deployment of advanced energy technologies and approaches, with a special focus on advanced nuclear. The MOU—signed May 4 by INL director John C. Wagner and Glen Murrell, director of the recently created Wyoming Energy Authority—also encourages cooperation on training and education for workers in the uranium and nuclear industries.

What they're saying: "While the Natrium project is a great start, it is my intent that we are also able to establish a nuclear industry and a sophisticated and advanced manufacturing capacity using Wyoming uranium, Wyoming technology, and Wyoming workers," said Wyoming Gov. Mark Gordon in a May 4 press release. "This MOU will assist in this effort." Murrell noted that the agreement "formalizes and structures a relationship that has been developing over several years," adding that "INL's expertise and impartiality will play a critical role in the ongoing execution of Wyoming's all-of-the-above energy strategy."

Why Wyoming? According to the MOU, "Wyoming is blessed with a rich endowment of natural resources that have been at the heart of its economy for decades. This energy economy has not only been an economic bedrock for Wyoming, but also has played a substantial role in the energy and economic security of the United States for most of the

past century. Wyoming has always been at the frontier in energy, minerals, industry, natural resource management, and entrepreneurism." (Nuclear News and INL)

# West Coast News Doug Marker

# CAISO Says Risk of Load Shedding This Summer is Less, But Conditions are Tight

Ahead of posting its summer 2022 reliability assessment, CAISO staff circulated a <u>briefing memo</u> for this week's Board of Governors meeting saying that additional resource capacity is making chances of load shedding events slightly lower than last year. The memo says California has added a net of 7,556 MW in the last year, of which 3,206 MW is dispatchable. Nearly all of the new dispatchable generation is battery storage, which doesn't add system capacity but allows shifting solar generation into high demand evening hours. Of notable concern is the state's hydro conditions which are at 38 percent of normal. CAISO staff said their additional concern is if there is a West-wide heat event that limits imports, particularly later in year when Northwest hydro generation declines.

Meanwhile, the California Energy Commission has scheduled a public workshop for next Friday to discuss summer 2022 reliability. Members of the California Public Utilities Commission will also attend. The virtual connection information for the workshop will be on the CEC's website. Or send me an e-mail for the Zoom link.

# **CPUC Delays Net Metering Decision with Additional Questions**

Since the end of 2021, the California Public Utilities Commission has struggled to resolve its direction on utility rate treatments for customers with rooftop solar. The CPUC had proposed to reduce the credits for surplus residential generation returned to the grid. The credits have been based on full utility retail rates and have the effect of increasing needed rate recovery from other customers. The CPUC pulled the proposed decision earlier this year. This week, the administrative law judge asked parties to respond to new questions about a "glide path" for transitioning implementation of revised rate credits. It also asked for responses for treatment of community-based aggregated distributed generation. Responses to the questions are due in June and mean that the net metering decision will wait until at least July.

# CEC Sets Initial Goal of 3,000 MW of Offshore Wind by 2030; More by 2045

The California Energy Commission released an initial study of offshore wind potential for development in federal waters. The CEC draft report says it proposes a goal of 3,000 MW of capacity by 2030, much of which could come from off Morro Bay on the state's central coast. The draft proposes to evaluate additional development to establish a preliminary goal of 10,000 to 15,000 MW by 2045, which includes development off of the Humboldt County coastline in northern California. The CEC goals will inform state agency planning to meet the 100 percent clean electricity by 2045 goal and also inform the California ISO's transmission planning. The report reiterates that transmission capacity limits in northern California are a challenge for Humboldt offshore development. The CEC holds a public workshop to discuss the

draft report next Wednesday.



# **Pretty in Purple**

May brings the spectacular bloom of jacaranda trees in the older neighborhoods of Southern California. Unnoticed for much of the year, the jacaranda blooms in rich, fragrant purple flowers. I was in San Diego last week for the CREPC-WIRAB conference and the streets of Bankers Hill and South Park were like purple tunnels. When the blossoms fall, they create purple carpets on the landscape. The trees, like much of everything else were imports, especially popular in the early decades of the last century, and they occupy a special notice in the literature of Los Angeles in the 1930s and 40s — especially for setting the scenes in noir fiction of the time where their brilliant flowers symbolized fleeting beauty and vague corruption.

# Montana News Mark Reller

### Pre-Approval In Peril

A Missoula judge has struck down a law that granted NorthWestern Energy the ability to secure reimbursement for new energy-generating assets from its customers. The law was deemed too specific as it only applied to a single company. Missoula judge strikes law that gave NorthWestern Energy unfair advantage | State & Regional | missoulian.com

### **Numeric Not Narrative**

The Environmental Protection Agency thwarted Montana lawmakers' attempt to loosen water quality standards yesterday, telling the state that it acted out of turn by adopting a new regulatory framework without first obtaining federal approval.

In a May 10 letter to the Montana Department of Environmental Quality, the EPA asserted that a law passed by the Montana Legislature last year runs afoul of the federal Clean Water Act. The agency said it's concerned that the state's repeal of numeric standards for nitrogen and phosphorus in water bodies as codified in Senate Bill 358 has led to degraded water bodies and lacks a grounding in science.

EPA nixes Montana's nutrient regulatory framework (montanafreepress.org)

# **Bankruptcy Begins**

It is now official, Talen Energy has filed for bankruptcy citing high debt and citing price competition with gas and renewables. They claim the bankruptcy will not disrupt business at Coltrip and that wages, healthcare and other worker benefits will be protected. No changes to Talen Montana's role as operator and a co-owner of Colstrip Steam Electric Station are anticipated. In their view the process will greatly strengthening TES's financial position, and thus the action will help bolster Talen Montana's ongoing commitment to Colstrip and the State of Montana.

https://helenair.com/news/colstrip-operator-talen-energy-files-for-bankruptcy/article 4369f7b8-cf21-50b0-a7f4-18d6958c9ae8.html

### Colstrip Savior? Renewable Enabler? Market Connector?

What would help extend Colstrip, enable more Montana renewable energy projects and help make markets more robust? How about a 600 KV, 350 mile, 2 GW (possibly 3 GW) \$1.5 B to \$2 B DC connector line between Colstrip and Bismarck North Dakota, that interconnects the western grid with SPP and MISO? That is the goal of a company called Grid United and its VP Brant Johnson (brant.johnson@gridunited.com (346)-450-5878) who I met with this week in Helena. The project is called the Northern Plains Connector and is its development is being funded by former hedge fund manager and Enron energy trader turned billionaire John Arnold. The project would allow Colstrip power to flow to markets in the Midwest who are less averse to coal electrons plus allow for a deeper market for NorthWestern to meet its pending capacity needs. Renewables could also benefit by economic dispatch into the MISO and SPP footprint.

The project has been aired with the Montana DEQ but has yet to start to Montana Major Facility Siting Act process. Landowners and legislators in Eastern Montana have been contacted regarding the proposed route and permission to energy and survey letters will be sent soon. The project also has the ear of the Governor Gianforte because of the potential to extend Colstrip's life. Early modeling work suggests that 70% of the time flow would be east to west and the remainder west to east. If all goes well, the firm is targeting operation by 2028.

https://www.gridunited.com/ https://northplainsconnector.com/

### **Getting Greener**

The US achieved a new record in April 2022 – for the first time, the US generated 20% of its electricity from wind and solar power, according to new data released today from global energy think tank Ember.

# US hits a record 20% of electricity from wind and solar in April - Electrek

Thank you,

# **Kathie Manchester**

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From: Marker, Douglas R (BPA) - AIR-7

Sent: Tuesday, November 22, 2022 4:11 PM

To: Baskerville, Sonya L (BPA) - AIN-WASH; Hairston, John L (BPA) - A-7; Cook, Joel D (BPA) -

K-7; Cooper, Suzanne B (BPA) - P-6; Dibble, Rachel L (BPA) - PT-5; Leady Jr, William J (BPA) - PG-5; Miller, Mark E (MFE) (BPA) - PTL-5; Mace, Allison R (BPA) - PTM-5; Federovitch, Eric

C (BPA) - PTL-5; Scruggs, Joel L (BPA) - DK-7; Johnson, G Douglas (BPA) - DK-7

Cc: Carmack,Corey P (BPA) - AIT-7; Dondy-Kaplan,Hannah A (BPA) - AIR-7; Foster,Marchelle

M (BPA) - Al-7; Harwood, Holly C (BPA) - AlR-7; Ikakoula, Corrina A (BPA) - AlT-7; Jones, Sheron M (BPA) - AlN-WASH; Kaseweter, Alisa D (BPA) - Al-7; Klumpp, Elizabeth C (BPA) - AlR-WSGL; Manchester, Kathleen L (CONTR) - AlT-7; Nelson, Carrie E (BPA) - AlT-7; Seifert, Roger E (BPA) - AlN-WASH; Warner, Joshua P (BPA) - AlR-7; Williams, John J

(BPA) - AIR-BOISE; Wright, Troy S (CONTR) - AIR-7

Subject: DOE approves grant for keeping Diablo Canyon open.

I'm a little behind on the news today but this is significant – DOE approved the operating assistance to keep Diablo Canyon running for five more years. The Nuclear Regulatory Commission still has to approve extending the license.

# Biden gives PG&E \$1 billion to keep the Diablo Canyon nuclear plant open

An aerial view of the Diablo Canyon nuclear power plant in San Luis Obispo County. (Mark Ralston / AFP via Getty Images)
BY <u>SAMMY ROTHSTAFF</u> WRITER
NOV. 21, 2022 **UPDATED** 1:53 PM PT

The case for nuclear power as a climate solution got a big boost Monday, when the Biden administration announced it's giving Pacific Gas & Electric Co. a \$1.1-billion grant to help the company keep operating California's last nuclear plant.

The Diablo Canyon plant is currently scheduled to shut down in two phases, with the first reactor going offline in 2024 and the second in 2025. But Gov. Gavin Newsom has led a spirited push to keep the reactors humming five more years, saying they're badly needed to help the Golden State grapple with power shortages and worsening heat waves.

The federal money doesn't guarantee Diablo Canyon will stay open longer. But it increases the likelihood of California continuing to rely on the plant, along the Central Coast in San Luis Obispo County — despite decades of anti-nuclear activism and public concerns about what would happen if an earthquake erupts along one of the seismic fault lines near the facility.

<u>PG&E Chief Executive Patti Poppe</u> noted that Diablo Canyon supplied more than 8% of California's electricity last year — and 17% of the state's climate-friendly, carbon-free electricity. She also said the plant has a <u>strong safety record</u>.

"It is a good choice for the state of California — and for frankly the planet — that a well-performing plant like Diablo Canyon could continue to serve," Poppe said in an interview.

The \$1.1 billion in federal money comes from the <u>infrastructure law</u> passed by Congress and signed by President Biden last year. It should allow PG&E to pay back most of the \$1.4-billion loan for Diablo that state lawmakers <u>approved</u> at Newsom's urging.

That state money is slated to help PG&E cover the costs of <u>relicensing</u> at the U.S. Nuclear Regulatory Commission, as well as maintenance, fuel purchases and additional on-site storage for radioactive waste needed to keep the plant running past 2025.

Final terms of the federal grant still need to be negotiated with PG&E. Officials at the U.S. Department of Energy say the money will be distributed over four years, from 2023 through 2026. The funds are designed to cover PG&E's projected losses from keeping Diablo Canyon open longer, so if the company's operating costs come in lower than expected — or its power-sales revenues are higher than expected — it won't get quite as much federal money.

If the plant fails to secure its federal license renewal — or any of the state permits it needs to keep operating — the funding spigot will be shut off.

"This is a critical step toward ensuring that our domestic nuclear fleet will continue providing reliable and affordable power to Americans as the nation's largest source of clean electricity," U.S. Energy Secretary Jennifer Granholm said in a written statement.

Sen. Dianne Feinstein (D-Calif.) celebrated the announcement, saying in a written statement that the federal investment "will allow Diablo Canyon to continue producing carbon-free energy until 2030, giving the state the time it needs to bring additional renewable energy sources online and eventually replace the energy produced by the nuclear plant."

Feinstein had previously supported PG&E's plan to shutter Diablo in 2025. But she <u>changed her</u> mind this year, citing the urgency of the climate crisis and the need for round-the-clock sources of clean power to complement solar and wind.

"This short-term extension is necessary if California is going to meet its ambitious clean-energy goals while continuing to deliver reliable power," Feinstein said Monday.

Erich Pica, president of anti-nuclear environmental group Friends of the Earth, described that type of reaction to the federal funding as a "premature victory lap." He noted that several state agencies still need to sign off on the nuclear plant's continued operation, as spelled out in the legislation signed by Newsom.

Pica suspects the governor is motivated at least in part by political aspirations. Although Newsom has insisted he won't run for president in 2024, speculation <u>continues to swirl</u> that he's preparing for a campaign. And the current plan for Diablo to begin shutting down in 2024 "is very conspicuously aligned with when the Democratic presidential primary is going to be," Pica said.

Newsom "doesn't want to see any [electric grid] reliability issues come up while he's contemplating his future political plans," Pica said. "He's doing that at the cost of billions of dollars to California ratepayers in maintaining Diablo."

The future of nuclear power has become one of America's most contentious energy debates as the climate crisis worsens.

Nuclear disasters at Chernobyl and Three Mile Island stoked deep public fears about meltdowns and radioactive fallout, with the 2011 crisis at Japan's Fukushima plant hardening those sentiments for many.

But worsening wildfires, heat waves, droughts and other climate extremes linked to the burning of fossil fuels — and growing awareness that nuclear plants currently produce half the nation's carbon-free electricity — have led some to reevaluate the merits of facilities like Diablo.

A <u>recent UC Berkeley poll</u> co-sponsored by The Times found that 44% of California voters support building more nuclear reactors in the state, with 37% opposed and 19% undecided — a significant change from sentiment in the 1980s and 1990s. The poll found that 39% of voters oppose shutting down Diablo Canyon, 33% support closure and 28% are unsure.

Another UC Berkeley poll conducted in September found <u>even greater support</u> for keeping the plant running through 2030.

"I'm just happy that the tides have shifted," Poppe told The Times.

The governor capitalized on those shifting tides, <u>cajoling state lawmakers</u> into approving a \$1.4-billion loan designed to keep Diablo running through 2030. The vote came during an <u>intense heat wave</u>, which saw state officials beg Californians to use less power during the hot evening hours — when solar panels stop generating — for a record 10 straight days.

The state managed to avoid rolling blackouts. But it was less lucky two years earlier when a few hundred thousand homes and businesses lost power briefly over two evenings during a brutal heat wave. There was another <u>close call</u> in 2021, when a wildfire temporarily knocked out several key power lines that bring hydropower from the Pacific Northwest to California.

Continuing to operate Diablo Canyon is crucial for keeping the lights on while fighting climate change, supporters say. Dozens of scientists and academics have <u>urged Newsom</u> to keep the Diablo reactors spinning.

"Some would say it's the righteous and right climate decision," Newsom told The Times' editorial board earlier this year.

The U.S. had <u>93 operating nuclear reactors</u> last year, which generated nearly one-fifth of the nation's electricity. Those plants could go a long way toward meeting President Biden's goal of 100% climate-friendly electricity by 2035.

But 13 reactors have shut down since 2013, often due to competition from lower-cost energy sources such as solar, wind and natural gas. In some cases, nuclear closures have led to more business for gas-fired power plants, causing climate pollution to rise.

Atomic energy supporters say it's crucial to support power plants that can generate clean electricity around the clock — hence the \$6 billion set aside by Congress to rescue economically distressed facilities such as Diablo Canyon.

PG&E was the only company to receive nuclear rescue dollars Monday. At least one company was <u>denied funding</u>. But more money could flow to ailing nuclear plants during a second round of funding planned by the Department of Energy.

Critics see throwing money at dying nuclear plants as a dangerous, expensive solution.

Ralph Cavanagh — a top official at the nonprofit Natural Resources Defense Council and a key architect of the 2016 deal to shut down Diablo Canyon — says other clean energy technologies and strategies can keep air conditioners humming during heat waves. Rapid growth in lithium-ion batteries, for instance, played a key role in avoiding rolling blackouts this summer.

Greater funding for batteries, energy efficiency and "demand response" programs — which pay people to use less electricity when the power grid is most stressed — could negate the need for continued reliance on nuclear power, he said.

Cavanagh doesn't put much stock in recent public polling showing growing support for California's last nuclear plant. He noted that the most recent Berkeley poll was conducted just two weeks after the state narrowly avoided rolling blackouts.

The real question, Cavanagh said, is whether state regulators determine that extending Diablo's life is the best solution.

"The California public is now strongly in favor of anything it thinks might shore up reliability of the Western power grid," he said. "But the fact is, we don't have an infinite amount of money."

Anti-nuclear activists still hope to persuade federal officials to force Diablo Canyon's closure in 2025.

Last week, four groups — San Luis Obispo Mothers for Peace, Environmental Working Group, Committee to Bridge the Gap and Friends of the Earth — sent a <u>letter</u> to the Nuclear Regulatory Commission urging the agency to deny PG&E's request to reopen a license renewal proceeding that was dropped in 2016. PG&E should be required to submit a new application, they wrote.

Granting the company's request would "gravely undermine key aspects of the license renewal review process that are crucial for safety," the groups wrote.

The potential for catastrophic meltdowns — however remote — isn't the only concern animating anti-nuclear activists. The federal government has failed to build a permanent storage facility for spent nuclear fuel, meaning radioactive waste canisters are piling up at power plants across the country — including the <u>shuttered San Onofre plant</u> in San Diego County.

How do the risks and harms of nuclear power compare with fossil fuels? To Poppe, the answer is clear.

"Given the significant impacts of climate change right here in California that we experience with the extreme weather, of course we would want to be able to provide the cleanest energy that is most reliable for the people of California," she said.

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5

From: Wright,Troy S (CONTR) - AIR-7

Sent: Friday, October 27, 2023 12:40 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, October 27, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, October 27, 2023.

Have a great weekend!

# PUBLIC INTEREST ORGANIZATIONS

Josh Warner

# Pathways supporters

As you have been reading and can read below in the West Coast news, there are a number of entities trying to get the West-Wide Governance Pathways Initiative (WWGPI) or Pathways Initiative off the ground. Several public interest organizations are very interested in the prospects for this initiative as they see it as an opportunity to keep the broader west together in one day ahead market and avoid creating two markets. NW Energy Coalition says they have, "long supported moving towards a single, unified Western market. Electricity markets can coordinate and optimize the electricity grid, creating a system that is more reliable, can transition to clean energy faster, and will have notable savings for customers." Renewable NW has expressed similar sentiments and has asked BPA to slow down its dam ahead market process to allow more time for the Pathways Initiative to form.

IDAHO NEWS John Williams

# Fish and Game to monitor fish mortalities following quagga mussel treatment

Fish from multiple species and aquatic plants have died as a result of the quagga mussel treatment in the Snake River. Idaho Fish and Game biologists will continue to monitor the treated areas following the 10-day chelated cooper treatment, which was completed Oct. 13, according to a Fish and Game news release.

"As expected, the treatment, which was designed to eliminate quagga mussels, also resulted in both fish and aquatic plants dying within the treatment area," the release said. "Fish and Game has detected thousands of dead fish within an approximately six-mile section of the river. The overwhelming majority of the mortalities have been largescale suckers, common carp and northern pikeminnow."

Yellow perch and sturgeon mortalities have also been detected; all sturgeon deaths were hatchery-produced fish. (Idaho Press)

# These Idaho cities are leading Idaho in clean energy transition, experts, advocates say. Mia Maldonado ~ Idaho Capital Sun

The city of Boise and towns in Blaine County are taking the lead on establishing renewable energy policies in Idaho, experts said at a policy forum held Wednesday on the College of Idaho campus in Caldwell. Unlike neighboring states such as Washington, Oregon and Montana, Idaho has no renewable energy goals set by the Legislature. While some

clean energy goals are coming from the private sector, such as Idaho Power — which has established goals to transition to a clean energy grid by 2045 — Boise and Blaine County cities have also established their own goals.

In 2019, the Boise City Council unanimously adopted a goal to run homes, businesses on clean electricity by 2035, the <u>Idaho Statesman</u> previously reported. Likewise, the City of Trees has a goal to increase natural gas efficiency and expand geothermal energy. The goals are part of an initiative called "<u>Boise's Energy Future</u>," which focuses on achieving clean electricity and efficiency actions for the entire city.

Similar to Boise, in 2022, <u>Blaine County elected officials voted</u> to adopt a <u>resolution</u> to establish goals to achieve 100% clean energy for municipal energy use by 2030, and provide 100% clean electricity for the Blaine County community by 2035. At the forum, held by the College of Idaho and the Idaho Center for Fiscal Policy, clean energy proponents from the grassroots, public and private sectors spoke on the future of green energy in Idaho. The renewable energy panel was moderated by Conservation Voters for Idaho program director Ryan McGoldrick, and it featured Idaho Sierra Club director, Lisa Young; city of Boise public works director, Steve Burgos; and Geothermal Rising executive director, Bryant Jones.

Burgos, who oversees the operation of the city's utilities, said that the city of Boise is committed to fulfilling its clean energy goals before asking the community to follow its steps, adding that the city is committed to creating a more sustainable grid. "We've got to get moving," he said. "What we're doing today is not sustainable. We need to make changes, and there's incredible opportunity in those changes."

Burgos acknowledged that clean energy goals are ambitious, but he said the country has fulfilled ambitious environmental goals before — referencing the <u>Clean Water Act</u> which established wastewater standards to regulate water pollution in the U.S. "We can do big things, but we have to get moving," Burgos said. "Human ingenuity is a powerful thing. We've overcome problems. We can combat and draw down the climate crisis, but we need policy makers to make those policies."

Jones, who leads a national nonprofit that advocates for geothermal energy usage, said he challenges Idaho policy makers, including those present at the forum, to start looking at establishing clean energy goals. "Idaho has a lot to benefit from if policy makers put the right policies in place," he said. "If the state doesn't start taking this clean energy transformation seriously, we're going to be left behind." (Note: Idaho Legislature will not tell its electric utilities how to run their business-like Washington, Oregon, and California)

### **NEVADA News**

The Bureau of Reclamation is accepting public comments on its new draft of interim operating guidelines for the Colorado River's Glen Canyon and Hoover dams. An initial draft of the document was released in April but was withdrawn in May after the Colorado River's lower basin states — California, Nevada and Arizona — proposed conserving at least 3 million acre-feet of water through the end of 2026. Seven states and Mexico rely on the beleaguered Colorado River for water. The original draft considered multiple alternatives; the revised document designates the plan by the lower basin states as its proposed action. With current water levels, the bureau estimates the risk of reaching critical elevations at Lake Mead (below 1,000 feet) is just 4 percent through 2026, although the reservoir's level remains historically low.

Public comment will be accepted for 45 days, starting Oct. 27.

A separate planning process is underway to develop long-term operating guidelines to take effect in 2027. Las Vegas Resort World's property is now 100% powered by renewable energy. On Wednesday, casino officials said the resort is now powered by 100% renewable energy. "We are thrilled to have reached such an incredible milestone in our sustainability efforts after only two years of operation," said Peter LaVoie, President of Resorts World Las Vegas.

According to the resort's website, this was achieved through several programs. The property is LEED Gold Certified. During construction, more than 80% of waste and debris was diverted from landfills. Since then, they have reduced their energy use and water consumption by more than 30%, compared to industry standards and have, what casino

officials call, "the largest amount of electric vehicle chargers on the Strip." The resort also has a food donation and waste production program. As part of that program, workers separate food waste before it is sent to local farms to be converted into animal feed. According to officials, they also use a "patented indoor air monitoring system to continuously optimize ventilation rates to improve indoor air quality and reduce energy usage."

With Resorts World reaching this goal, NV Energy officials said they've reached their Renewable Portfolio Standard goal, the state's renewable energy requirement, to hit 50% by 2030. "This project is emblematic of our commitment to meeting our customers' unique energy needs and identifying an innovative path forward to meet those needs," said Doug Cannon, NV Energy President and CEO. To receive LEED certification, venues and facilities earn points by adhering to standards that address carbon, energy, water, waste, transportation, materials, health and indoor environmental quality. According to the U.S. Green Building Council, there are over 100 LEED Gold certified buildings in Nevada, including Allegiant Stadium, which was LEED Gold certified in July. (Jarah Wright/KTNV Las Vegas 13)

### WYOMNING News

Rocky Mountain Power officials took the stand here Wednesday to defend the company's proposed \$140.2 million rate hike — a 21.6% increase that's sparked fear and outrage among its 144,000 customers in Wyoming. The hike would come on top of a 7.6%, \$50.2 million "fuel cost adjustment," resulting in a cumulative 29.2% rate increase beginning in January. That would inflate the average monthly household electric bill by approximately \$19.94, according to the company.

For the first time since the company filed its request in April, the Wyoming Public Service Commission and five intervening parties in the case have begun formally scrutinizing the utility's justifications for the historic rate hike. In contrast to multiple, lively public comment hearings conducted by the commission in recent months — which included standing-room only attendance on occasion — the hearing room mostly consisted of representatives of parties involved in the formal hearing. The mood was all business. After more than two hours of opening statements Wednesday, the hearing shifted to formal testimony with Rocky Mountain Power President and CEO Gary Hoogeveen the first to face cross-examination.

The financial implications of a 29.2% electric rate increase for households, businesses and core members of Wyoming's oil, gas and trona industries are not lost on Rocky Mountain Power — the largest regulated utility in the state and a division of billionaire Warren Buffet's PacifiCorp, Hoogeveen said in his opening statement. "The company understands and empathizes with its customers impacted by increasing rates, and we take that customer impact very seriously," said Hoogeveen.

Multiple factors outside the utility's control — world events and weather influences on coal and natural gas markets, inflation, and ever-changing environmental policies — have driven costs upward, said Hoogeveen. However, the company's renewable energy additions, along with federal tax credits attached to the investments, helped forgo an even larger rate increase request — by about \$85 million. "As a result of [Rocky Mountain Power's] efforts, the company's rates are lower as compared to other investor-owned utilities," Hoogeveen said. Still, the company's efforts to maintain "just and reasonable" rates amid the complexities and changing nature of the electric utility landscape hasn't made the prospect of a 29.2% rate hike palatable to its Wyoming customers or their elected representatives.

Commission Chair Mary Throne's first questions for Hoogeveen referred to the widespread angst among thousands of Rocky Mountain Power's customers who attended the commission's five public comment hearings in four towns in recent months, and the unusually large number of written comments detailing the hardships many might face. It was the commission, not Rocky Mountain Power executives, Throne alluded, that faced the brunt of that anger. On Thursday, Throne continued questioning Rocky Mountain Power officials about customer outreach and the hardships they might face if the commission were to grant the company's full request.

Upon filing the rate hike request in April, the company reached out directly to its largest Wyoming customers — which includes a coalition of oil, natural gas and trona producers and refiners — as well as city councils and other local

governments, Rocky Mountain Power Vice President of Regulation Joelle R. Steward testified. The company, however, did not conduct public, informational meetings itself, she said.

Steward agreed that though Rocky Mountain Power does have voluntary energy efficiency programs and mechanisms to allow for hardship payment schedules, the company commonly refers those in need to various nonprofit and government energy assistance programs. Throne also established with Steward that the Wyoming Low-Income Energy Assistance Program, the state's primary resource for those in need of home energy cost assistance, currently does not receive funding from the state. Asked whether Rocky Mountain Power has advocated for state funding for Wyoming LIEAP, Steward said the company would consider it in the future. (Dustin Bleizeffer/WyoFile)

# **OREGON NEWS**

# Hannah Dondy-Kaplan

# DoD working group on offshore wind

Last week the Department of Defense hosted a day-long meeting at Joint Base Lewis-McChord, focusing on the future of offshore wind development in Oregon and Washington. The meeting, called the "NW DoD Regional Coordination Team Working Session" seeks to share information about emerging offshore wind technology, policy, or issues that come up in Oregon and Washington between DoD, state, and local agencies. Participants from BPA included transmission and government affairs. Highlights from this meeting were hearing about the NW Transmission study that DOE and PNNL are working on (BPA is a participant in that working group), and discussions related to other transmission barriers. The DoD also shared information on their barriers to offshore wind development, including significant space for both sea and air vessels.

# Oregon Municipal Electric Cooperative Association annual eeting

Last week OMEU held its annual meeting in Hood River, attended by several power and transmission AEs, as well as government affairs. John Hairston gave closing remarks, highlighting the myriad of projects and issues we're facing as an agency. Some other BPA partners who spoke about their current focus and efforts included Scott Simms from PPC and Kurt Miller from NW River Partners.

# WEST COAST NEWS

# Doug Marker

# Launch committee established for independent market entity

Supporters of the Pathways initiative announced they have formed an initial Launch Committee. Pathways is the initiative of Western state utility regulators to create an independent entity capable of administering the California ISO's market services. The goal of the Launch Committee is to seat an independent board for the new entity by March 2024 and establish the entity itself by April 2024.

The Launch Committee has 26 participants representing 12 sectors of electric industry and policy perspectives. We are not participating, having commented that we are focusing our staff time and resources on our current market and system integration efforts pending more assurance of the viability of the Pathways concept under California law. The Western Area Power Administration is participating.

In a public discussion last Friday, supporters identified three work streams for the Launch Committee, including focus on the legal issues for establishing an independent regional entity. The internal markets governance team will continue to monitor the initiative and report back through our internal Regional Market Evaluation core team and sponsors.

# California PUC says it will take another year for decision on closing Aliso Canyon gas storage

This past Monday marked eight years since the methane gas leak at the Aliso Canyon natural gas storage field near Los Angeles. The leak caused the evacuation of neighboring communities and led the state legislature to direct the California Public Utilities Commission to determine whether the West's largest gas storage site should be closed. On Monday, the

CPUC said it will take another year to make that determination. The CPUC says it needs more time for a "thoughtful plan and process." In August, the CPUC allowed additional storage capacity to be used at the facility for this winter, anticipating the need for gas resources after shortages last year drove up gas and electricity prices.

# California website tracks growth in energy storage

Governor Gavin Newsom's office announced this week that the total of electricity storage in the state has reached over 6,600 megawatts. This is significant growth from the 500 megawatts that was in place five years ago, and represents 13 percent of what the state estimates is needed to meet its net-zero carbon emissions goal in 2045. The California Energy Commissioned a storage tracker website showing the location and size of storage around the state, and the distribution among residential, commercial, and utility facilities.

# And this is why we protect PII

One of the spookiest places in San Francisco is Buena Vista Park, on a hill above the Haight Ashbury neighborhood. Over the years there are reports of spectral sightings and mysterious cries in the night. And for good reason. The very



retaining walls and drainage gutters of the park were built from tombstones abandoned in the clearances of the City's cemeteries a century ago. Back then, San Francisco decided that all the cemeteries in the city limits were to be moved and relocated to the sprawling new site in Colma, south of the city limits. Those graves with surviving families were relocated into new plots. Those with no traceable survivors were moved into a mass burial site, leaving tombstones that the builders of Buena Vista Park saw use for in their landscaping. While workers took some care to keep the tombstones face down, some mistakes always happen, and today visitors to the park can find the remnants of engraved memorials greeting them from the sides of the park paths.

Happy Halloween, everyone!

# MONTANA & BC NEWS

# Kate Wilson

### Montana - Energy, Transmission & Politics

- The Montana Public Service Commission took final public comment, discussed, and ultimately voted unanimously to approve NorthWestern Energy's (NWE) proposed 28% rate increase on Wednesday. The PSC's decision favored the "settlement agreement" that was reached by 4/10 interveners in the case, which included the Montana Consumer Council, large consumers, and federal executive agencies. The settlement was notably not supported by Renewable Northwest, NWEC, the Human Resource Council, the Montana Environmental Information Center, or 350 Montana. Public comment at the PSC meeting was unilaterally opposed to the rate increase, citing a poorly managed company, being out of step with carbon policies in the energy industry, and "rubber stamping" all NWE requests for rate increases without a thorough vetting. The last NWE rate increase for electricity granted by the PSC was in 2018, and in 2015 for natural gas. More information here.
- Montana, along with 30 other regions, received the title of "Regional Tech Hub," enabling the state to compete for millions in competitive funding via the CHIPS and Science Act. The hub will be represented by Headwaters Tech Hub, which was awarded \$50k. "Innovation can happen in any corner of America, which is why I've led the push to bring a Regional Tech Hub to Montana," Senator Tester said. "Today's designation affirms what Montanans across our state already know to be true: there is untapped potential in rural America, and the Treasure State is ready to lead the nation in strengthening American security through domestic manufacturing and innovation. I'm proud to have led the charge to secure this competitive designation that will unlock new private and federal investments to turbocharge Montana's economy, small businesses, and academic institutions."

- A Montana-focused energy conference, "Unpacking Montana's Natural Resources" was held Oct 27 in Butte, attended by the Montana CAE. Speakers included the State Energy Office, legislators, Idaho National Lab, Missoula County, MT Dept. of Commerce, and many from the private sector. Topics included an overview of energy in MT, the regulatory environment, coal to hydrogen, rare earth elements, clean energy technology, partnerships, pumped storage, and financing options.
- Missoula Electric Co-op was awarded a \$2.7M federal grant (BLS, Dept. of Energy) for grid modernization for
  resilience and wildfire safety. The project will modernize MEC's power grid with an intelligent network of highvoltage overcurrent remotely operated devices. MEC's service territory in Montana and Idaho is considered
  high-risk for catastrophic wildfire. However, once complete, the project will use real-time and forecasted data to
  enhance operational decision-making and mitigate the impact of potential wildfires.
- Hydrodynamics Inc. was also awarded federal Dept. of Energy BILS funds to boost hydropower generation at facilities in Bridger and Philipsburg. There are <u>several awardees within the Columbia River Basin</u>.
- Montana Public Service Commissioner Randy Pinocci was arrested yet again (the second time in two months),
  this time charged on two felony witness tampering charges related to his previous arrest. Deputies allege that
  he attempted to withhold the security deposit of a tenant who had testified against him in a misdemeanor
  disorderly conduct case earlier this summer, demanding that she recant her testimony.
- Brad Johnson, former chair for the Montana Public Service Commission and Secretary of State, announced this
  week that he will run for US Senate on the Republican ticket for Tester's seat.

### Montana - Water, Weather & Fisheries

- First snowfall of the season hits Montana this week! "While much of the Northern High Plains and Northern Rockies are awash in the colors of autumn leaves, parts of the region have turned white as the season's first major snowstorm arrives."
- The USFWS have awarded \$900k for culvert replacement and dam removal planned in four MT counties, intended to reopen fish passage to 66 miles of stream. The funds are part of the \$36M "Investing in America Initiative."

# British Columbia - Energy/Water

- Over the past several months, BC Hydro has engaged with First Nation partners and industry stakeholders
  convened in a <u>task force</u>, on key elements of a **call for clean or renewable power resources**, which will be
  launched in the spring. Recommendations of the task force include targeted actions focused on accelerating the
  planned acquisition of new clean or renewable energy resources.
- The water level at Arrow Lakes, a storage reservoir managed under the CRT dropped 40 feet between May and August, the lowest since the 1970s, affecting tourism, recreation, fish and wildlife, exposing debris and causing dust storms, according to residents who attended an Oct 18<sup>th</sup> virtual meeting. Officials from Canada and the province of BC detailed efforts to negotiate a modernized treaty that will include "greater flexibility for Canada to manage its own reservoirs and prevent the future prospect of losing a popular lake in the height of the summer season." The power provisions alone allow for the management of 15.5 million acre-feet of water. The US then delivers half of the projected power to BC as the Canadian Entitlement, typically between \$150-200M, and \$420M last year. "It belongs to B.C., not BC Hydro, and not Columbia Basin Trust," said Kathy Eichenberger, BC lead for the negotiation. "The power can either be sold to BC Hydro or sold on the market."
- The publicly funded Site C hydroelectric project, initiated in 2015 in the Peace River region of northern BC, continues today amidst many challenges including very harsh winters, going well over budget, rising costs of equipment and supplies, a temporary city built for workers, encroaching wildfires, and mixed support in the community. The project has also suffered from a bit of scandal this year, whereby BC Hydro admitted to failing to disclose more than \$128M in contracts awarded without competition despite being legally required to release the information through freedom of information legislation, in addition to the \$430M spend on controversial sole-source contracts. In addition, the lead contractor was fined \$1M for releasing contaminated wastewater into the river. Final costs for the 1.1GW project are projected to be \$16B, which will be paid by BC ratepayers once the plant comes online. Crews work 24/7, which is slated to be fully operational in 2025.



\*Site C Hydroelectric Project winter construction in northern BC.

• The BC Government is proposing amendments to the Zero-Emission Vehicles Act that would help increase access and choice for potential buyers, and increase funding available for expanding the charging network. The BC Government has announced \$2.9M to mitigate impacts associated with climate-related disasters. The projects will address disaster risk reduction, climate adaptation and how resilience can be further supported in BC. The findings will help inform the province's disaster and climate risk and resilience assessments, the first of which will evaluate the risks posed on a provincial scale by earthquakes, floods, wildfires, extreme heat and drought. Further in-depth regional assessments will begin in 2024.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

### Troy Wright (CONTR)

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 From:
 Wright,Troy S (CONTR) - AIR-7

 Sent:
 Monday, July 31, 2023 1:43 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Monday, July 31, 2023

Hello everyone-

Delivering this to you a bit later than usual. Below is the Regional Relations Report for Monday, July 31, 2023.

Have a terrific week!

IDAHO NEWS John Williams

The Idaho Water Resource Board on Friday approved nine regional water sustainability projects statewide for a total of \$59.4 million at its regular board meeting in Moscow

The regional projects were funded with federal American Rescue Plan Act (ARPA) monies and state surplus funds allocated to the Board by Gov. Little as part of his Leading Idaho initiative and the Idaho Legislature. The selected projects were the first recipients drawn from Board's Regional Water Sustainability Projects Priority List, which helps guide spending for large, regional water sustainability projects. In January 2022, the Board adopted threshold criteria indicating that for a project to be included on the Regional Water Sustainability Priority List, it must "help achieve water supply sustainability on a regional, basin-wide, or statewide basis." The priority list has been further refined in the last year to include projects that are shovel-ready and meet the Board's criteria for funding.

In other action, the Board:

- Approved \$1.79M to support the Board's statewide cloud seeding efforts. The funds will be used for weather modeling
  and the necessary computer support, additional weather radar resources, testing propane as an alternative cloudseeding agent, and more.
- Approved \$1.79M for the Board's Collaborative Cloud Seeding Program with Idaho Power Co. and water users. The funds will be used for weather modeling, super-powered computer time, additional weather radar resources, testing propane as an alternative cloud-seeding agent, and more.
- Approved \$500,000 for construction management services to oversee the completion of the Priest Lake Outlet Dam project. Completion of construction is expected to occur in 2024.
- Approved a \$87,000 loan to the Pinehurst Water District. The Board approved a 10-year loan at an 8 percent interest rate.

This week, Senator Jim Risch (R-Idaho) and Jason Mercier, vice president and director of research for the Mountain States Policy Center, wrote an op-ed in support of the Snake River dams, pointing to the importance of hydropower in the region and the critical role the dams play in Idaho's economy

Select excerpts from the piece are below and the entirety of the article is available here.

"As a U.S. senator and the leader of an independent free-market research organization, we are unified in our effort to protect the Snake River dams and maintain their economic and environmental benefits for our region. Beyond us, there is strong, widespread support for the dams, including from Idaho officials and trade groups. The Idaho Farm Bureau Federation is on record, having written that the dams 'produce a significant amount of affordable and environmentally friendly hydroelectric power to the region' while allowing farmers to "export their product to the world. Additionally, the Idaho Legislature passed a resolution in 2021, stating it 'supports the international competitiveness, multi-modal transportation, and economic development benefits provided by the Port of Lewiston and the Columbia-Snake River System."

"Look at the result of the only comprehensive, scientific, and public process: the Columbia River System Operations Record of Decision. This multi-year process, which was undertaken by both a Democrat and Republican administration, made one thing abundantly clear: dam breaching on the lower Snake River is completely unnecessary and unwarranted. Moreover, there is one salient point that is often overlooked in the debate about the Snake River dams: Congress authorized these dams, and only Congress has the power to remove them."

"The Northwest Energy Security Act, which I, Sen. Risch, introduced with Sen. Steve Daines, R-Montana, and Mike Crapo, R-Idaho, and U.S. Reps. Dan Newhouse, R-Washington, Cathy McMorris Rodgers, R-Washington, and Russ Fulcher, R-Idaho, is a key part of this effort. While the lower Snake River dams are congressionally protected, our bill goes one step further by explicitly securing the energy, transportation, agriculture, and irrigation benefits the dams provide."

"Protecting the Snake River dams and other federal water infrastructure is pivotal to both Washington and Idaho.
Together we'll remain dam strong for the benefit of our region."

Idaho researchers will receive \$24 million for a new research project on the impact of changes in climate, population and technology on energy and water use in Idaho

The funding comes through a \$20 million five-year award from the National Science Foundation (NSF) Established Program to Stimulate Competitive Research (EPSCoR), with the state contributing an additional \$4 million.

Researchers from University of Idaho, Boise State University, Idaho State University, the Coeur d'Alene Tribe, and the Shoshone Bannock Tribes are leading the award in collaboration with utility companies, state and federal government agencies, and Idaho cities and counties. Researchers will work to identify energy and water use strategies that will be resilient to Idaho's changing needs, based on ongoing feedback from communities.

"This project is necessary right now because the intersection of water and energy issues is critical to Idaho's people, industries and livelihoods," said Idaho EPSCoR Director <u>Andrew Kliskey</u>, who is the research project principal investigator and a U of I professor. "It demonstrates big picture, use-inspired, science-informed approaches."

The project is titled Idaho Community-Engaged Resilience for Energy-Water Systems (I-CREWS). (UI news)

NV Energy released details this month of the fifth amendment to the company's 2021 Integrated Resource Plan (IRP)
The company will file the amendment with the Public Utilities Commission of Nevada (PUCN) for consideration at the end of the month. The amendment advances the company's commitment to retire its final coal generation plant by the end of 2025 and proposes new in-state renewable resources to improve reliability and resource adequacy for customers.

The amendment includes converting the existing coal-fueled plant at the North Valmy Generating Station – the lone coal plant in NV Energy's portfolio – to a cleaner natural gas-fueled plant.

The North Valmy Generating Station – located in northern Nevada near Battle Mountain – is a critical generating plant that is necessary to provide reliable power for northern Nevada customers. Refueling the North Valmy Generating Station with natural gas allows NV Energy to reduce carbon emissions by almost 50% through the elimination of coal while ensuring the company has a facility in that part of the state that can operate around the clock to meet the energy needs of our customers.

"The amendment reflects the best path forward to balance the stability and reliability of our energy grid while working toward the goal of reducing carbon emissions. By eliminating coal from the NV Energy system, we are continuing to deliver on the commitment to reduce carbon emissions for Nevada," said NV Energy President and CEO Doug Cannon. "NV Energy carefully analyzed several options for the North Valmy location to find a balanced solution that took into account reliability, affordability, and sustainability. Serving Nevada's rural customers is a critical priority, and the proposed option delivers a reliable and cost-effective option to serve a more remote location that also reduces carbon emissions to respond appropriately to the region's energy demands."

Additionally, the amendment includes the purchase, installation, and operation of a company-owned 400-megawatt solar plant along with a 400-megawatt, four-hour battery storage system in Northern Nevada. The solar facility and associated storage will provide critical renewable generation to offset the loss of other renewable energy projects that are now not being developed. NV Energy worked diligently with the developers of each project to find a path forward to deliver renewable solutions as previously approved by the PUCN, but the projects have been pulled from development.

NV Energy is seeking approval for additional transmission infrastructure to support continued growth in the state, including in the Apex area in the city of North Las Vegas. NV Energy evaluated multiple resource options as part of its planning process to address the energy needs of Nevada in a cost-effective and sustainable way. This amendment ensures NV Energy remains well on track to meet the state's renewable portfolio requirement of 50 percent by 2030 and 100 percent by 2050 while ensuring customers have safe, affordable, and reliable power year-round. (NV Energy news)

### As solar harvesting booms in Nevada, conservationists call for a state-specific development plan

With nearly 100 solar plant applications pending in Nevada, conservationists worry there isn't an updated management plan specifically guiding utility-scale solar development in the Silver State.

"We are about to see another energy industrial revolution, and Nevada is at the center of that," said Jaina Moan, Nevada external affairs director for the Nature Conservancy. "But there's no one master plan to guide all of this development."

There are 96 pending solar plant applications across the state, with 51 in Southern Nevada, according to Greg Helseth, renewable energy branch chief at the Nevada state office of the Bureau of Land Management.

The push for more solar comes from state and federal clean energy initiatives.

In 2019, the Nevada Legislature passed <u>Senate Bill 358</u>, updating the state's renewable energy portfolio standard by requiring the state to generate 50 percent of its electricity from renewable resources by 2030 and be carbon neutral by 2050. The following year, Congress directed the permitting of 25 gigawatts of solar, wind and geothermal production on

public lands by 2025 in the Energy Act of 2020. Nationally, the BLM has permitted solar projects totaling 9 gigawatts, but only 4 gigawatts are in operation.

The Biden administration's goal of a carbon pollution-free power sector by 2035 has "prioritized the BLM's attention to improving the permitting process to <u>facilitate responsible renewable energy deployment</u> on public lands," according to the agency.

The Department of Interior, which oversees the BLM, announced earlier this year it was building off the Energy Act of 2020 and streamlining the application process for solar projects. The effort reduces fees by about 80 percent and delivers "greater certainty for the private sector." (Amy Alonzo/The Nevada Independent)

For the full article: As solar harvesting booms in Nevada, conservationists call for a state-specific development plan – The Nevada Independent

# **OREGON NEWS**

# Hannah Dondy-Kaplan

### **News from our Senators**

The Federal Energy Regulatory Commission (FERC) delayed a vote on allowing permitting for the Gas Transmission Northwest Express pipeline (GTN Express) to pass through Idaho, Washington, and Oregon, from Canada. Oregon Senators Wyden and Merkley sent letters opposing the pipeline, as did several environmental groups. They argued against the pipeline on the basis that it will not be needed since Oregonians are relying less on fossil-fuels, and that number need to decrease by 2040 as per the clean energy policy in the state (100% renewable by 2040). The letter includes: "GTN Xpress is a significant fossil fuel expansion at a time when Oregon and Washington are moving away from fossil fuels. GTN Xpress is simply incompatible with the laws of the states of Oregon and Washington. At the same time, TC Energy has failed to show that there is adequate need for the GTN Xpress. We urge you to find that GTN Xpress is not in the public interest, and to deny the application".

### Politics more locally

Fundraising and campaigns are starting to ramp up for Oregon's 5<sup>th</sup> district, which is currently held by Lori Chavez-DeRemer, a Republican, who is in her first term, even though filing isn't until September. Some names that may be familiar who are gearing up for the democratic primary: Jamie McLeod-Skinner, who lost to Chavez-DeRemer in the last election by just 2%, and Lynn Peterson, who is now the chair of the Metro Council based in Portland. Janelle Bynum, currently in her third term as a state representative, will also likely run. WEST COAST NEWS Doug Marker

# Western state energy leaders discuss proposal for independent market entity

The Committee on Regional Electric Power Coordination (CREPC), the organization of western state utility regulators and state energy offices, held a special summer webinar this week. The agenda included the first public discussion of the <u>proposal by five states</u> to form a new independent entity to provide wholesale market services. The proposal was released two weeks ago, and signatories said it had been a very quick process to this point and they assured other state representatives they intend to include broader representation.

Commissioner Mark Thompson of Oregon spoke for the proposal. He said that the objective is to preserve the opportunity for a unified market in the West. He is motivated by the loss of value to consumers if the West has two markets and there are "seams" between their operations. He also expressed concern that utilities are "choosing sides" for market platforms without clear criteria for their selections or grounding their decisions in the value for their consumers.

California Public Utility Commission President Alice Reynolds said she envisions that the California ISO could join the independent entity. In this way, she said, Western market regionalization could advance under the independent entity, and not under a California authority.

There were at least two imperatives in the brief discussion. The first is to include more of the Western states in the development of the proposal and also to include utilities and other interested parties. The second is to determine staffing, funding, and next steps to develop the proposal. The July 14 letter set the objective to have the independent entity defined by the beginning of 2024.

# California Community Choice Aggregators challenge CPUC penalties for resource adequacy deficiencies

Community Choice Aggregators (CCAs) provide retail electricity service in 25 cities in counties in investor-owned utility service areas. A battle over resource adequacy procurement is testing the relationship of California's community choice aggregators (CCAs) with the California Public Utility Commission.

Earlier this month, the CPUC ordered restrictions on service expansion for two California CCAs who had failed to procure the amounts of resource adequacy assigned by the CPUC. The CCAs contend that, as self-governed public entities, they are not subject to such authority of the CPUC. They further argue that the CPUC's assignment of resource adequacy requirements is unfair because incumbent IOUs have legacy resources to meet their obligations forcing the CCAs to compete for higher cost resource adequacy contracts on the market, effectively shifting costs from the IOUs to the CCAs. This week, the California CCA Association requested the CPUC rehear its decision, a step further to testing the CPUC's authority and potentially the CPUC's resource adequacy program design.

### The Beach Boys "Otter" Write A Song About This

In recent weeks, a surfing otter has kept California media attention riveted to its escapades off the coast of Santa

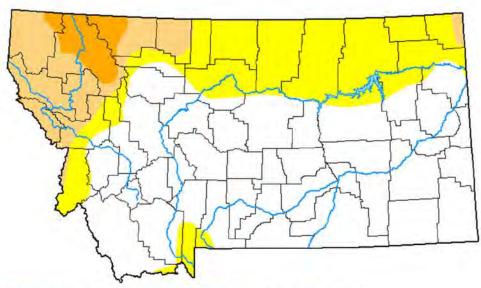


Cruz. Designated as "Otter 841" by state wildlife officials, the otter has been filmed climbing aboard surfboards for short rides. 841 is also accused of biting sea kayaks and other acts of nuisance. Being inappropriate behavior for marine mammals, state agency staff have been trying to capture the otter, but as of this week, it had still eluded capture. Defenders of the otter are calling for its freedom. "She ruined some surfboards," one protester wrote, "she didn't steal bread in 19<sup>th</sup>-century.

MONTANA NEWS Kate Wilson

The Flathead County Commissioners sent a letter to Gov. Gianforte this week, requesting a Disaster Declaration related to the dropping level of Flathead Lake and impacts to irrigation and local businesses/marinas. Gov Gianforte's office is currently reviewing the request in coordination with Montana Disaster and Emergency Services. Since there is already a statewide disaster declaration for drought, the governor's office is still waiting to make the decision on proceeding with a subsequent Disaster Declaration for the Flathead Lake water levels. While there wouldn't likely be any direct support, an emergency declaration could free up financial assistance (e.g., low interest loans or grants) for business owners affected by historic low water levels in the Flathead Valley; Rosendale is latest federal delegate to ask for Hungry Horse Reservoir release. County Commissioners Seek Disaster Declaration to Offset Economic Losses on Flathead Lake - Flathead Beacon; Flathead County seeks Disaster Declaration from Gov. Gianforte due to low water levels | ABC Fox Kalispell | montanarightnow.com; Flathead Lake's low water level prompts disaster declaration request | Daily Inter Lake

- Commissioners say in the letter that, in the past, the impact during similar low-flow spring runoffs has been managed by increasing flows from the Hungry Horse Dam Reservoir but state "recent changes to the Federal Management Plan were made without notification to local government or private entities." Emergency declaration sought over low Flathead Lake water levels (kpax.com)
- o RE: TMT Discussion in media "Members of the teams voiced concerns about the opinion from team experts that the proposed releases might not get Flathead Lake where the governor and county commissioners want it to be, impacts to protected bull trout in the Flathead River from bumping water levels again, as well as worries that in an El Niño year, Hungry Horse might not be able to refill after next winter, which would also impact flows downstream from Montana. Some members also said they felt somewhat rushed into action last week by Montana's request, and Montana's representatives for the team objected to the proposal as well. None of the team members voted in favor of the plan." Montana sees climate pressure on waterways amid warmest global temperatures in decades | Environment | bozemandailychronicle.com
- Water data disproves human error theory of lake levels (missoulian.com)
- Good overview of local issues/concerns with quotes from business owners and EKI. "It's still a beautiful lake, I don't think we lose that. But I think we may lose this luxury of having the lake a full pool through the entirety of the summer –a luxury that's been afforded to us since the dam was built." (Brian Lipscomb, CEO of Energy Keepers, Inc.) Lowering Montana lake stresses tourism, energy production (abc15.com)
- Montana Technological University, Montana Resources, and Butte-Silver Bow County have passed the first
  hurdle in pursuing a Department of Energy grant that would deliver 63 megawatts of solar power to the
  university, the Montana Resources' Continental Mine, and buildings within the Butte community via solar
  power. In addition to providing clean energy, the project would be used as an example of how abandoned and
  operating mine lands can be repurposed for green energy development. 63-megawatt solar power facility
  proposed for Butte | KECI (nbcmontana.com)
- With above-average temperatures expected to continue into August, exacerbating the "severe drought" seen in parts of western Montana, state and local officials are announcing new restrictions to protect fish and prevent wildfires. The new rules come as Gov. Gianforte Tuesday asked the federal government to declare a "drought disaster" in 11 counties, freeing up federal funding to aid communities, especially in agricultural areas. Those included in the request are Flathead, Lincoln, Glacier, Toole, Sanders, Lake, Pondera, Mineral, Missoula, Ravalli and Sheridan counties. Fishing and fire restrictions begin in western Montana as drought drags on (montanafreepress.org)
- Historically low flows in the Flathead River (1/3 of normal in some areas) could lead to full fishing closures. For
  now, FWP is asking anglers to consider voluntarily limiting their fishing to morning hours, and handling fish with
  care. FWP warns of possible fishing closures in NW Montana; restrictions added on Big Hole, Ruby rivers Daily
  Montanan
  - Current Waterbody Restrictions | Montana FWP (mt.gov)



\*Montana current drought conditions. Photo: National Drought Mitigation Center

- Firefighters respond to Kalispell garage fire, possible power outage | KECI (nbcmontana.com)
- As a heat wave brought temperatures as high as 102 degrees to parts of western Montana over the weekend, the state's summer fire season kicked off with two lightning-caused wildfires that quickly gained steam – the Colt and Bowles Creek Fires. Montana's 2023 wildfire season begins (montanafreepress.org)



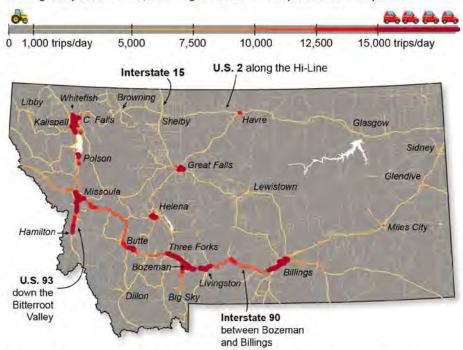
\*Aviation resources work to contain the Colt Fire, 15 miles west of Seeley Lake. Photo: John Adams (MTFP)

- BNSF Railway is seeking a judicial review of the Surface Transportation Board's preliminary injunction that
  orders the railroad to haul more export coal from a Montana mine to tidewater in British Columbia. The
  railroad says the board's requirement to handle an additional million tons of coal was in error and asked for a
  partial stay of the STB's preliminary injunction. BNSF appeals STB decision ordering railroad to haul more coal for
  Montana mining company Trains
- Montana Senator Steve Daines, the head of the Republican Senate campaign arm, made it clear he plans to pick
  and choose where to put National Republican Senatorial Committee's influence and support in trying to win
  back the Senate in 2024. It's a departure from the approach taken by Florida Senator Rick Scott, the last chair of
  the NRSC, who followed a strict committee policy to stay out of primaries. The 2022 midterm election results

- disappointed Republicans, who failed to capture the majority, in part due to "candidate quality" or farther-right candidates winning their primaries but not the general election. <u>GOP Senate campaign chair Steve Daines plans</u> to focus on getting "quality" candidates for 2024 primaries CBS News
- And some interesting tidbits on MT transportation routes! I-90, the east-west route that stretches across the
  nation from Seattle to Boston, sees heavy traffic as it crosses Montana, especially from Missoula through
  Billings. West of Bozeman, between Belgrade and Manhattan, for example, I-90 sees about 19,000 vehicle trips a
  day. I-15, which runs from the Canadian border through MT en route to southern California, is, by comparison,
  lightly trafficked on its Montana traverse. What are Montana's busiest highways? (montanafreepress.org)

# How highways tie Montana together

Average daily vehicle traffic, according to the Montana Department of Transportation.



Data: MDT 2022 Annual Average Daily Traffic statistics. Graphic: Eric Dietrich / MTFP

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

# Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7

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From: Wright, Troy S (CONTR) - AIR-7

Sent: Friday, February 10, 2023 3:43 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, February 10, 2023
Attachments: 2023,0210\_Regional Relations Weekly Report..docx

Hello everyone-

Attached is the Regional Relations Report for Friday, February 10, 2023.

# Public Interest Organizations Josh Warner

# Continued Push on Administration to Include Breaching

In a continued push to influence the Biden Administration, the Idaho Conservation League's Mitch Cutter, posted a blog encouraging advocates to reach out to the Administration. The ask is to encourage the Administration to include breaching the lower Snake River dams as part of a durable long-term strategy to restore salmon and other native fish populations to healthy and abundant levels. Cutter points to the recent NOAA report that, among other things, says that to make progress towards healthy and harvestable abundances of salmon and steelhead, "a centerpiece action is restoring the lower Snake River via dam breaching."

# Idaho News John Williams

# Fish and Game Commission names Jim Fredericks as new director of Idaho Fish and Game

The Idaho Fish and Game Commission on Tuesday announced Jim Fredericks as the new Department of Fish and Game director, a former fisheries bureau chief who has served as a deputy director since 2021. Jim Fredericks is a longtime Idahoan who has spent his entire career with the agency, officials said in a news release. He will take over as director on Feb. 19 when the current director, Ed Schriever, retires. Schriever announced his plans for retirement in late 2022. As Schriever retires from F&G, he takes on a new appointment as Idaho's new Power Council Member, replacing the retiring Jim Yost.

Fredericks grew up in Moscow and earned his bachelor's in psychology and master's in fishery resources from the University of Idaho. He began working at Idaho Fish and Game in 1994 as a fisheries research biologist. Since then, he has served as a regional fisheries manager and became head of the agency's fisheries bureau in 2015. In 2021, he was named Fish and Game's deputy director tasked with overseeing operations. Fredericks will oversee more than 500 full-time employees and manage Fish and Game's \$150 million annual budget. (F&G press release)

### Idaho Elected Officials Raise Concerns about Lava Ridge Wind Farm Proposed in South-Central Idaho

Governor Brad Little, Lt. Governor Scott Bedke, U.S. Senator Mike Crapo, U.S. Senator Jim Risch, and Congressman Mike Simpson jointly communicated deep concerns to Idaho's head of the federal Bureau of Land Management (BLM) about the Lava Ridge wind farm proposed in south-central Idaho. In a letter to Karen Kelleher, Idaho State Director for the BLM, the Idaho elected officials reiterated the lack of community support for the project.

"Idahoans cherish the concept of multiple and mixed uses on their public lands. This requires conservation, predictability of use and, most importantly, support from the local communities. These deep-rooted values are compromised by a piecemeal approach to large-scale generation projects on

public lands. Dedicating hundreds of square miles of public lands to a specific use will have a long-term effect on recreation, grazing, sporting uses and the land in general," they said.

"Affected farmers, ranchers, tribes, the Japanese American community, and sportsmen have voiced legitimate objections. As it stands today, the local community predominantly has not shown support for this development," they continued.

The Idaho leaders also pointed to concerns that the project compromises fire suppression and sage-grouse habitat and potentially could impact existing electricity customers and the integrated resource plans of Idaho utilities. They said project construction could damage transportation infrastructure and may impact the availability of labor and construction materials for other projects in the area. "We urge the BLM to reassess and refocus the process on working with the local communities to address the concerns outlined above," they wrote. "If all of these concerns are not addressed, it is unlikely we will be able to support this project moving forward."

Read the full letter from Little, Bedke, Crapo, Risch, and Simpson here: https://gov.idaho.gov/wp-content/uploads/2023/02/02.06.2023-Joint-Little-Bedke-Crapo-Risch-Simpson-letter-Lava-Ridge\_final.pdf (Governor Little's Press Release)

# Idaho, Nevada, Utah, and Wyoming Legislation Bills of interest

### Idaho Legislation

House Bill 96 – This bill amends the Idaho Energy Resources Authority (IERA) Act by removing definitions of "renewable energy" and "renewable energy generation projects," replacing those terms with definitions of "clean energy" and "clean energy generation projects." The new definition of clean energy carries over the old renewable energy definition that included water/hydro, geothermal, wind, solar, and biogas, while adding nuclear, hydrogen, energy/battery storage, and other non-carbon emitting resources. Broadening these definitions signals Idaho's support behind research and development of emerging energy technologies, including advance nuclear energy, small modular reactors, hydrogen turbine generators, and energy storage systems.

Status: referred to Environment, Energy & Technology Committee on 2/8

<u>Note</u>: the IERA Act was passed in part to help BPA's customers build generation resources (Tier 2 resources) and transmission. IERA has also been used for BPA's third-party financing.

**House Joint Memorial 1** – The purpose of this memorial is to authorize the Idaho and Oregon Legislatures to begin official discussions on whether it is feasible to move the Idaho border into Eastern Oregon.

Status: Referred to State Affairs on 2/2

# Nevada Legislation

Senate Bill 52 – Revises provisions relating to the standards for the design and construction of buildings or other projects of this State. (BDR 28-241). elating to public works; requiring the regulations adopted by the State Public Works Board of the State Public Works Division of the Department of Administration to establish standards for the efficient use of energy to include provisions for the purposes of achieving net-zero energy consumption and net-zero greenhouse gas emissions by buildings and other projects of this State where practicable; and providing other matters properly relating thereto. Specifically: (b) Standards for the efficient use of energy, including, without limitation, the use of sources of renewable energy [.], for the purposes of achieving net-zero energy consumption and net-zero greenhouse gas emissions where practicable.

Status: referred to Senate Committee on Governmental Affairs on 2/6

# **Utah Legislation**

**House Bill 389** – Renewable Energy Amendments. This bill would make changes to how utility-scale and distributed renewable energy systems are treated by an electric service plan of a major state electric utility. This bill also requires certain electric utility companies to prepare an electric service quality plan and creates a reporting requirement for the public utility commission to report to the Public Utilities Energy and Technology Interim Committee; makes changes to the state energy policy.

**Status:** in House Rules Committee 2/7

Note: I will contact WREC on any potential impact. WREC serves Wendover, Utah.

**House Bill 407** – Incentives Amendments. This bill would repeal the state production tax credit for wind and solar systems by Jan. 1, 2024. *Status*: in House Revenue and Taxation Committee 2/10

**House Bill 425** – Energy Security Amendments. This bill modifies the state energy policy to promote the state's energy independence by:

- Promoting the use of energy resources generated within the state
- Promoting the use of clean energy sources by considering the emissions of an energy resource throughout the entire life cycle of the energy resource; and
- Mandating that state agencies conduct activities consistent with the state energy policy; provides legislative
  findings; requires a qualified utility to inform the Office of the Attorney General when a proposed federal regulation
  would result in the early retirement of an electric generation facility; authorizes the Office of the Attorney General
  to take any action to defend a qualified utility facing a proposed federal regulation that would result in the early
  retirement of an electric generation facility; and makes technical changes

**Status:** in House Rules Committee 2/9

**House Bill 426** – Statewide Energy Policy Amendments. This bill makes changes to the Utah Energy Act. This bill: requires the Office of Energy Development to prepare a strategic energy plan; creates the Utah Energy Research Grant Program and gives the Office of Energy Development the authority to administer the grant program; and creates the Utah Energy Research Fund.

Status: in House Rules Committee 2/9

**Senate Bill 48** – Energy Producer States' Agreement Amendments. This bill directs the Legislature to participate in The Energy Council and provides for the appointment and duties of members. This bill: directs the Legislature to participate in The Energy Council; provides requirements for legislators appointed as members; addresses powers and duties for members; provides for compensation and expenses of members; requires the Office of Legislative Research and General Counsel to provide staff assistance to members as requested; modifies sunset provisions; removes a provision related to participation in the Energy Producing States Coalition; and makes technical changes.

The Legislature shall participate in and appoint members to The Energy Council, a nonpartisan legislative organization that provides a forum for legislators from energy producing states to discuss and collaborate on energy policy. *Status*: in House Public Utilities, Energy, and Technology Committee on 2/8

**Senate Bill 62** – Hydrogen Amendments. This bill directs the Department of Natural Resources to establish a hydrogen advisory council within the Office of Energy Development in relation to hydrogen issues. The advisory council would have 7-9 members from industry. Terms would be up to 4 years.

Status: passed the Senate 1/31 and House 2/8

There are several Bill Requests being considered:

- Concurrent Resolution Concerning Utah's Energy Policy
- Electric Energy Storage Amendments
- Energy Project Funding Amendments
- Low Income Utility Customer Grant Program
- Renewable Energy Projects Amendments
- Residential Solar Energy Amendments
- Utah Clean Energy Fund
- Utah Energy Act Amendments
- Wind Energy Facility Sting Amendments

### Wyoming Legislation

**Senate File 92** – Small customer electrical generation. An Act relating to net metering; revising how net metering compensation applies to small customer-generators that are first operational after a specified date; authorizing the public service commission to authorize a different calculation of net energy if energy is being subsidized by other

customers; making conforming changes; requiring rulemaking; repealing an obsolete provision; and providing for an effective date.

### **ADOPTED**

- "(c) Any cooperative electric utility that is exempt from retail rate regulation by the public service commission under chapter 17, title 37 of the Wyoming statutes shall not be subject to subsection (b) of this section and the board of directors of a cooperative electric utility shall, not later than April 1, 2024, adopt rates, terms and conditions to compensate small customer-generators that are first operational on or after July 1, 2024 and any cooperative electric utility shall comply with the following:
- (i) Give written notice to all of its member owners, not less than thirty (30) days prior to the effective date of the cooperative's initial rates, terms and conditions regarding compensation of small customer-generators and of the effective date of any subsequent change to the rates, terms and conditions, including procedures for the cooperative's member owners to comment on proposed rates;
- (ii) Rates, terms and conditions adopted by a cooperative electric utility in accordance with this subsection shall be filed with the commission; and
- (iii) Be subject to the complaint, investigation and resolution process pursuant to W.S. 37-17-104(d) and (e) regarding the rates, terms and conditions adopted by the board to compensate small customer-generators. Page 7-line 5 After "2024." insert "Any cooperative electric utility that is exempt from retail rate regulation by the public service commission under chapter 17, title 37 of the Wyoming statutes shall adopt rates, terms and conditions to compensate small customer-generators as provided in W.S. 37-16-105(c) not later than April 1, 2024." CASE *Status*: passed House and sent to the Senate 1/30

Senate File 142 – Carbon capture and sequestration. An Act relating to public utilities; providing requirements for the capture and use of carbon dioxide from coal-fired electric generation facilities; requiring public utilities to offer coal-fired electric generation facilities for sale for purposes of carbon capture for enhanced oil and gas recovery; specifying requirements for the sale of byproducts from carbon dioxide streams; specifying purposes; seeking to identify already incurred liabilities for decommissioning and cleanup of coal-fired electric generation facilities as specified; specifying intent for the reduction of waste of carbon dioxide; providing penalties for violations; providing definitions; making conforming amendments; requiring rulemaking; requiring studies; requiring reports; specifying applicability; and providing for an effective date.

Status: passed the Senate and sent to the House 2/8

<u>Note</u>: the Wyoming Senate recently passed a bill that supporters hope will save two Wyoming coal plants from closure, but some say it will ultimately be costly to Wyoming ratepayers. In essence, the bill makes it more difficult for public utilities to close their coal plants, and it further pushes utilities to install carbon capture technology to keep the plants active. Some see carbon capture as a way to meet climate goals, while still using coal. Dave Johnston in Glenrock is slated for closure by 2027 and Jim Bridger outside of Rock Springs will close by 2037. Both plants are operated by Rocky Mountain Power, which is the main opponent to the bill.

Richard Garlish, a Rocky Mountain Power vice president, said the company serves its customers first, which means dispatching the most reliable, least expensive electricity to customers. Garlish said this does not likely include carbon capture. He made the comparison of the coal plants to cars.

"We're not talking about putting mud flaps on a car, we're talking about putting a sophisticated turbocharger on a 50-year-old vehicle," Garlish said.

He said it is easily a billion-dollar project that will come at the cost to Wyoming ratepayers. Rocky Mountain Power serves six states, including Wyoming, and its costs to generate electricity are currently shared between all the customers. Garlish added that the other states will likely not be interested in bearing the burden of the accrued costs from the carbon capture project when there are other, cheaper forms of energy. Plus he said since it would be a Wyoming-specific law, it would fall on the shoulders of Wyoming ratepayers. (Caitlin Tan/ Wyoming Public Radio)

# Oregon News Hannah Dondy-Kaplan

# At the Capital

The Senate energy committees held hearings on a number of bills this week that would affect consumers and residents. These ranged from changing tax laws related to community solar and biomass projects to a bill that would make it easier to repair (or have the tools to repair) consumer electronics. The House had a work session similar to what the Senate received last week on the renewable hydrogen industry in order to assess their bill to "convene work group to examine, evaluate and develop statewide strategies to accelerate development of state renewable hydrogen industry" and held hearings on a number of transportation related bills.

# West Coast News Doug Marker

# California ISO Regionalization Legislation Introduced

A bill to allow the California ISO to become an independent regional entity was introduced in the California Assembly this week. Assembly Bill 538 would allow the CAISO Board of Governors to propose terms by which the CAISO would no longer be under California authority and be able to operate a regional transmission organization across the Western Interconnection. The CAISO Board's proposal would be reviewed by the California Energy Commission for the ability of participating California utilities to comply with state clean energy and reliability goals.

A coalition of California business and environmental organizations called "<u>Lights On California</u>" has formed to advocate for a regionalized CAISO. The next step for the legislation will be committee hearings in the Assembly in coming months. In the meantime, BPA filed <u>comments</u> last Friday with the CAISO on its draft report on the benefits of regionalization.

# **CAISO VP Talks Next Steps for Regionalization**

Stacey Crowley, CAISO Vice President for External Affairs, met with the PNUCC Board of Directors last Friday morning to discuss the completion of the report to the Legislature on regionalization. Crowley also described shifts in perspectives in California on regionalization since the 2018 legislative session when the last attempt for regionalization legislation was pulled from a vote on the closing night of the state Senate.

Crowley anticipated that new legislation would be introduced shortly, as happened this week. The CAISO is collecting comments on the draft report prepared by the National Renewable Energy Laboratory on existing studies of the benefits to California of regionalization. Comments were due last Friday. The CAISO will hold another public call before submitting the final report to the Legislature by February 28.

Crowley said that some constituencies who challenged the last regionalization bill may be more open this year. Federal incentives for renewable energy development may help acceptance from building trades unions who have been concerned about impacts to projects within California. California public power may be more open. Environmental justice groups may see promise for reducing emissions from energy generation near disadvantaged communities.

# State Leaders Press for Answers to High Natural Gas Prices

This week, California Governor Gavin Newsom asked the Federal Energy Regulatory Commission to investigate high natural gas prices that have hit home heating and electricity generating costs. On Tuesday, the California Public Utilities Commission held an *en banc* hearing on the subject. The CPUC does not regulate gas rates, but does have jurisdiction over the electricity impacts of gas prices. Newsom's appeal is likely to prompt some response from FERC, but participants in the CPUC hearing could not point to evidence of obvious market manipulation. Meanwhile, gas prices have continued to fall from their December levels. The CPUC did implement an order to accelerate electricity rate rebates using revenue from the state's cap-and-trade carbon market.

# This May Be the Opposite of Curb Appeal

If you value privacy, where better else to live than a house that can't be seen? The "Invisible House" near Joshua Tree National Park is up for sale. Set in the rocky outcroppings of the Mojave Desert, the 5,670 square foot residence is covered in mirrors, reflecting back the arid landscape. Inside, the house has a 100-foot, solar-heated indoor pool with a projection screen at one end. The gleaming kitchen features two ovens for small banquets and outside there are three Tesla charging stations. Asking price is \$18 million, but then can you put a price on privacy?



# Montana News Kate Wilson

# Montana Legislative Session Update

Generally in the session, a tone/theme of limiting local government control spans the gamut of bills thus far. There are over 20 energy-related bills introduced thus far, highlights include:

SB242: This new bill instructs the PSC to revise the avoided cost of ratemaking and provides for the deduction of transmission interconnection costs. It relates to the Public Utility Regulatory Policies Act of 1978 (PURPA) federal law whose intent is to create competition with monopoly utilities for 'alternative energy' from smaller producers (now largely renewable projects). The utility is required to purchase if doesn't cost more than acquiring new assets/resources (costs that the utility avoids in purchasing energy from small renewable projects). Opponents say this bill would compromise the ability of small projects to compete with utilities and lowers the avoided cost for IOUs by subtracting the interconnection costs of a new PURPA resource. This seems to imply that the "avoided cost" resource has no interconnection costs (which could tilt the playing field away from the PURPA resource and towards the avoided cost resource). The hearing date has not yet been set.

SB284: This bill proposes to revise the "review and approval of electricity supply resources" rule and strikes the following requirement that was previously in place: "A public utility that removed its generation assets from its rate base pursuant to this chapter prior to October 1, 2007, may apply to the [Public Service] commission for approval of an electricity supply resource that: (a) is not yet procured; and (b) is subject to a competitive solicitation process." The first hearing was held 1/31. According to the bill sponsor, this would restore the long-standing review/approval for new energy resources by removing statuary reference to single energy provider (in 201) that has been held up in court and maintains that it is currently unconstitutional as it only applies to one entity (NWE) and seeks to make review/approval process available to other providers (Montana Dakota Utilities). Bill addresses the constitutional issue raised by the district court and the "looming energy crisis - MT energy providers don't have enough reliable generation to meet demand during critical periods and are buying from the market where it is both most expensive and the least likely to be available."

- o Proponents of note: NWE restores PSC's review/approval process. Law on books since 2007; has been used to acquire every new resource on NWE system (e.g., Colstip 4, Engage Gen Station, Spion cop windfarm, hydros). When law was created, two entities: MT Power and MDU. This would now apply equally to "all utility companies" (2). Creates a "reliable path to investing in MT energy resources" through "open & transparent process" (through PSC). Energy providers not willing to commit to resources w/o approval in advance. NWE also responsible for managing electric grid of MT includes commercial and electric coops that do not receive power from NWE (rely on TX system). Misperceptions that this would shift risk to customers; means to build more fossil fuel regeneration (vs resource agnostic); unique law that no other state has (BMP in utility regulation most states have a process). ID, WY, SD, ND, CO all have similar processes. Other proponents included: MT Petroleum Association, MT Economic Developers Association, MT Chamber of Commerce, MT Manufacturers Association, Treasure State Resources Association, Randy Pinocci (PSC member)
- Opponents: Montana Environmental Information Council, Northern Plains Resource Council.

<u>SB274</u>: This bill would have implications for the siting energy generation and/or transmission projects, appearing to simplify the process. The hearing has not yet been held.

SB228: A local government unit with self-government powers would be prohibited from "any power to prohibit the purchase or use of petroleum fuels or the installation or use of any machinery, vehicles, vessels, tools, facilities, appliances, or equipment that burn or transport petroleum fuels." The first hearing was held 2/7; action has not yet been taken by the committee but is expected to move forward. This bill is being referred to as the "ban the ban" bill and is supported by the Montana Electric Cooperatives Association.

<u>SB109</u>: This bill adjusts the current boundaries of the Public Service Commission districts and directs the legislature to "evaluate existing commission districts during the legislative session following the receipt of the official final decennial census data and may adjust commission boundaries to comply with the United States constitution."

<u>HB220</u>: This bill would enable Montana IOUs to "write own rules" to only buy energy from *own* power plants by creating a partisan committee (appointed/selected by House Speaker, Senate President and Governor's Office – all Republican

right now) to approve/support new acquisitions and eliminate competition from other energy sources/interests. Opponents of the bill believe that this is a new iteration of a previous (NWE) bill that failed to convince the legislature or the PSC in subsequent sessions/years. It has been referred to a committee but the hearings have been canceled thus far (unclear why).

HB454: This bill proposes to enact a renewable resource electrical production tax and distribute the revenue to impacted counties that receive coal several tax revenue (e.g., areas where there is a coal or gas plant already). There are many republican sponsors for this bill and a good chance it will move forward. A hearing date has not yet been set.

HB431: This new bill proposes to set limits on carbon emissions. It is likely not going to get out of committee.

HB320: This bill adds utility vehicles to language that requires drivers to slow down & move over for emergency vehicles. It is supported by the Montana Electric Cooperative Association (MECA) and the Flathead Electric Cooperative.

SJ10: Joint resolution to support federal Columbia River power system and oppose the breaching of the lower Snake River Dams. This resolution was initially drafted by the Montana Electric Cooperatives Association and is being carried by Senator Cuffe (Libby/Eureka district). It has been referred to committee and will likely be heard next week.

HJ6: Joint resolution to request an interim study of electric power reserves; identify options to secure reserve power above peak loads; and consider requiring wholesale electric transmission customers or their supplies to contract for or provide electric power reserves to ensure electric power system reliability. If passed, this would be assigned to the Energy, Telecommunications Committee after the session for a 2 year period between legislative sessions. The sponsor is the former chair of that committee, so has a high likelihood of passing.

### Other Updates

Montana AEs (Wilson, Altman & Normandeau) met with Kalispell regional office leadership, Flathead Electric Cooperative (FEC) leadership, and NWPCC Council member Doug Grob this past week in Kalispell. The FEC meeting served as an after action review and very productive discussion re: December outage that impacted over 7k during the cold snap.

### Articles

- MT Rep. Matt Rosendale interview (debt ceiling + oil production): <u>Tie House GOP energy production agenda to debt</u>
   limit, budget negotiations, urges Montana lawmaker | Just The News
- MT Senator Steve Daines op-ed (reference to "all of the above energy policy"): Fighting for Montana Values Flathead Beacon
- MT Senator Steve Daines fun with Twitter: Twitter suspends Sen. Steve Daines's account | The Hill

# Washington News Liz Klumpp

# Chelan PUD & PSE Replacement 20-year Contract for 25 Percent of Rock Island & Rocky Reach

<u>Chelan County PUD entered</u> into a 20-year contract with PSE to the PUD to sell PSE 25% of the output of Rock Island and Rocky Reach dams. The contract replaces two existing contracts that expire in 2026 and 2031. The press release indicates this increases PSE's carbon-free resources as well as provides flexibility.

### Legislative Update: Day 33 of 105

An amended version of PSE's bill to decarbonize its LDC natural gas business got a hearing last week. PSE is the primary author of this bill, which includes clear financial benefits to the company. SCL testified in favor of this bill and indicated SCL has surplus power and the bill is consistent with Seattle's GHG emissions reduction goals. Key components of bill include:

- PSE required to have DR program that equals (can manage) 10 percent of peak demand,
- Reduce GHG emissions in gas retail sales by 95% by 2050 through use of renewable hydrogen, electrification, efficiency, etc.,
- File first natural gas sales decarbonization plan by Jan. 1, 2026,
- Meet CETA electricity requirements with 60% of owned generation and 40% Power Purchase Agreements (which is opposed by NIPPC, RN as anti-competitive and higher cost), and

PSE would earn a rate of return on all of its Power Purchase Agreements.

The Clean Energy Siting and Transmission Planning bills continue to move. The Clean Energy Siting bills – HB 1216/PSSB 5380 clarify and amend current state and local environmental review procedures. The utility wildfire bill was amended and passed out of committee. It directs a Wash. DNR consultant to recommend elements for inclusion in electric utility wildfire mitigation plans and requires utilities to file wildfire mitigation plans by October 2024. Below are most of the energy related bills and two energy gubernatorial appointments introduced this session. Some of these bills will become inactive after next Friday, Feb. 17, if they are not passed out of committee.

Recognizing the changing extreme temperature events, the Senate Human Services Committee passed SSB 5147 directing the Dept. of Social and Health Services to provide grants to Medicaid nursing homes to install air conditioning. Similarly, HB 1329 would prevent utilities shutting off power to customers during heat events.

The Senate has confirmed Democratic EFSEC Chair, Kathleen Drew. The Senate has not yet confirmed Republican UTC Commissioner Milt Doumit (who used to work as the lead attorney in the senate).

Bill	Title	Status	Date
SHB 1032	Wildfires/electric utilities	H Approps	02/07/2023
SHB 1170	Climate response strategy	H Approps	01/30/2023
SHB 1173	Light pollution	H 2nd Reading	02/08/2023
SHB 1176	Climate-ready communities	H Approps	01/27/2023
HB 1185	Lighting products	H Env & Energy	01/09/2023
HB 1192/ SB 5165	Electric transm. planning	H Env & Energy	01/09/2023
HB 1194	Renewable energy workforce	H Postsec Ed & W	01/10/2023
HB 1216/PSSB <u>5380</u>	Clean energy siting	H Exec Action	02/09/2023
HB 1223	Emissions limits/use	H Env & Energy	01/11/2023
HB 1329	Utility shutoffs/heat	H Exec Action	02/09/2023
HB 1368/SB 5431	Zero emission school buses	H Env & Energy	01/27/2023
HB 1416	Consumer-owned utilities	H Passed 3rd	02/09/2023
HB 1509	Community solar	H Env & Energy	01/23/2023
HB 1584	Nuclear reactor technology	H Env & Energy	01/25/2023
PSHB 1589/SB 5562	Clean energy – PSE Gas decarb	H Env & Energy	01/25/2023
SSB 5039	Wildfires/electric utilities	S Ways & Means	02/08/2023
SB 5043	Power plant long-term policy	S Environment, E	01/09/2023
SB 5091	Hydrogen fuel cells	S Business, Fin	01/09/2023
SB 5092	Hybrid vehicles/tax ex.	S Ways & Means	01/09/2023
SSB 5093	Climate response strategy	S Ways & Means	01/30/2023
SB 5129	Nuclear reactor technology	S 2nd Reading	02/01/2023
SB 5164	Transportation budget, supp.	S Transportation	01/09/2023
SB 5168	Energy independence act	S Environment, E	01/09/2023
SB 5247	Climate-ready communities	S Ways & Means	02/02/2023

SB 5251	Commercial driver's licenses	S Rules 2	01/30/2023
SB 5287	Wind turbine blade recycling	S 2nd Reading	02/01/2023
SB 5312	Clean energy/residential	S Loc Gov, Land	01/12/2023
SB 5322	Public building materials	S Environment, E	01/30/2023
SB 5345	School buildings/energy	S Environment, E	01/12/2023
SGA 9127	KATHLEEN DREW	S Confirmed	02/08/2023
SGA 9320	MILTON DOUMIT	S Confirm calendar	02/01/2023

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

## Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7

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From: Wright,Troy S (CONTR) - AIR-7
Sent: Friday, February 3, 2023 4:00 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, February 3, 2023
Attachments: 2023,0203\_Regional Relations Weekly Report.docx

Hello everyone-

Attached is the Regional Relations Report for Friday, February 3, 2023.

## Public Interest Organizations Josh Warner

#### Sierra Club & FERC

Sierra Club is encouraging outreach to President Biden to nominate a fifth commissioner to FERC immediately. They see FERC as deadlocked with four commissioners and slowing down a clean energy agenda. They would like a nominee that Sierra Club would consider a climate, environmental justice, and clean energy champion. Once a nominee is announced that person needed to be confirmed by the Senate. They are not publically backing a specific nominee.

## Idaho News John Williams

## Duke Energy begins operation of Idaho's largest solar plant

Duke Energy Sustainable Solutions, a nonregulated commercial brand of Duke Energy (NYSE: DUK), announced it has placed into commercial operation the 120-megawatt (MW) Jackpot Solar project in Twin Falls County, Idaho. This is the Duke's first utility-scale renewable energy project in the state and is the largest solar facility in operation in Idaho. It will provide energy to Idaho Power through a 20-year power purchase agreement. At 120 megawatts of capacity, the plant will generate enough electricity annually to serve the energy needs of roughly 24,000 homes.

Why Idaho? "This project continues our commitment to clean energy while also helping us address the rapidly growing need for new resources to ensure we can provide reliable, affordable electricity to our customers," said Idaho Power senior vice president and COO Adam Richins.

SOLV Energy completed the engineering and construction of the project, which is located on 952 rural acres south of the city of Twin Falls. Duke Energy Sustainable Solutions will own and operate the project. The project employed about 200 workers at peak construction. Along with indirect economic benefits that accompany solar project development, such as increased local spending in the service and construction industries, the Jackpot Solar facility will also have a positive economic impact on the local community by providing significant tax revenues for the Filer Consolidated School District.

Additionally, the Duke Energy Foundation awarded a \$15,000 grant to the Shoshone Basin Rangeland Fire Protection Association to support the organization's efforts to enhance the safety of the citizens in rural areas of Twin Falls County, Idaho. (source: Duke Energy/Bloomberg)

#### Upper Salmon conservation program soliciting restoration proposals for 2023

The Idaho Conservation League (ICL) and Jervois Global Limited (Jervois) announced a request for proposals for the 2023 funding cycle of the Upper Salmon Conservation Action Program (USCAP). The USCAP was created in partnership between Jervois and ICL in 2021 to fund efforts to protect and restore fish, water quality, wildlife habitat, and

biodiversity within the Upper Salmon River basin. There is \$150,000 available in the 2023 funding cycle for qualifying restoration projects.

This third year of the USCAP follows a successful second year of the program that resulted in another \$150,000 in funding being awarded to three restoration projects in the Upper Salmon Basin. This funding was put toward:

- Expansion of a previously funded riparian revegetation project on a former ranch along the East Fork of the Salmon River to improve fish habitat.
- Assisting the acquisition of a second key property along Panther Creek a main tributary of the Salmon River that will ultimately be conveyed to the Salmon-Challis National Forest for future fish habitat restoration work.
- Purchase of new bridges (expected summer 2023) as part of a larger project to remove problematic culverts in order to reconnect roughly 10 miles of high-quality fish habitat on one of the last few remaining tributaries to the Salmon River on Salmon-Challis National Forest administered lands that lacks connectivity at the mouth. (ICL news release)

### GM approves \$650M Nevada lithium mine investment

General Motors Co. has conditionally agreed to invest \$650 million in Lithium Americas Corp. in a deal that will give GM exclusive access to the first phase of a mine planned near the Nevada-Oregon line with the largest known source of lithium in the U.S.

The equity investment the companies announced jointly on Tuesday is contingent on the Thacker Pass project clearing the final environmental and legal challenges it faces in federal court in Reno, where conservationists and tribal leaders are suing to block it.

Lawyers for the mining company and the U.S. government told a judge during a Jan. 5 hearing the project is critical to meeting the growing demand for lithium to make electric vehicle batteries — a key part of President Joe Biden's push to expedite a transition from fossil fuels to renewable energy and help reduce greenhouse gas emissions.

GM said Tuesday's announcement marks the largest-ever investment by an automaker to produce battery raw materials. Lithium Americas estimates the lithium extracted and processed from the project atop an ancient volcano about 200 miles (321 kilometers) northeast of Reno can support production of up to 1 million electric vehicles annually. It's the third largest known lithium deposit in the world, the company said. The joint announcement said GM's investment will be split into two portions. The first will be held in escrow "until certain conditions are met, including the outcome of the Record of Decision ruling currently pending in U.S. District Court."

"If those conditions are met, the funds will be released and GM will become a shareholder in Lithium Americas," the joint statement said. The escrow release is expected to occur no later than the end of 2023 and lithium production is projected to begin in the second half of 2026, it said. The second portion of the investment is contingent on, among other things, Lithium Americas "securing capital to fund the development expenditures to support Thacker Pass," the statement said. Tribal leaders say it will destroy nearby sacred lands where dozens of their ancestors were massacred by the U.S. Cavalry in 1865.

U.S. District Judge Miranda Du said after a three-hour hearing in Reno on Jan. 5 that she hoped to make a decision "in the next couple months" on how to proceed in the nearly two-year-old legal battle over the Bureau of Land Management's approval of the mine. Lawyers for the company and the bureau insisted the project complies with U.S. laws and regulations. But they said that if Du determines it does not, she should stop short of vacating the agency's approval and allow initial work at the site to begin as further reviews are initiated. Opponents said that should not occur because any environmental damage would be irreversible. (Scott Sonner/Las Vegas Review Journal-AP)

<u>Note</u>: This project was a high priority for then Governor Steve Sisolak who instructed his then Energy Director, David Bobzien, to work with BPA and Harney Electric Co-op to supply its increase electrical load. As of today, we do not know but probably assume this will be the new Governor's priority.

Nevada Governor Lombardo Announces Dwayne McClinton as Director of the Office of Energy

Governor Joe Lombardo announced Dwayne McClinton as the Director of the Office of Energy. McClinton previously served on Governor Lombardo's transition team. "I'm pleased to announce Dwayne McClinton as the new Director of the Office of Energy," said Governor Joe Lombardo. "Dwayne is an energy policy expert and accomplished business leader, and I'm confident that he will thrive in this dynamic and critical role." "I'm honored to join the Lombardo administration, and I look forward to advancing Governor Lombardo's energy priorities," said McClinton. McClinton currently serves as the Senior Legislative Policy Advisor at Southwest Gas. Prior to that, McClinton worked in renewable energy, serving in various high-level roles across the renewable energy industry. McClinton served as the North American Field Operations Manager for Titan Renewables, as the Regional Operations Manager for Gamesa North America, and as a Staff Project Manager at Granite Services. Additionally, McClinton worked at Clipper Wind Power, First Wind, and at Shiloh Wind Farm. McClinton will begin the role on February 20. (*Press Release*)

<u>Note</u>: After winning his gubernatorial race, Nevada Governor-elect Joe Lombardo announced the Committee Chairs of the Lombardo Transition Team Working Committees. Lombardo selected Karen S. Haller, President and CEO of Southwest Gas Holdings to Chair the Energy Working Committee. It's clear that SW Gas will have a strong presence on energy policy in the Lombardo's Administration.

Also, Southwest Gas and NV Energy are expected to file their next quarterly rate adjustment on Feb. 15 with the Public Utilities Commission. If a rate change is approved, customers can expect the new rate that is either <u>higher</u> or lower to start April 1. This is another example of everyday cost hitting consumer pocketbooks. Other western states consumers are seeing similar utility rate increases.

## Oregon News Hannah Dondy-Kaplan

## At the Capital

The House and Senate energy committees continued to hold informational sessions and began hearings on several bills. One of these was <a href="HB2714">HB2714</a>, which would provide incentives for the purchase of electric medium and heavy-duty vehicles. These vehicles contribute a *significant* amount of emissions but, with charging infrastructure, EVs are about three-times the cost of a regular truck. The Senate also heard presentations on benefits and barriers to production and consumption of renewable hydrogen (RH2) in Oregon.

The Oregon Department of Energy presented their <u>Biennial Energy Report</u> to the House, which can be accessed through the link. For those who want to learn about Oregon's current, recent, or historic energy use, as well as learn about Oregon energy policies that are shaping the landscape today—this is a great resource. It's user friendly with a <u>clickable table of contents</u>, and there is in interactive <u>timeline</u> of Oregon energy and pertinent historic events (including of course some mentions of our most famous employee, Woody Guthrie, and the making of the 1941 Columbia movie by BPA's (likely) short-lived motion picture production company!).



#### **Customer News**

Senators Wyden and Merkley announced this week that the Umatilla Electric Coop will receive a \$90 million loan through the US Department of Agriculture (trickled down through the Inflation Reduction Act) to modernize portions of their system and to increase grid security. The money also includes \$12 million specifically "to connect 645 new consumers and to build and improve 93 miles of line with smart grid technologies".

## West Coast News Doug Marker

### CAISO Governing Bodies Approve EDAM and Governance Revisions

In Wednesday's joint meeting of the California Independent System Operator Board of Governors and the Western EIM Governing Body, both boards approved the final proposal for an Extended Day-Ahead Market (EDAM) adding to the Western Energy Imbalance Market. The two boards also approved additional governance revisions to enhance the function of the independently selected Governing Body for the EIM. The EDAM design will go to the Federal Energy Regulatory Commission for review and the additional governance provisions will take effect after FERC's review.

## California Public Utilities Commission to Hold Hearing on High Natural Gas Prices

The California Public Utilities Commission will hold an investigative hearing next Tuesday on high natural gas prices and their effects on ratepayers. While the price of natural gas has fallen by 50 percent across much of the country since October, Bloomberg reports that California gas prices have increased by 63 percent. The CPUC will hear testimony on the influences of pipeline operations and outages on gas prices, the effects of gas constraints on electricity prices, and possible measures to mitigate market volatility from gas prices. The CPUC is considering accelerating payments from the state's cap-and-trade carbon markets to assist ratepayers with higher bills.

### Does California Allow Lemmings to Drive?



Flooding from the recent rains in California caused a giant sinkhole to open in a rural road near Tracy. Despite barriers and warning signs, drivers continue to speed into the giant hole. Police said the drivers are simply going around the barriers. A neighbor said two cars didn't even slow down before their cars plunged into the hole. "There was no skid marks from either of them, he said. "They simply went, 'reeee, cccccr." So far, there have been no injuries, but a fair amount of vehicle damage, citations, and towing bills.

## Montana News Kate Wilson

## Montana Legislative Session Update

In addition to the 12 energy-related bills introduced to date (and covered in the last regional relations report), there have been a few additions. Highlights include:

- SB242: This new bill relates to "revising avoided cost of ratemaking and providing for the subtraction of transmission interconnection costs." More information to come after the hearing describes the intent (not yet scheduled).
- SB284: This is a bill that proposes to revise the "review and approval of electricity supply resources" rule and strikes the following requirement that was previously in place: "A public utility that removed its generation assets from its rate base pursuant to this chapter prior to October 1, 2007, may apply to the [Public Service] commission for approval of an electricity supply resource that: (a) is not yet procured; and (b) is subject to a competitive solicitation process." The first hearing was held 1/31. According to the bill sponsor in the hearing, this bill would restore the long-standing review/approval for new energy resources by removing statuary reference to single energy provider (in 201). Maintains that it is currently unconstitutional as it only applies to one entity (NWE) and seeks to make review/approval process available to other providers (Montana Dakota Utilities). Bill addresses the constitutional issue raised by the district court and the "looming energy crisis MT energy providers don't have enough reliable generation to meet demand during critical periods and are buying from the market where it is both most expensive and the least likely to be available."
  - o Proponents of note: NWE restores PSC's review/approval process. Law on books since 2007; has been used to acquire every new resource on NWE system (e.g., Colstip 4, Engage Gen Station, Spion cop windfarm, hydros). When law was created, two entities: MT Power and MDU. This would now apply equally to "all utility companies" (2). Creates a "reliable path to investing in MT energy resources" through "open & transparent process" (through PSC). Energy providers not willing to commit to resources w/o approval in advance. NWE also responsible for managing electric grid of MT includes commercial and electric coops that do not receive power from NWE (rely on TX system). Misperceptions that this would shift risk to customers; means to build more fossil fuel regeneration (vs resource agnostic); unique law that no other state has (BMP in utility regulation most states have a process). ID, WY, SD, ND, CO all have similar processes. Other proponents included: MT Petroleum Association, MT Economic Developers Association, MT Chamber of Commerce, MT Manufacturers Association, Treasure State Resources Association, Randy Pinocci (PSC member)
  - Opponents: Montana Environmental Information Council, Northern Plains Resource Council
- <u>SB228</u>: A local government unit with self-government powers would be prohibited from "<u>any power to prohibit the purchase or use of petroleum fuels or the installation or use of any machinery, vehicles, vessels, tools, facilities, appliances, or equipment that burn or transport petroleum fuels." The first hearing will take place 2/7.</u>
- SB109: This bill adjusts the current boundaries of the Public Service Commission districts and directs the legislature
  to "evaluate existing commission districts during the legislative session following the receipt of the official final
  decennial census data and may adjust commission boundaries to comply with the United States constitution."
- HB320: This bill adds utility vehicles to language that requires drivers to move over for emergency vehicles. It is supported by the Montana Electric Cooperative Association (MECA) and the Flathead Electric Cooperative.

Article: Montana targeted for new \$2.5 billion transmission line between Colstrip and Bismarck (missoulian.com)
It is not clear what sure what this would do re: power deliveries to Colstrip as no path west to I-5 currently exists (M2W and CUP-East?)

Interest around additional MT wind is rising, likely relating to meeting PSE, PGE, and Avista requirements as the Colstrip units 3&4 situation begins to become more clear (e.g., majority control now held by NWE & Talen in MT; other investors getting out)

## Washington News Liz Klumpp

## State Insurance Commission Study of Utility Wildfire Liability Insurance – Chelan PUD's Insurance Costs Increased 255%

Washington's Office of Insurance Commissioner (OIC) did a report last year on utility's rising costs to secure liability insurance. BPA, as a federal entity, is self-insured, though legal indicates BPA buys property insurance to protect our transmission assets. Center Square reported on the state's analysis and NWPPA's workshop this week on utility wildfire risks and insurance. The news coverage indicates Chelan PUD's liability insurance premiums increased 255% since 2018. The OIC report surveyed 36 utilities in Washington, "It is important for policy leaders to clearly understand that the potential for expensive damage claims directly impacts liability insurance access and affordability. The financial consequence ranges from being forced to pass increased operational costs to rate payers or put their company at risk of large claim payouts not covered under any insurance policy.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="mailto:tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

## Troy Wright (CONTR)

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From: Cook, Joel D (BPA) - P-6

Sent: Monday, April 12, 2021 11:55 AM

To: Bas, JoAnn L (BPA) - P-6

Subject: FW: RE: RE: ICYMI - What was discussed at the FERC resource adequacy conference

Attachments: FW: California Awareness Working Group

#### Please put this on my calendar as tenative

From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Monday, April 12, 2021 8:40 AM

To: Connolly, Kieran P (BPA) - PG-5 < kpconnolly@bpa.gov>; Cook, Joel D (BPA) - P-6 < idcook@bpa.gov>; Todd, Wayne A

(BPA) - PGA-6 <watodd@bpa.gov>

Subject: Fwd: RE: RE: ICYMI - What was discussed at the FERC resource adequacy conference

FYI.

Sonya Baskerville BPA National Relations

(b)(6) m

----- Forwarded message -----

From: "Burczak, Sarah E (BPA) - BD-3" < seburczak@bpa.gov>

Date: Mar 30, 2021 9:48 AM

Subject: RE: RE: ICYMI - What was discussed at the FERC resource adequacy conference

To: "Baskerville,Sonya L (BPA) - DIN-WASH" <<u>slbaskerville@bpa.gov</u>>,"Dibble,Rachel L (BPA) - B-3" <<u>rldibble@bpa.gov</u>>,"Cogswell,Peter (BPA) - DI-7" <<u>ptcogswell@bpa.gov</u>>,"Elizeh,Edison G (BPA) - TP-MODD" <<u>egelizeh@bpa.gov</u>>,"Connolly,Kieran P (BPA) - PG-5" <<u>kpconnolly@bpa.gov</u>>,"Marker,Douglas R (BPA) - DIR-7" <<u>drmarker@bpa.gov</u>>,"Cook,Jeffrey W (BPA) - TP-DITT-2" <<u>jwcook@bpa.gov</u>>

Cc: "Petty, Robert J (BPA) - PGP-5" <ripetty@bpa.gov>

Sonya was able to arrange it so Cameron can attend the April 13 California Awareness Working Group meeting. Attached is the meeting invite for you to forward to others that may be interested in participating.

Thanks!

From: Burczak, Sarah E (BPA) - BD-3

Sent: Thursday, March 25, 2021 8:56 AM

To: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>; Dibble, Rachel L (BPA) - B-3 <rldibble@bpa.gov>;

Cogswell, Peter (BPA) - DI-7 < <a href="mailto:ptcogswell@bpa.gov">ptcogswell@bpa.gov</a>; Elizeh, Edison G (BPA) - TP-MODD < <a href="mailto:egelizeh@bpa.gov">egelizeh@bpa.gov</a>; Connolly, Kieran P (BPA) - PG-5 < <a href="mailto:kpconnolly@bpa.gov">kpconnolly@bpa.gov</a>; Marker, Douglas R (BPA) - DIR-7 < <a href="mailto:drawler@bpa.gov">drawler@bpa.gov</a>;

Cook, Jeffrey W (BPA) - TP-DITT-2 < jwcook@bpa.gov>

Cc: Petty, Robert J (BPA) - PGP-5 <ripetty@bpa.gov>

Subject: RE: RE: ICYMI - What was discussed at the FERC resource adequacy conference

Thanks for arranging this Sonya! I am happy to use one of the California Awareness meetings to host the briefing if it works out for everyone.

#### Sarah

From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Thursday, March 25, 2021 8:05 AM

To: Dibble,Rachel L (BPA) - B-3 <<u>rldibble@bpa.gov</u>>; Burczak,Sarah E (BPA) - BD-3 <<u>seburczak@bpa.gov</u>>; Cogswell,Peter (BPA) - DI-7 <<u>ptcogswell@bpa.gov</u>>; Elizeh,Edison G (BPA) - TP-MODD <<u>egelizeh@bpa.gov</u>>; Connolly,Kieran P (BPA) - PG-5 <<u>kpconnolly@bpa.gov</u>>; Marker,Douglas R (BPA) - DIR-7 <<u>drmarker@bpa.gov</u>>; Cook,Jeffrey W (BPA) - TP-DITT-2 <<u>jwcook@bpa.gov</u>>

Cc: Petty, Robert J (BPA) - PGP-5 < ripetty@bpa.gov>

Subject: RE: RE: ICYMI - What was discussed at the FERC resource adequacy conference

The NHA briefing that was done for the markets committee was pretty detailed. I believe Cameron also will provide Brattle's slides. The more the merrier!

Sonya Baskerville BPA National Relations

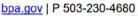


On Mar 25, 2021 10:49 AM, "Connolly, Kieran P (BPA) - PG-5" < <a href="kpconnolly@bpa.gov">kpconnolly@bpa.gov</a> wrote: I'd like to get Rob plugged in for both NWPP RA and Treaty negotiation purposes. If this is just introductory that may suffice, but if they are willing to dig in on the Brattle work he may well want to get a couple SMEs plugged in too so we can really start to connect the dots with some key initiatives.

#### Kieran

### Kieran P. Connolly

Vice President, Generation Asset Management BONNEVILLE POWER ADMINISTRATION





From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Thursday, March 25, 2021 7:36 AM

To: Elizeh, Edison G (BPA) - TP-MODD < <a href="mailto:egelizeh@bpa.gov">egelizeh@bpa.gov">egelizeh@bpa.gov</a>; Dibble, Rachel L (BPA) - B-3 < <a href="mailto:rld:ridble@bpa.gov">rld:ridble@bpa.gov</a>; Cook, Jeffrey W (BPA) - TP-DITT-2 < <a href="mailto:weendedgebpa.gov">egelizeh@bpa.gov</a>; Marker, Douglas R (BPA) - DIR-7 < <a href="mailto:drmarker@bpa.gov">drmarker@bpa.gov</a>; Burczak, Sarah E (BPA) - BD-3 < <a href="mailto:eeglizeh@bpa.gov">egelizeh@bpa.gov</a>; Connolly, Kieran P (BPA) - PG-5 < <a href="mailto:kpconnolly@bpa.gov">kpconnolly@bpa.gov</a>; Cogswell, Peter (BPA) - DI-7 < <a href="mailto:tpconnolly@bpa.gov">tpcogswell@bpa.gov</a>; Cogswell, Peter (BPA) - DI-7

Subject: Fwd: RE: ICYMI - What was discussed at the FERC resource adequacy conference

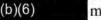
Hey, all. NHA is open to providing a briefing on the study they commissioned from Brattle. It has some really good nuggets, particularly on appropriately valuing the attributes of hydropower. I attended the markets committee briefing last week, and I think BPA folks would like to hear it, ask questions, and maybe even use info from it.

If you're interested, maybe we can use one of the California Issues meeting times for the briefing? But also I'm wondering whether some of the execs would be interested in hearing this as well.

Anyway, let me know if you're interested. Jeff and Kieran, please let me know if you think some members of the exec team also may be interested.

## Thanks!

Sonya Baskerville BPA National Relations



----- Forwarded message -----

From: Cameron Schilling < Cameron@hydro.org>

Date: Mar 25, 2021 9:25 AM

Subject: RE: ICYMI - What was discussed at the FERC resource adequacy conference

To: "Baskerville, Sonya L (BPA) - DIN-WASH" <slbaskerville@bpa.gov>

Cc:

Absolutely! I am happy to provide an overview of the report and what our markets committee has been working on. Just let me know what dates work for your team.

Regards, Cameron

From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Thursday, March 25, 2021 9:22 AM

To: Cameron Schilling < Cameron@hydro.org >

Subject: RE: ICYMI - What was discussed at the FERC resource adequacy conference

Great! Also, would NHA be interested in presenting to our marketing team on this? I think they would appreciate hearing of the work your doing since we are so aligned on many of these issues. I don't know whether any of them were able to watch the presentation last week. Our exec team may also be interested. Let me know what you think. Thanks!

Sonya Baskerville BPA National Relations



On Mar 25, 2021 9:02 AM, Cameron Schilling < <a href="mailto:Cameron@hydro.org">Cameron@hydro.org</a>> wrote: Thanks Sonya! I will ask Brattle for the slides.

Regards, Cameron

From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Thursday, March 25, 2021 12:31 AM

To: Cameron Schilling < Cameron@hydro.org >

Subject: ICYMI - What was discussed at the FERC resource adequacy conference

Thanks for sending this! I listened also, and it was refreshing to hear.

I was wondering whether the value of hydro slides from the March 17 webinar are available? That was a great presentation. I think most of the information was from the Brattle study for NHA. I meant to reach out after the webinar, but got distracted. If they are shareable, I'd like to share them with BPA's markets folks.

Thanks!

## Sonya Baskerville BPA National Relations

On Mar 24, 2021 1:21 PM, Cameron Schilling < <a href="mailto:Cameron@hydro.org">Cameron@hydro.org</a> wrote: NHA Markets committee,

Here are my notes and comments on yesterday's FERC technical conference and what it might mean for hydro...Let me know if you have any thoughts.

Regards, Cameron

(b)(6)

**Yesterday**, FERC heard from a variety of stakeholders on the future of resource adequacy and capacity markets in the eastern RTOs. Before they heard from panelists, the Commissioners' opening statements provided some foreshadowing on where they might be headed on issues like the minimum offer price rules or MOPR. More on that below. The conference included as diverse a set of voices as you could get: RTO leaders, state regulators, consumer advocates, market monitors, generators, transmission owners and non-profit organizations like sustainable FERC and Sierra Club. Despite this diversity, there was a surprising amount of consensus around many critical issues. Here are some:

- The MOPR has to go. Almost everyone agreed that, as currently designed, the PJM MOPR is not viable and needs to be replaced, reformed or simply trashed. (Brief background: MOPRs act as an offer floor on state subsidized resources making it less likely for those resources to clear in capacity markets).
- Competitive markets (even administrative ones like capacity markets) that shift risks from consumers to generators can still provide a lot of value. Most believed that capacity markets are still the most viable and effective means to achieve reliability.
- RTOs tend to over forecast demand leading to higher than needed reserve margins (Does PJM really need a 33% reserve margin?).
- Getting energy and ancillary service markets right can reduce reliance on capacity markets (i.e. placing more revenues in E and AS markets could diminish the importance of capacity).
- Capacity needs to be defined properly and ELCC is a good start. In other words, wind and solar needs to be de-rated due to their intermittence and their correlated impacts (i.e. the more solar you add the reduced value to reliability it provides same with wind and short duration batteries)
- States have the ability to choose their resource mix (i.e. whether you like it or not, states can subsidize who they want, when they want and FERC shouldn't frustrate state prerogatives).
- Uncertainty is antithetical to investment in capital. FERC's action (and inaction) has delayed auctions, created uncertainty in market rules and prevented clear price signals to investors.

#### Still there was plenty of disagreement:

While all agreed that flexibility and dispatchable resources will be needed, there was no consensus on where they would get their revenues (do you build these parameters into capacity markets or create new E and AS products?).

Some believed that removing the MOPR would lead to suppressed prices and less revenue for traditional resources (thereby forcing out reliable generators when they may still be needed). Others argued that removing the MOPR will have little impact on prices since renewables are already (or almost) competitive without subsidies.

Where should the "missing money" problem be addressed? In capacity markets or E and AS markets? The problem with using scarcity in the E and AS markets to address MM is that with zero marginal costs, you have too few intervals in the year to get compensated (what if the generator is down in that interval?). This provides very unpredictable and less adequate revenue streams to generators to incent maintenance. Others believed the capacity market needs to be diminished into a residual market or we need a separate clean forward energy market.

### What did the Commissioners Say?

Before the discussion got going some of the Commissioners did not hold back their opinions. Within the first few lines of his prepared remarks, Chairman Glick called the MOPR "unsustainable". He signaled that he wants to remove the MOPR sooner rather than later even asking PJM how quickly they needed an order replacing the MOPR and still be able to run their December auction (Incidentally, PJM said they needed an order by September). Chatterjee said he is not "wedded to the policy decisions of the past". In other words, he's willing to do an about face from his December 2019 Order approving the MOPR. Still, he remained concerned about price suppression and competition. Christie showed the most skepticism that state public policies and competitive markets could coexist together. Using Bowring's phrase, he claimed "subsides are contagious, and there has been a contagion of rent seeking". Danly was most concerned about reliability and the fact that markets need to send price signals to retain traditional dispatchable resources through the energy transition. And Clements reiterated claims about the MOPR requiring the purchasing of redundant capacity.

## Where does hydro fit into this debate?

The MOPR is focused on raising capacity offer prices for *new resources* who are benefitting from state subsidies. This means that most of hydro and pumped storage capacity is not being MOPR'd in PJM or NYISO. However, to the extent that you believe subsidized solar and wind (especially offshore wind) will lead to suppressed prices in the capacity market then hydro will be harmed by lower capacity prices if the MOPR is removed.

There is a growing recognition that wind and solar do not and cannot provide the same resource adequacy value as other resources. As Bowring stated, "wind and solar cannot be considered a one to one replacement with a dispatchable resource". As the share of non-dispatchable renewables grow, their contribution to reliability falls, sometimes sharply. The more solar on the system the more all of those units are susceptible to the same weather conditions in the same intervals (think cloud cover impacting a significant share of the generation – or rapid changes in wind patterns).

Hydropower and pumped storage will benefit if we accurately accredit capacity for all resources. An ELCC is one way to do that (see NHA's FERC comments on PJM's ELCC proposal). To be clear, an ELCC could de-rate run of river resources but conventional hydro and pumped storage would not be derated and could benefit from less competition from intermittent resources that provide less RA value. If the MOPR has to go, then more emphasis has to be focused on accrediting the right amount of capacity for subsidized resources. The recent Brattle paper said as much in principle 4:

To fairly accredit hydro and other reliable resources for the resource adequacy value they provide, RTOs and utilities must accurately accredit all resources, including variable wind, solar, and energy-limited battery storage. Installations of these resources are increasing rapidly, and, due to correlations in output among

similarly weather-dependent (or diurnally varying) plants, their resource adequacy value is simultaneously eroding. Furthermore, resource adequacy value is becoming more challenging to characterize as loss-of-load risks shift from being concentrated in summer peak load hours to a broader set of hours due to flexibility challenges caused by growth in wind and solar and emerging winter weather risks. (Brattle draft at page 20)

The events in California illustrated this dynamic. Although CAISO does not have a capacity market it still over credits some resources for the RA they provide. The root cause analysis found that Hydro provided above and beyond its RA value while wind and solar fell well short.

We need to get RA values right, MOPR or no MOPR.



Cameron Schilling, V.P. Market Strategies and Regulatory Affairs National Hydropower Association 601 New Jersey Ave NW, Suite 660 Washington, DC 20001

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Cell:(b)(6) www.hydro.org

#### INFORMATION ON NHA EVENTS: www.hydro.org/events

AK Regional Meeting August 25, 2020 | VIRTUAL

Hydraulic Power Committee (HPC) Fall Retreat Every Wednesday Throughout October 2020 | VIRTUAL
With Midwest Hydro Users Group

NW Regional Meeting/Workshop October 27 | VIRTUAL

With Northwest Hydroelectric Association

CA Regional Meeting December 2-3, 2020 | San Diego, CA

Waterpower Week in Washington 2021 April 28-30, 2021 | Washington Hilton, Washington, DC

<u>International Conference on Ocean Energy (ICOE)</u> April 28-30, 2021 | Washington Hilton, Washington, DC <u>Clean Currents 2021</u> October 20-22, 2021 | Georgia World Congress Center, Atlanta, GA

REGISTER FOR OPERATIONAL EXCELLENCE AT www.hydroexcellence.org



 From:
 Wright, Troy S (CONTR) - AIR-7

 Sent:
 Friday, March 17, 2023 4:29 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, March 17, 2023

Hello everyone-

Below is the Regional Relations Report for Friday, March 17, 2023.

## Public Interest Organizations Josh Warner

## **FMCS Listening Session**

According to the Idaho Conservation League, the Biden Administration will be hosting a listening session led by the Federal Mediation and Conciliation Service (FMCS) at the end of the month. They say the session is part of, "talks between ICL, allies, and the Administration about breaching the lower Snake River dams and restoring salmon to abundance across the Northwest". In asking folks to register to register for and speak on the virtual meetings they provide these a handful of 'facts', including these two:

- Rep. Mike Simpson (R-ID), Rep. Earl Blumenauer (D-OR), former Gov. Kate Brown (OR), Gov. Jay Inslee (WA), and Sen. Patty Murray (D-WA) have all committed to breaching the lower Snake River dams and replacing the services they provide.
- The Washington State Legislature is advancing significant budget priorities to plan and prepare for transitioning these services. They need federal expertise and assistance.

## Idaho News John Williams

#### Idaho Power files rate reduction rate for customers

Idaho Power has filed the first of two annual cost adjustments with the Idaho Public Utilities Commission (IPUC). This year's annual Fixed Cost Adjustment (FCA) requests a decrease of \$10 million, or 1.56%, for residential and small general service customers in Idaho.

If the FCA proposal is approved as filed, a typical residential customer using 950 kilowatt-hours per month would see about a \$1.66 decrease to their monthly bill beginning June 1. However, the final impact to customer bills won't be known until a second annual adjustment, the Power Cost Adjustment (PCA), is filed in April.

The FCA adjusts prices up or down based on changes in energy use per customer during the prior year. It is a true-up mechanism that separates energy sales from revenue to remove financial disincentives for Idaho Power to invest in demand-side management, which can contribute to use per customer declining.

In 2022, Idaho Power's energy efficiency programs saved 169,889 megawatt hours — enough energy to power about 14,900 average-sized homes for a year. Idaho Power values demand-side management, energy efficiency and education programs, and the FCA allows the company to provide these programs to residential and small general service customers without negative financial impacts.

The FCA allows Idaho Power to recover an IPUC-authorized level of fixed costs — costs associated with things like generation plants, power lines and substations — per customer. If the company collects less than the authorized fixed-cost amount, it can collect the difference through a surcharge. If the company collects more than the authorized amount, it refunds the difference to customers through a credit. (IPC)

#### Current Idaho water condition

As spring nears, snowpack in most of Idaho is above normal, auguring higher-than-usual stream flows that could bring much of the state out of drought. Conditions are "well above" normal in Southern and Eastern Idaho, Erin Whorton, a water supply specialist at the Natural Resources Conservation Service, told the Idaho Statesman. Conditions in North Idaho, which had been less wet than the rest of the state, have also improved somewhat, Whorton said. Through May, the National Weather Service's Climate Prediction Center shows that much of the state will likely no longer be in drought for the first time in several years. "Overall, the picture for drought improvement is really positive right now," Whorton said.

Soil remains dry across the state, however, and that can reduce the flow of melting snow into streams and reservoirs. The dryer the soil is, the more melting snow gets absorbed into the ground. "It's a little hard to know exactly how that's going to play out, but it probably will have an impact on reducing runoff a little bit," Whorton said. She added that the above-normal forecasts in most places may compensate for the dryer soils and still result in enough water to meet supply concerns. The National Weather Service also predicts below-normal temperatures and above-normal precipitation for Idaho through the rest of March, meaning that more snowfall is likely on the way.

Snowpack generally peaks in Central Idaho in early-to-mid April, while Southern Idaho tends to see its maximum snow levels in March, Whorton said.

(https://www.idahostatesman.com/news/local/environment/article256839407.html#storylink=cpy)

#### City of Idaho Falls Mayor, Rebecca Casper's take on renewable energy vs clean energy

Winters in Idaho underscore the important role energy plays in our lives. Imagine how difficult it would be to heat our homes and care for our families without access to reliable and affordable energy. Energy improves lives. It allows us to live longer, live better and realize our full potential. How we produce energy has changed over the centuries. We first burned wood to cook food and warm our homes. Next, the Industrial Revolution was fueled by coal, ushering in an era of improved life expectancy and economic mobility. Today, we are experiencing another shift in how best to generate the growing energy demands of our modern economy. We are witnessing the increasingly complex interplay between energy production, our environment and national security. This new era for energy creates abundant opportunities for smart, forward-thinking public policy. But words matter and, in some states — Idaho included — laws written to include the term "renewable" now do so at the expense of "clean."

In 2005, the Idaho Energy Resources Act (IERA) was passed to allow small power providers to issue bonds for "renewable energy generation projects" including water/hydro, geothermal, wind, solar and biogas. All of these are environmentally friendly and add to the diversity of our energy marketplace. But the call only for renewables limits us. Clean sources include not only renewables but also other energy sources, including nuclear power, which currently generates over half the nation's zero-carbon-emitting electricity. Right now, Idaho National Laboratory is working with industry to demonstrate advanced nuclear technologies that will help modernize the U.S. power grid and ensure a clean future for Idaho, our nation, and the planet. This is why Gov. Little's Leadership in Nuclear Energy (LINE) Commission recommended the Idaho Legislature amend the IERA to allow power providers across the state to bond for "clean energy" — not just renewable projects. House Bill 96 accomplishes just that. The legislation was signed into law by the Governor on 3/14.

The act would still allow small Idaho utilities to bond for all the projects covered by the current renewable standard. It would also expand the list to include nuclear, hydrogen production, energy/battery storage and other non-carbon-emitting resources. Power producers across Idaho will continue to make decisions that best serve their ratepayers. Shifting from "renewable" to "clean" simply gives utilities more choices and opportunities to access clean energy. Broadening these definitions also sends a strong signal that Idaho supports the vital clean energy research and development being conducted at INL and other U.S. Department of Energy national laboratories. This includes microreactor demonstrations scheduled for the near future, hydrogen production projects now under development in partnership with the private sector, and the small modular nuclear reactor to be located at INL and slated to begin commercial power production in 2030. To compete effectively, Idaho must be strategic and decisive in this new energy transition, especially as energy demands increase at a global scale. We'll need that energy to be clean, affordable, reliable, and resilient. Embracing clean energy opens the door for more innovation. (Guest Opinion in the Idaho Statesman)

## NV Energy is asking state regulators to approve a \$373 million maintenance and infrastructure resilience plan that executives say is needed to protect against extreme weather, wildfires and natural disasters

NV Energy's three-year Natural Disaster Protection Plan was filed March 1 with the state Public Utilities Commission, the <u>Las Vegas Review-Journal reported</u>. Commission approval could come in August. The ratepayer-funded plan would pay for vegetation management and equipment maintenance; burying or improving insulation on power lines; installing weather stations; and hiring meteorologists and fire experts to help the company respond to natural disasters.

"We are holistically looking at our infrastructure, looking at our system and trying to figure out ways to make it more resilient," company executive Jesse Murray said. The utility called the plan vital and said climate change and increasing temperatures could make natural disasters worse in Nevada. "We are seeing longer, drier periods that are having significant effects on drought and longer fire seasons," Alex Hoon, senior NV Energy meteorologist, said in the filing. He said climate changes increase threats of wildfires, high-wind events, winter storms, thunderstorms and microbursts, monsoons and flash flooding as well as heat waves and drought across the state.

Murray called the new filing an extension of a Disaster Protection Plan approved in 2020 that cost \$270 million. The state Legislature in 2019 passed a law requiring NV Energy to file a plan every three years. In <u>California</u>, utility company Pacific Gas & Electric was nearly driven into bankruptcy after its crumbling electrical grid sparked a <u>November 2018</u> wildfire that killed 84 people and nearly wiped out the town of Paradise. PG&E also was found responsible for fires that torched wide swaths of Northern California and killed dozens of others in 2017.

The NV Energy plan would fund work starting in 2024. The company said in its application that it would pursue federal, state and local grants to lessen ratepayer costs. Murray said there are about 1 million NV Energy ratepayers in southern Nevada and about 350,000 in northern Nevada. (AP/Climate Wire)

## How Congressional House Republicans' energy permitting reform could affect Nevada

House Republicans are moving an energy package that could have major implications for mining and permitting in Nevada, while Rep. Mark Amodei (R-NV) began the budgeting process for his subcommittee. House Republican leadership announced they had given the designation of H.R. 1 – reserved for the caucus' highest-priority bill – to a package of legislation currently moving through committees to reform energy permitting.

The Lower Energy Costs Act is expected to reform the permitting process in a number of energy arenas – including pipelines, mining, and oil leasing – often by shortening the environmental review process. The package will be brought to the floor in late March, where it is expected to pass the Republican-controlled House, and then serve as a starting point for negotiations in the Senate, where thorny centrist Sen. Joe Manchin (D-WV) chairs the Energy and Natural Resources committee and wants to pass a permitting package this session.

While energy policy debates typically hinge on Republicans wanting to make drilling and leasing easier and Democrats wanting to protect the environment through regulation, recent developments have created overlapping interest in streamlining permitting.

Democrats, having just passed the Inflation Reduction Act (IRA), appropriated billions of dollars for renewable energy sources, including battery recycling and lithium mining in Nevada. But if the permitting process is bogged down by lawsuits, lengthy reviews and regulations that the renewable energy industry finds overly cumbersome, the fruits of their legislative labor could take years, if not decades, to materialize.

Additionally, as competition with China becomes a greater issue among both parties and the war in Ukraine has driven a bipartisan interest in greater energy independence, there is real space for a bipartisan deal on energy permitting to emerge.

Nevada, as the only state with an active lithium mine, is a critical juncture for the debate over permitting reform. The Biden administration has raised the alarm about the U.S.' dependence on China for lithium, particularly as he pushes for electric vehicles, which require lithium batteries, as part of his overall clean energy transition goals. Developing and permitting any future sites, as well as continuing to support the controversial <a href="https://doi.org/10.1001/junc.2016/10.2016/">Thacker Pass Lithium Mine</a> outside of Winnemucca, is in the president's interest.

Amodei said he believes in the need for NEPA, but that when it gets "abused as a weapon" against permitting, it injects a lack of predictability into the energy sector – causing businesses to open in countries with much lower environmental and labor standards.

"In Nevada, lithium's kind of a big deal," Amodei said. "It sure sounds and feels like nobody gives a rip about whether lithium's part of the e-future or not, in terms of making it as difficult as possible [to get a permit]." For complete story; D.C. Download: How House Republicans' energy permitting reform could affect Nevada – The Nevada Independent

Note: BPA is working with NV Energy and Surprise Valley Electrification Corp in response to Thacker Pass Lithium Mine energy request. This includes the Nevada Governor's Energy office. There is a new administration and new Energy Director who I will be in contact with within a month. I worked with the past Energy Director as reported in previous 2022 Idaho reports.

## Oregon News Hannah Dondy-Kaplan

### Legislative updates

A suite of energy efficiency bills is making its way through the senate and house. This week <u>HB3056</u> was passed through the house—this extends the popular residential heat pump fund program through January 2, 2026. Moneys in the fund are continuously appropriated to the State Department of Energy to be used to provide grants and rebates for residential heat pumps—a certain amount of the money needs to go to low and moderate income households.

Two sessions this week were spent on information and hearings related to the package of bills mentioned in previously Weekly Reports that developed from last year's Resilient and Efficient Buildings Taskforce (BPA had a seat at the table in the group). The bills have a large amount of support from the public and various advocacy groups, as well as local governments, and are proposed jointly by representatives from the House and Senate.

## 2023 Resilient Efficient Buildings Package

- Policy Framework:
  - Set policy that creates the structure for Oregon to draw down federal dollars, and achieve strong efficiency and decarbonization gains for Oregonians
  - Actions with the largest potential energy savings
- SB 868: Healthy Heating and Cooling for All
  - Aligns energy efficiency programs with state climate goals, sets a heat pump target for the state, supports workforce development, and improves navigation of federal and state incentives for energy efficiency and retrofits of homes and businesses.
- . SB 869: Build Smart from the Start
  - Ensures new buildings in Oregon are constructed energy efficiently and are more resilient to climate impacts.
- 58 870: Building Performance Standard
  - Establishes a Building Performance Standard for large commercial buildings to reduce their energy use and climate emissions.
     over time.
- SB 871: Smart State Buildings
  - Removes barriers to accelerate energy retrofits and upgrades in state buildings.
- HB 3166: Navigation
  - Encourage interagency collaboration to simplify and streamline the ability of Oregonians to access incentives for energy efficiency and home health and safety projects

Also adopted by the house this week was <u>HB3166</u>. The bill would establish a whole homes energy efficiency program and provide resources to help residential customers.

A whole-home energy savings program provides rebates to individual homeowners, multifamily building owners and aggregators for home energy efficiency retrofits and establishes a high-efficiency electric home rebate program to provide rebates for the purchase and installation of appliances and non-appliance upgrades.

It also requires the State Department of Energy to create a single resource that provides information and technical assistance to interested persons on available energy efficiency incentives and programs. BPA has been involved in conversations with the COUs and ODOE about how this "one-stop shop" will function—it will focus on federal grants and rebates coming out of IRA and IIJA. The bill now moves to the Ways and Means committee.

## West Coast News Doug Marker

## California Regionalization bill will get committee hearing on April 12

The Assembly Utilities and Energy Committee has scheduled a hearing on April 12 for Assembly Bill 538, the bill that would allow the California ISO to become independent of California state governance. For the bill to continue consideration in the year's legislative session, it must first be approved by its Assembly policy committee by April 28. I will be watching for statements of positions by the entities that opposed CAISO regionalization in 2018. These include the state's building trades unions, key environmental groups and ratepayer advocates.

### Steve Wright will chair interim board for Southwest Power Pool Markets Plus

Meanwhile, the Southwest Power Pool has begun a series of briefings to lay the groundwork for Phase One of its Markets Plus day-ahead market initiative. Yesterday, the SPP reported on development of governance panels to support Phase One, including designation of an interim Board for Markets Plus composed of three members from the larger independent SPP Board. BPA's former Administrator Steve Wright will serve on and chair the interim panel. John Cupparo, a former PacifiCorp and Berkshire Hathaway was also named as was Elizabeth Moore, whose experience includes executive service at Consolidated Edison of New York.

### Recommended reading - Duck Belly Blues

Besides being one of the best PowerPoint slides ever, the "Duck Curve" has for a decade shown how renewable generation interacts with California's fossil generating base. This was the graph that illustrated the state's potential for excess solar generation in the middle of the day and the need for fast starting clean resources to come online as the sun goes down. The Haas Energy Institute posted a worthwhile retrospective this week: California's Duck-Belly Blues – Energy Institute Blog (wordpress.com).

## Watch for this future Super Bowl ad

With torrential rains and melting snowpacks, farmers in California's Central Valley are dealing with rising floodwaters threatening their fields. In Tulare County this week, a levee broke sending water pouring into the adjacent



orchards. Quick to respond, the field crews literally sent a Chevy Silverado into the breach. They loaded the bed with dirt to weigh it down, set the pickup into drive, and let it roll in to plug the gap. The working theory is that once the floodwaters recede, they'll haul the truck out, hose it off, and send it back to work. I can't get a hyperlink to work in this report, but Google "Tulare flood Silverado" and you'll see plenty of links to the video.

## Montana News Kate Wilson

There are 27 energy-related bills in the Montana Legislature that have been transmitted to their respective chambers (e.g., moving forward). Of these, the 23 most relevant to BPA's work follow with summaries and updates:

- FCRPS SJ10: Joint resolution to support federal Columbia River power system and oppose the breaching of the lower Snake River Dams. This resolution was initially drafted by the Montana Electric Cooperatives Association (MECA) and is being carried by Senator Cuffe (Libby/Eureka district). It has its first hearing in the house 3/27. The request for BPA to participate (as informational) continues. SJ16: Columbia River Treaty resolution that proposes to remove article 13 in the next iteration of the CRT related to Canada's rights to 1.5M acre feet of water above Libby Dam. It is moving to the senate with strong support.
- POWER HJ6: Montana Electric Cooperatives Association bill to conduct an interim study on resource adequacy and reserves - likely to pass. Kate Wilson has been asked to attend as an informational witness, and if passed, BPA would be called upon regularly during the interim (2023-2024). HB170: Repealing of state energy policy. Instead of making revisions to enact a better policy to reflect MT priorities, this bill has seen Republican support to repeal completely in favor of the Governor's "all of the above" energy policy (or lack thereof). This bill passed and was signed by the Governor 3/16. HB220: This bill would enable Montana IOUs to "write own rules" to only buy energy from own power plants by creating a partisan committee (appointed/selected by House Speaker, Senate President and Governor's Office - all Republican right now) to approve/support new acquisitions and eliminate competition from other energy sources/interests. Opponents of the bill believe that this is a new iteration of a previous (NWE) bill that failed to convince the legislature or the PSC in subsequent sessions/years. It is essentially a rewrite of IRP and RFP requirements, which will likely would result in 2025 legislation. It has a senate hearing 3/21. HB284: Allows pre-approval of generation. IOUs can ask for approval of costs before building to be passed on to ratepayers - PSC cannot go back and review prudency of costs so may be overestimated w/o review (and passed on to ratepayers). Court struck down pre-approval last year but this year simply includes MDU along with NWE so wouldn't be construed as "special legislation." A hearing date in the senate has not yet been set. SB274 revises siting decision requirements related to duties of the applicant vs. agency or board. Hearing 3/20.
- ▶ PUBLIC SERVICE COMMISSION HB558 removes the ability of challengers in contested cases to depose utility staff. If the bill passed, only the PSC would be able to depose utility witnesses/staff. This clause is rarely used, but was once in the last 2 years (by Montana Environmental Information Center to one Northwestern Energy staffer for one day). Opponents suggest that this is retaliatory and demonstrates that the utility is not acting in good faith. NWE was the only proponent. SB109: Proposes to redraw PSC districting map from the court-drawn existing map in such a way that pretty well ensures future republican control. Opponent MEIC suggests the redistricting commission would be more of a fair/balanced body. House hearing 3/20.
- ➤ ELECTRIC VEHICLES SB255: Provides clarity to EV charging companies about how their business can work in MT, sets terms for PSC authority, limits on how to charge, aligns with industry. Creates more certainty for EV charging developers. Seeing bi-partisan support. HB55 & HB 60 (registration fees): Proposes a means to capture revenue from EVs (since don't pay gas tax). High fees proposed for registration + charging tax (\$0.3 cents per KW/hour at public charging station). Concern that puts a burden on MT businesses, esp. early adopters of EV technology: meters for EV charging stations, collecting tax, etc., but does lower EV registration for residents (targeting non-residents for charging as they travel through MT). The fees proposed in HB60 are some of the highest in the country for EV registration.
- ➤ LOCAL GOV CONTROL SB228: This bill is a ban on the local control of oil and gas regulations, prohibiting them using from "any power to prohibit the purchase or use of petroleum fuels or the installation or use of any machinery, vehicles, vessels, tools, facilities, appliances, or equipment that burn or transport petroleum fuels." Would apply to gas stoves, appliances, gas stations, power plants, vehicles (large scope). Hearing in the House 3/20. Similarly, SB208, or the "Ban on Local Bans" (focused on Missoula and Bozeman potentially banning gas stoves) would bar local governments from using building costs to ban any kind of gas infrastructure. These two bills continue to move forward in the House and are supported by the Montana Electric Cooperatives

- Association. <u>SB178</u> proposes to limit the ability of local governments to regulate crypocurrency operations. Hearing in House 3/24.
- ➤ SOLAR HB241: Would prohibit local governments from requiring future home construction to be "solar ready." Hearing 3/20 in Senate. HB524: Mandates that solar installers disclose the country of origin. Amended from requiring disclosure of "carbon intensity" of solar panels in an attempt to distinguish the impacts of solar panel manufacturing in the role of carbon/climate change. Since most products disclose country of origin, likely not a massive burden, but would be difficult to enforce. Hearing 3/21.
- ➤ COAL MINING + OIL/GAS SB55 proposes that MT join the Interstate Mining Compact Commission, comprised largely of industry reps. HB 576: proposed bill would effectively remove one of Montana's checks on coal mining pollution by changing definitions to make pollution harder to cite and enforce water quality standards in receiving waterbodies. It is opposed by conservation groups. HB656: Weakens coal mine expansion regulations. SB392: "Loser pays" industry costs in coal lawsuits. Moving forward but may be struck down in court if passes (precedent in AK). HB634: Lowers royalty rates for oil and gas. SB426 changes the definition of natural gas ("...all natural gas gasses, HYDROCARBON GASSES, ALL FORMS OF INERT GAS, and other fluid hydrocarbons as produced at the wellhead and not defined as oil [...], except gasses used in tertiary oil production, other than oil, produced at the wellhead.")
- ➤ CONSERVATION <u>5B83</u> proposes to consolidate the Flathead Basin Commission (of which BPA is an ex-officio member) and the Upper Columbia Conservation Commission into the "Western Montana Conservation Commission," which would focus on the protection of aquatic resources (water quality, aquatic invasive species, ESA, etc.) in western Montana. The bill was tabled in committee as a result of concerns from Flathead constituents, but is anticipated to be revived today with the addition of a 6 year sunset clause.

Kate Wilson attending annual meetings this week/next for: Ravalli Electric Cooperative, Missoula Electric Cooperative, Mission Valley Power, and the Lincoln Electric Cooperative (along with Power AE).

Potential for large mining activity in the coming years in southwest Montana - Company claims US's richest rareearth deposit in Bitterroot (missoulian.com)

Flathead Electric Coop energy efficiency efforts save members 4105 mw hours in 2022 - Co-op energy savings totaled \$800,000 in 2022 | Daily Inter Lake

Overview of environmental and natural resource policy proposals in the legislature - <u>Lawmaking on Montana's environmental front (montanafreepress.org)</u>

What does it mean to repeal Montana's Energy Policy? Montana Senate votes to repeal state energy policy – Daily Montanan

Sen. Tester in the news for attending a fundraiser along with green energy NRDC activist - <u>Montana Senator Jon</u> Tester Hobnobs With Green Energy Activist Who Helped Kill Keystone Pipeline (freebeacon.com)

MT Dept of Commerce and the MT Facility Finance Authority announce Kalispell & Yellowstone County eligible for EE updates - Energy saving - Montana Businesses Eligible For Energy Efficiency Upgrades Through C-Pace - Renewable Energy Magazine, at the heart of clean energy journalism

Solar panel installations for residential in MT, pros/cons - Should Montana Residents Install Solar Panels? Here's What You Need to Know - CNET

## Washington News Liz Klumpp

## Washington carbon allowance auction; Ecology explores cap and trade linkage with Cal.; Electricity sector and parties seek public meetings on markets and carbon

Washington's Cap and Invest program, created by the passage of the Climate Commitment Act went live Jan. 2023. The Dept. of Ecology held its first carbon allowance auction in late February, 2023. The allowance clearing price was \$48.50 per ton or more than twice the Washington floor price. There will be multiple auctions each year. Ecology has not yet assigned the free allowances to electric utilities that the law indicates will offset the costs (some of the costs) of cap and invest. Ecology has initiated discussions to explore linkage with California and Quebec, but there are a number of hurdles there. WPTF recently submitted very technical comments that attempt to clarify electricity importer for Ecology staff; BPA signed onto these comments. PGP is coordinating some comments, supported by utilities and environmental groups that ask Ecology to hire a market consultant to facilitate a public discussion about how Wash. cap and invest can work with power markets. There is a lot going on in this cap and invest realm. Alisa Kaseweter is policy lead for BPA and is coordinating across the agency. Lots of BPA subject experts leaning in on these issues.

## Merkle/Ponderay paper seeks \$400,000 grant from Washington Department of Commerce

The Spokesman-Review published a <u>story</u> this week that the Merkle, the owner of the shuttered Ponderay Papermill in Pend Oreille County has applied for a \$400,000 manufacturing growth grant from the Wash. Dept. of Commerce. Meanwhile, Merkle has submitted, via Pend Oreille PUD, another transmission line interconnection request to transmit power to both its crypto currency mining operations and to a potentially restarted Ponderay Papermill. The story indicates that BPA's transmission interconnection analysis has been delayed until May 26. The PUD interim co-manager indicates that Merkle would need to cover any costs of interconnecting its load to the grid. The former papermill went bankrupt and shut down in 2020.

## Washington legislative update

Either the Washington State House or the State Senate passed the following energy and salmon bills. These bills are now getting heard in the opposite house. Session is scheduled to finish April 23. Today is day 68 of 105. I've created hyperlinks to bills of interest including for: siting of clean energy generators and transmission, transmission planning, PSE's complex gas business decarbonization, utility wildfire planning, and utility shut-off restrictions. Key bill summaries included.

In addition, the budget bills, which get finalized in the last hours of session, contain significant funding for work in salmon recovery and decarbonization.

Bill	Title	Status	House of Origin Vote
2SHB 1032	Wildfires/electric utilities: State hires a consultant to develop utility wildfire mitigation plan elements. Each utility shall develop a wildfire plan by October 2024 and update every 3 years.		House passed: 96-0 (2 excused)
SHB 1117	Power supply inadequacy: UTC and Commerce will host annual RA meeting for electricity through 2031. Adds emphasis on avoiding rolling blackouts.	S Environment, E	House passed 95-0
E2SHB 1170	Climate response strategy	S Environment, E	
2SHB 1176	Climate-ready communities	S Ways & Means	
E2SHB 1216	Clean energy siting: Creates inter-agency council to facilitate clean energy siting. Amends SEPA.	S Environment, E	House passed 75- 20

	WSU would study pump storage siting process.		
ESHB 1329	Utility shutoffs/heat: Would prevent electric and water utilities from shutting off service during heat events.	S Environment, E	
2SHB 1391	Energy in buildings	S Environment, E	
<u>HB 1416</u>	Consumer-owned utilities: Requires independent large loads served by COU distribution lines to comply with CETA. Similar IOU large loads already comply with CETA.	S Environment, E	House passed 58- 39
ESHB 1584	Nuclear reactor technology: State Energy Strategy would include consideration of advanced nuclear technology, renewable natural gas, and green electrolytic hydrogen to reduce state's GHG emissions.	S Environment, E	House passed 91-6
ESHB 1589	Clean energy: This is a PSE-driven bill that could provide the financial certainty that the company seeks to dramatically reduce its GHG emissions on the gas side of the business. One simple example - PSE would earn an ROR on all power purchase agreements. This would involve significant quantities of fuel shifting to electricity. This would burden remaining electricity customers with picking up a lot of dual fuel utility costs. This is a complex bill that key parties are investing significant quantities of time on.	S Environment, E	House passed 52- 44
SSB 5165	Electric transmission Planning: Directs EFSEC to coordinate state agency review of BPA (federally) sited transmission lines. Requires 20-year transmission plans. Funds state staff to engage in transmission planning.	H Environment & Energy	Senate passed 36- 13
SB 5287	Wind turbine blade recycling	H Environment & Energy	Senate passed 48-0
SGA 9127	KATHLEEN DREW	S Confirmed	
SGA 9320	MILTON DOUMIT	S Confirmed	
SALMON Related Bills			
2SHB 1322	Walla Walla water 2050 plan	S Ag/Water/Natural R.	
SHB 1720	Riparian grant program	H Cap Budget	
HB 1740	Forestry riparian easements	H Cap Budget	
ESHB 1758	Hatchery maintenance permits	S LGLTDP	
HB 1775	Salmon recovery/liability	S Ag/Water/Natural R.	
ESSB 5371	Orca vessel protection	H Ag & Natural R.	

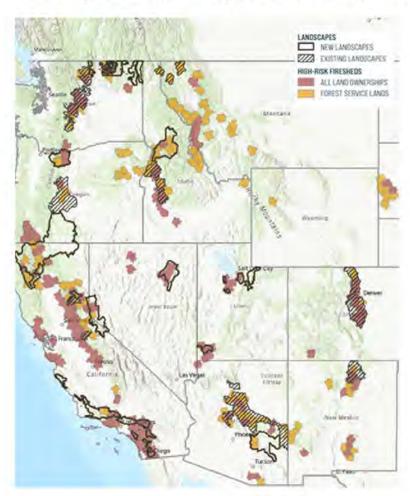
## Forest Service News Holly Harwood

## Forest Service response to wildfire crisis and opportunity for BPA to partner

Indications are that the Forest Service is recognizing that their response to the wildfire crisis must prioritize treatments for fuels near important transmission line infrastructure. This will likely create opportunities for BPA to partner with the Forest Service to reduce the fire severity risk and reduce the risk from off-ROW danger trees for these BPA lines - both on National Forest System Land and on neighboring privately held land.

In January 2023, the FS announced an expansion of their efforts to deliver on their Wildfire Crisis Strategy that was initially announced in January 2022. In the 2023 document they identified a number of criteria to evaluate high priority areas for treatment, including location of critical power supplies in relationship to the areas they call firesheds. The document explains that "Critical infrastructure consists of powerlines and utility corridors. Wildfires in remote areas that threaten powerlines can adversely affect metropolitan communities hundreds of miles away, so protecting powerlines from wildfires is critically important. We compared maps of critical power supplies with fireshed maps to help locate high-priority areas for treatment. "

As a result, the FS identified many high priority firesheds that also include BPA transmission lines. The FS will be using funding from the Bipartisan Infrastructure Bill (BI) to implement projects designed to reduce wildfire risk in these areas. The landscapes identified on this map are the ones that I understand will be getting BI funding.



I got a copy of a <u>document</u> the FS prepared in February that assessed Transmission lines on the priority firesheds that are primarily on NFS land. While, I'm not sure of the integrity of all the data used and there is a big chunk of lines for

which ownership is unknown, BPA is second only to Arizona Public Service Company in terms of miles of transmission line in these highest priority firesheds:

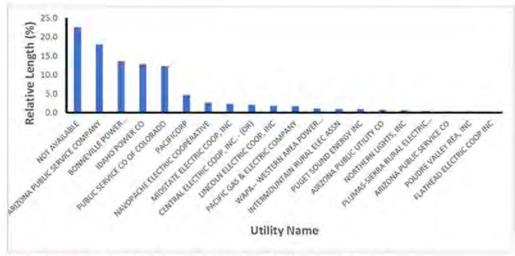
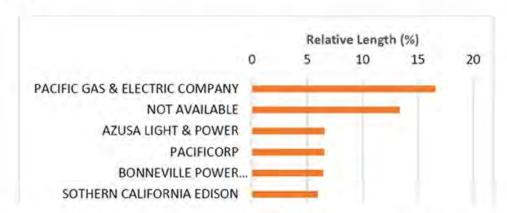


Figure 5. Relative proportion of utility providers associated with USFS-Only firesheds in priority landscapes

While a subset of firesheds have been identified as the highest priority for BI funding. there are a total of 271 priority firesheds that the FS has identified as priority firesheds across the continental U.S., both on and off National Forest System (NFS) land. The Forest Service is making this kind of work a high priority in all of them. Here is an excerpt of a figure from the report that shows the Relative length of utility line providers across all priority firesheds with BPA in the top 5:



The FS strategy for confronting the wildfire crisis calls for (1) Treating up to an additional 20 million acres on the National Forest System in the West, over and above current treatment levels; (2) Treating up to an additional 30 million acres on other Federal, State, Tribal, and private lands in the West; and (3) Developing a plan for long-term maintenance beyond the 10 years. It is becoming increasingly clear that many of these treatments will be near BPA transmission lines.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Troy Wright <a href="tswright@bpa.gov">tswright@bpa.gov</a>. These meetings occur the first Wednesday of every month.

Troy Wright (CONTR)

Administrative Services Assistant | Regional Relations, AIR-7

BONNEVILLE POWER ADMINISTRATION

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From: Johnson,G Douglas (BPA) - DK-7
Sent: Wednesday, June 8, 2022 7:44 AM

To: Hairston, John L (BPA) - A-7; Cook, Joel D (BPA) - K-7; Chong Tim, Marcus H (BPA) - L-7;

Johnson, Tim A (BPA) - LP-7; James, Daniel M (BPA) - D-7

Cc: Scruggs, Joel L (BPA) - DK-7; Habibi, Maryam A (BPA) - DKP-7

Subject: FW: [EXTERNAL] FW: Washington Post: "Workers want a 'green' aluminum plant."

Categories: Personal - A/L - Holidays

The Washington Post has printed its article on Blue Wolf/Intalco. While the reporter did not get into the complex and nuanced information about why we cannot serve Blue Wolf as a DSI, I am not disappointed in what he used. The entire article is embedded below. Please let me know if you need anything else.

From: Miller, Mark E (MFE)(BPA) - PTL-5 < memiller@bpa.gov>

Sent: Tuesday, June 7, 2022 10:15 AM

**To:** Baskerville,Sonya L (BPA) - AIN-WASH <slbaskerville@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Klumpp,Elizabeth C (BPA) - AIR-WSGL <ecklumpp@bpa.gov>; Federovitch,Eric C (BPA) - PTL-5 <ecfederovitch@bpa.gov>; Cooper,Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>

Cc: Allen, Adrian S (BPA) - PTL-5 <asallen@bpa.gov>

Subject: FW: [EXTERNAL] FW: Washington Post: "Workers want a 'green' aluminum plant."

FYI

From: <u>businessresultsmt@gmail.com</u> <<u>businessresultsmt@gmail.com</u>>

Sent: Tuesday, June 7, 2022 10:10 AM

To: Miller, Mark E (MFE)(BPA) - PTL-5 < memiller@bpa.gov>

Subject: [EXTERNAL] FW: Washington Post: "Workers want a 'green' aluminum plant."

FYI

# Workers want a 'green' aluminum plant. Now they just need clean power. | The Washington Post

The struggle to re-open the Alcoa Intalco aluminum smelter shows the difficulties of creating green manufacturing jobs at home

By Joshua Partlow and Steven Mufson June 7, 2022 at 12:00 a.m. EDT

FERNDALE, Wash. — Ryan Chapman was on pace to make \$148,000 as a roving maintenance worker when he learned two years ago that Alcoa was shutting down the aluminum plant. Soon he was collecting unemployment and pursuing a bachelor's degree in his late 30s, with two young sons and a stay-at-home wife. It was, he said, "a drastic change in quality of life."

But unlike so many places gutted by American industrial decline, Chapman and hundreds of other laid-off employees of the Alcoa Intalco Works aluminum smelter are tantalizingly close to recapturing that past.

A plan to revamp this factory as a key piece in the future of renewable energy in the United States has been embraced by seemingly everyone: the machinists union, a private equity firm, the new electric vehicle industry, environmental groups and the state's political establishment — from Washington's pro-environment governor, Jay Inslee (D), to pro-jobs local Republicans. And it would make the smelter the only one functioning west of the Mississippi.

But a final obstacle — how to power the factory, and who will pay for that — may yet scuttle the deal.

The dominant Bonneville Power Administration, a federal agency which manages the Pacific Northwest's huge dams and sprawling transmission lines, is balking, saying it simply doesn't have enough dependable, low-cost hydropower to promise the Intalco plant, set amid forests and pastureland on the shores of the Puget Sound. And its position is backed by local electrical utilities who cherish their dependable power supplies from Bonneville — and their low rates.

The deadlock over electricity is yet one more indication of how difficult it is to expand the U.S. supply chain and bring American industries back home. From aluminum to lithium to hydrogen, U.S. industry is trying to mine and manufacture materials currently made and imported from places such as China and Canada.

American companies are shunning fossil fuels — coal and natural gas — and are instead aiming to gain a competitive advantage with climate-conscious consumers by using low-carbon materials and low-carbon manufacturing. Yet, only 20 percent of <u>U.S. electricity</u> is generated by renewable sources of energy. And while that number is growing rapidly, so are the demands of American manufacturers, sparking a race for wind, solar and hydropower.

In the Pacific Northwest, for example, while the decline of aluminum manufacturers has reduced industrial demand for electricity, the extra power has been swallowed up by a 15 percent increase in Washington state's population; computer servers used by big tech firms to store information; and an influx of computers run continuously in a search for digital keys used to unlock cryptocurrencies. Bonneville Power Authority has also sold power to California to help meet urgent needs.

"The grid needs to add more renewable sources to help companies meet their decarbonization targets," William A. Reinsch and Emily Benson wrote in a February report for the Center for Strategic and International Studies. "However, the location of renewable energy production, such as offshore wind farms or major solar fields, is often distant from production facilities."

Like similar initiatives, reopening the Alcoa-owned Intalco smelter could help advance President Biden's domestic manufacturing agenda, reduce U.S. reliance on Russian aluminum, cut worldwide greenhouse gas emissions and create hundreds of well paying jobs.

Yet doing business in the United States means that companies can stumble over everything from permits to politics — even when things seem lined up.

"If we can't successfully reopen Intalco, it is really bad for our broader efforts to transform and grow the U.S. manufacturing base," said Jason Walsh, executive director of the BlueGreen Alliance, a collection of unions and environmental groups. "This project embodies everything that President Biden and his cabinet talk about with respect to rebuilding a green energy economy and building a green factory base that reduces greenhouse gases."

Aluminum is expected to be an increasingly important part of American manufacturing's transition to a low-carbon future. The metal is used for lightweight auto parts to offset heavy batteries in electric cars; for solar panel frames; for beverage cans and for durable construction materials. Global aluminum demand is expected to grow by up to 40 percent by 2050, according to the International Aluminum Institute. The Energy Information Administration forecasts that the value of shipments of aluminum will grow 45 percent over the same period.

"Our metal has been essential for modern life and will play an even larger role in the low-carbon future," said Jim Beck, an Alcoa spokesman. "It is lightweight, strong, and — most importantly — infinitely recyclable."

Automakers are seeking better fuel efficiency by making their vehicles lighter. By using more aluminum, Ford Motor achieved weight reductions of up-to 700 pounds in its 2015 model year F-150 trucks. And as the auto industry veers in the direction of creating more electric vehicles, the demand for aluminum will increase. .

"These are materials everyone in the world is going to need," said Sasha Stashwick, director of industry policy, climate and clean energy at the Natural Resources Defense Council. "Countries that can figure out how to use it with low emissions are going to have competitive advantages."

Those advantages are what interested Blue Wolf Capital Partners, a private equity firm based in New York, to offer to buy the defunct Intalco smelter, which began production more than half a century ago. The firm, which manages over \$1.8 billion largely from big pension funds, describes itself as pro-labor and pro-environment; one of its founders dropped out of college for a while to become a community organizer.

Blue Wolf expects to spend \$50 million up front and a total of about \$175 million for modernizing the plant, said people familiar with the cost structure currently under negotiation **and who asked for anonymity to protect business relationships**. The plant is expected to produce 240,000 metric tons of aluminum — 10 to 20 percent more than imports from Russia in 2021. The niche market for green aluminum could help make the plant profitable, the company's representatives have told local officials.

Michael Tanchuk, a veteran of the aluminum industry and leader of Blue Wolf's effort to restart Intalco, has spent his working life in aluminum plants. "I have been in the metals industry for over 30 years, and I have watched as aluminum production has moved overseas to follow lower price electricity, most often from coal, to the detriment of American workers and our global climate," he said in an email.

Now, Tanchuk said, Blue Wolf and its allies can restart the plant and move to solar and wind quickly. "With Intalco, the U.S. will again have a reliable supply of a critical material, America will produce green aluminum, and we will bring green jobs to America."

American companies dominated the aluminum industry for much of the 20th century, and the Pacific Northwest was a hub **for its manufacturing**. Smelters need vast amounts of energy and the region's bountiful hydropower provided a steady and affordable supply of electricity. At its peak, the industry employed 11,000 people while <u>consuming enough electricity</u> annually to light three cities the size of present-day Seattle..

But domestic aluminum has been in a long slump, hit by volatile pricing and the rise of foreign competitors. In 1985, there were 31 aluminum smelters in the United States. Today, there are six. Almost all have been dismantled and sold for scrap or to clear the way to erect commercial parks and buildings, with the bulk of production shifting to China.

By April 2020, as the pandemic deepened and aluminum prices plunged to historic lows, Alcoa said they were closing down the Intalco plant.

To the workers, it felt like losing a family business. Several former employees said they worked alongside parents, siblings or in-laws. Chapman was laid off along with his wife's uncle.

"It has ripped through families," he said.

The tightknit workforce scattered after the smelter was "curtailed" by Alcoa, now maintained only by a skeleton crew. While many of these skilled employees found other work, labor union representatives say that few have maintained the lifestyle Alcoa afforded them. Addictions flared up and three former employees took their own lives, said Brian Urban, a bricklayer and union official who was laid off.

"We had a major issue with mental health for the guys," said Urban, who hosts regular dinners and gatherings for former employees. "I can't tell you how many people I went and picked up and brought them in for health and welfare checks to the hospital because they were feeling like harming themselves."

The Intalco plant has long played an important role in the **Ferndale** community, churning out aluminum for cars, airplanes, and beverage cans since it opened in 1966. **The plant was one** of Whatcom County's largest employers with more than 700 workers, **and** each job there produced 1.29 other jobs in the community, according to a 2019 study.

The economic impact of the closure was somewhat obscured because it coincided with the beginning of the coronavirus pandemic, but local officials say it has been a painful blow.

"It was quite devastating," said Satpal Singh Sidhu, the county executive in Whatcom County. "Not only for the families, for our economy."

The smelter has also faced criticism as a big polluter. To make aluminum, the ore is melted down in rows of pots and **then** fashioned into aluminum rods and ingots. These pots of molten material regularly crust over and each day need to be broken open — a process which releases greenhouse gases into the atmosphere. Before it was closed, the Intalco plant **frequented** lists of top emitters in the state.

When Sidhu, the county executive, first met with representatives of Blue Wolf last year, this was one of his top concerns.

"Hey, the first thing is, this is very old technology, what are you going to do about it?" he recalled asking. "We want 700 jobs in our community and we want somebody to do better on the environmental emissions."

Alcoa had already started the transition to a newer technology, known as a "point feed" system, that breaks the crust in a way that releases fewer emissions. Blue Wolf plans to complete that process across more than 600 pots. Washington state has pledged \$10 million to help pay for this upgrade as well as other pollution-reduction measures that would make the plant one of two in the country capable of producing "green" aluminum.

Blue Wolf estimates they can reduce carbon dioxide emissions by over 800,000 tons a year, or 45 percent. The plant will still emit 1 million tons a year. (A coal-fired smelter, by comparison, emits about 4.5 million tons of CO2 per year).

"We see restarting the Washington Intalco smelter as a rare opportunity to secure a big win for the climate, and workers and national security," said Annie Sartor, who leads the aluminum campaign at the Climate Strategies Lab.

Blue Wolf has reached a five-year collective bargaining agreement with the local machinists union, which says more than 90 percent of the plant's former employees want to come back. Blue Wolf has told local officials that is has also signed a letter of intent with Alcoa to buy the smelter, pending a deal on the power supply.

Jim Beck, an Alcoa spokesman, said the company is still considering its options for the plant, "including a potential sale of the asset."

"We recognize, however, that securing a competitive power agreement for the smelter will be a critical condition," he said in a statement.

The entire Washington state congressional delegation — including two Senate Democrats, seven House Democrats and three House Republicans — last week sent a letter to the Bonneville authority urging it to negotiate in good faith with Blue Wolf to reach such an agreement. Inslee has made the same push.

"There's never been a more critical time to assure our access to green aluminum, to build America's clean energy future and to support our manufacturing supply chains in the face of global disruption," Inslee said in a statement. "I urge the Bonneville Power Administration to reach a positive solution that delivers this tremendous set of benefits to the people of the Northwest and the nation."

But time is running out. Blue Wolf told officials in Whatcom County that their expenses have already exceeded \$3 million and they may cut their losses soon if they cannot reach an agreement on electricity.

"This is a very unusual situation," said Don Goldberg, director of economic development for the Port of Bellingham. "There are no sides that I'm aware of that are fighting it. There's no community against it, no local government, no elected officials."

"It literally is BPA holding the whole thing up," he said.

The Bonneville Power Administration was created in the 1930s to sell hydroelectric power generated on the Columbia River. The federal agency, part of the Energy Department, now markets power from 31 federal dams in the Pacific Northwest — a major source of clean power in the region — including to 140 consumer-owned utilities in Washington, Oregon, Idaho and parts of other states.

Bonneville for years had provided Alcoa, as well as other industrial customers, with low-cost electricity. But Alcoa ended its contract and Doug Johnson, a senior spokesman for Bonneville, said that the agency simply doesn't have the 400 megawatts of the lowest-priced, or "firm," power, that the Intalco smelter had used in the past. He added that Blue Wolf could purchase power from one or more big investor-owned utilities in the Northwest.

"We are not the only potential source of power to serve the plant's needs," he said.

Scott Simms, executive director of the Public Power Council, which represents public utilities in the Northwest, said that even if Bonneville had enough low-priced power to supply Intalco, it would be required to offer that supply first to existing utilities. He added that "anything that amounts to a subsidy from these existing Northwest interests to float Blue Wolf's concept is a non-starter."

Blue Wolf's allies say the firm has tried to compromise, offering to pay a higher rate than Alcoa received.

"It's all coming down to electricity," said Luke Ackerson, business representative with the International Association of Machinists and Aerospace Workers who was chief shop steward at the Intalco smelter. "I'm worried that it won't happen."

Ackerson has been in constant contact with hundreds of former employees, trying to keep momentum alive for a restart at the plant. It's the same place his father worked after returning from the Vietnam War. So did his sister and her husband.

"Everything that I've had came from that place," he said. "It's just really, really important to the community."

Aaron Gregg contributed to this report.

Kate Spaziani Director, Government Affairs Blue Wolf Capital Partners

(b)(6)

From: Capps, Stephan A (BPA) - NW-1

Sent: Monday, September 13, 2021 3:57 PM

To: Furrer, Robin R (BPA) - N-7

Cc: Leady Jr, William J (BPA) - K-7; Hall, Lee J (BPA) - PES-6; Hairston, John L (BPA) - A-7;

Cook, Joel D (BPA) - K-7; James, Daniel M (BPA) - D-7

Subject: FW: DOE's September Newsletter - Vaccine deadline

#### Robin,

Heads up – the DOE Newsletter has a 11/22 suspense to get vaccinated. Secretary Granholm also mentions exceptions, but we are waiting on the details:

Exceptions to the mandatory vaccination will be granted to the extent required by law for federal employees who may have medical conditions or sincerely held religious beliefs that prevent vaccination. More information, including the Reasonable Accommodation process, will be forthcoming as the Safer Federal Workforce Taskforce releases additional guidance to help ensure employee are vaccinated.

I'll mention this at the All Manager meeting tomorrow, and Kevin W. will weave it into your communications this week.

#### steve

From: Wingert, Kevin M (BPA) - DKP-7 < kwingert@bpa.gov>

Sent: Monday, September 13, 2021 2:58 PM

To: Hall, Lee J (BPA) - PES-6 < lighall@bpa.gov>; Capps, Stephan A (BPA) - NW-1 < sacapps@bpa.gov>; Leady Jr, William J

(BPA) - K-7 <wjleady@bpa.gov>; Laylo,Sarah M (BPA) - NN-1 <smlaylo@bpa.gov>

Cc: Paynter, Julie A (BPA) - DKS-7 < japaynter@bpa.gov>; Whalen, Michelle E (BPA) - DKS-7 < mewhalen@bpa.gov>

Subject: RE: DOE's September Newsletter - Vaccine deadline

In the DOECAST sent today, there is a vaccination deadline set for Nov. 22 to be fully vaccinated. How soon do we want to communicate that information. I know it doesn't include information on enforcement, etc., but since it's referenced in the DOECAST, do we want to include in Robin's message or hold off for more details from the Safer Federal Workforce Task Force?

Very Respectfully,

#### **Kevin Wingert**

Communications | Media Relations | Policy BONNEVILLE POWER ADMINISTRATION bpa.gov | P 503-230-4140 | C (b)(6)













From: Paynter, Julie A (BPA) - DKS-7 < japaynter@bpa.gov>

Sent: Monday, September 13, 2021 2:05 PM

To: Whalen, Michelle E (BPA) - DKS-7 < mewhalen@bpa.gov>; Wingert, Kevin M (BPA) - DKP-7 < kwingert@bpa.gov>

Subject: FW: DOE's September Newsletter

Importance: High

Hi Michelle. Did you get this? Wow, it's long. We try to post these on Connection instead of forwarding as an email however they haven't traditionally been this long that I recall...so wonder if we can cut this down and still post on Connection vs email out to all employees. Kevin, I noticed in the vaccine section a deadline for employees to get vaccinated:

The COVID-19 vaccine is the best way to best protect our colleagues and will ensure a safe re-entry. If you have not received the full course of vaccinations, federal executive branch workers have until November 22nd to be fully vaccinated.

I don't believe we've shared any dates like this in our comms to employees and I don't see Nov 22 reflected in our manager comms for the Manager Update tomorrow. Please advise Michelle what should be removed or edited from the below newsletter...

-Julie

From: DOECAST < doecast@hq.doe.gov > Sent: Monday, September 13, 2021 1:26 PM Subject: DOE's September Newsletter





# September Newsletter

Submit items for next month to newsletter@hq.doe.gov



Jennifer Granholm Secretary of Energy

## Message From Secretary Granholm

Dear colleagues,

We're making the most of these final weeks of long summer days. Our work in DC and across the DOE enterprise continued at lightning pace over a month that included our busiest stretch of travel yet. In the middle of August, we spent a week and a half going up and down the West and across the Atlantic to see the huge benefits that clean energy is already bringing to communities of all sizes and explore how DOE can help expand them further.

 In <u>Alaska</u>, Senator Lisa Murkowski showed me around Fairbanks and Anchorage to survey geothermal projects, wind development proposals, and research efforts on housing resilience in cold climates. Through meetings with researchers, energy workers, native communities, and young environmental leaders, it became clear that Alaskans understand the promise of clean energy and are already

- seizing the opportunity.
- In New Mexico, we saw the Land of Enchantment's vast clean energy resources and learned about their push to diversify an economy that's currently very dependent on fossil fuels. Senator Martin Heinrich, Congresswoman Melanie Stansbury, Congresswoman Teresa Leger Fernandez, and Governor Lujan Grisham joined me for conversations with educators, activists, entrepreneurs, workers, Navajo leaders, and homeowners about New Mexico's potential to become a clean energy exporter, and how New Mexicans of all backgrounds stand to gain.
- In California, I toured Lawrence Berkeley National Lab to
  celebrated its 90th anniversary with Congresswoman Barbara Lee
  before announcing that 25 Bay Area communities are signing up
  for our new one-stop solar permitting tool, SolarAPP. That
  announcement alone gets us a fifth of the way to our goal of signing
  up 125 communities by the end of September.
- In Ukraine, I led a U.S. Presidential Delegation to Ukraine to mark the 30th anniversary of the country's independence and reiterate America's commitment to Ukraine's sovereignty, to holding Russia accountable for their aggression in the Crimea, and to helping the country develop clean energy.

Also, in August, offices throughout the S4 column successfully planned and ran our very first <a href="Hydrogen Shot Summit">Hydrogen Shot Summit</a>—featuring two days of presentations from Secretary John Kerry, Bill Gates, and Senator Joe Manchin, and panel discussions with hydrogen producers, end users, policymakers, and researchers, all focused on setting the path forward to achieving our goal of \$1 for 1 kilogram of clean hydrogen by 2030.

Our Wind Energy Technologies Office released a <u>trio</u>
of Wind Market Reports showing record growth in capacity nationwide over the last year.

And our CESER team joined a **White House Cybersecurity Summit**, bringing together leaders from a range of key sectors for conversations around what government and the private sector could do to advance cybersecurity and harden key systems.

Of course, the month ended on a somber note as **Hurricane Ida** left a trail of destruction in its wake. We should all be proud of the DOE staffers who stepped up to assist the whole-of-government response, joining public servants from across the administration in a 24/7 effort to restore power to affected areas of Mississippi and Louisiana. And we should not forget that these disasters will keep coming, and keep worsening, unless we rapidly shift to a clean energy economy.

Let's keep that front of mind in September, as we push ahead with our effort to turn President Biden's Build Back Better Agenda into reality.

Sincerely, Secretary Jennifer M. Granholm



## **DOE COVID-19 Information**

On September 9th, President Biden signed an Executive Order that that requires all federal executive branch workers to be vaccinated against COVID-19. The requirement comes as the Delta variant has led to an increase in hospitalizations especially in areas where vaccination rates are low and builds on the President's announcement in July that required disclosure of vaccination status and imposed testing requirements for unvaccinated federal workers. DOE's COVID-19 Coordination Team launched DOE's electronic Vaccination Attestation system at the end of August. To date, 86% of our federal employees have completed the attestation. If you haven't completed your attestation yes, please log into MyEnergy to complete the vaccination attestation form.

The COVID-19 vaccine is the best way to best protect our colleagues and will ensure a safe reentry. If you have not received the full course of vaccinations, federal executive branch workers have until November 22nd to be fully vaccinated. All federal employees are eligible for 4 hours of administrative leave for each dose, including boosters, and up to two workdays per dose, including boosters, if you experience any symptoms. Exceptions to the mandatory vaccination will be granted to the extent required by law for federal employees who may have medical conditions or sincerely held religious beliefs that prevent vaccination. More information, including the Reasonable Accommodation process, will be forthcoming as the Safer Federal Workforce Taskforce releases additional guidance to help ensure employee are vaccinated.

As a reminder, if you are experiencing <u>COVID-like symptoms</u>, please remain at home and contact your medical provider. You should also alert your supervisor as well as the COVID-19 Hotline at <u>COVID-19Inquiries@hq.doe.gov</u> or 202-586-2683.

A Message from the Deputy Secretary: National Insider Threat Awareness Month 2021 Dear colleagues,

September is National Insider Threat Awareness Month, and I'd like to call your attention to relevant activities this month through the Department's critical Insider Threat mitigation program. This year, the Executive Branch is focusing on "Cultural Awareness and the Insider Threat." As you know, Insider Threats can be foreign-connected or purely domestic—and we must guard against all contingencies that threaten to derail the Department's mission performance for the American people.

The Department's Office of Insider Threat Program has arranged a variety of informative activities this month to help you to *Deter*, *Detect*, and *Mitigate* Insider Threats. By focusing on Cultural Awareness, we will learn how our care and concern for each other can improve our awareness of Insider Threats. I urge you to take advantage of these opportunities to learn how to recognize the signs of potential Insider Threats—and equally as important—how to thwart them.

Each Wednesday during September, the Office of Insider Threat Program will present an informative webinar that highlights Insider Threats issues and provides the opportunity for discussion. To learn more about these activities, please visit the internal <a href="https://itp.energy.gov">https://itp.energy.gov</a> website. These activities are open to contractor employees. If contractor employee attendance is during billable work, prior to attending, the contractor employee should consult with their employer, who will coordinate with the contracting officer.

I know that you take pride in the performance of your integral portion of the Department's mission. Together, let us take the necessary steps to ensure that our collective mission performance remains steadfast in the face of all threats, particularly those posed by insiders.

Deputy Secretary of Energy David Turk

# 2020 Outstanding Security Award Program Winners

The following individuals and teams have been selected as the 2020 Outstanding Security Award recipients. These awards recognize both Federal and contractor employees who excel in the performance of their duties while providing security services, or support, to the Department's protective missions. Please join us in congratulating each of them!

- 1. Security Professional of the Year (Federal): Daniel Escobar, Livermore Field Office
- 2. Security Professional of the Year (Contractor): Dennis Mosser, Oak Ridge Associated Universities/Oak Ridge Institute for Science and Education
- 3. Security Manager of the Year: SoLita Green, Office of Nuclear Energy:
- 4. Security Team or Group Award (Tie):
- a. Design Basis Threat (DBT) Implementation Team, National Nuclear Security Administration: Kerry Hommertzheim, Anthony George, Chad Hanawalt, Jimmy Ortega, Pamela Valdez, Samuel Lee, Douglas Laniohan, Josh Zamzow, Johnny Ciballos, David Digon, Matthew Becker, Jerry Weber, Dwayne Cunningham, Ramiro Alaniz, Matthew Melton, George Klipa, Thomas Rodgers, Toby Velasquez, Kevin Mattern, Daniel Reeves, Matt Pincock, Edwin Alas, Gary White, Tim

b. Protective Force Culture Improvement Group, Oak Ridge National Laboratory Site Office: William Manuel, Stephen Macklin, Roxanne Pilgrim, Frank Narro, Adam Langley, Tommy Campbell

## September Virtual Events Spotlight

Free and open to the public!

- Cyclotron Road 2022 Cohort Webinar, September 14, 2021 at 12 p.m. ET. The
  Cyclotron Road fellowship at Lawrence Berkeley National Laboratory supports
  entrepreneurial scientists and engineers as they develop globally impactful and
  commercially viable technology products.
- Internal Engagement and Communication: Sharing Your Energy Vision, September 14, 2021 at 3 p.m. ET. This Better Buildings webinar will discuss how organizations can share their energy-efficiency vision with employees and engage them in contributing to that vision.
- Geothermal Collegiate Competition Informational Webinar, September 14, 2021 at 1 p.m. ET. The U.S. Department of Energy Geothermal Collegiate Competition is a year-long competition seeking to inspire students to unlock the potential of direct use geothermal and create a plan to develop, design, and test technologies to shape the future of geothermal.
- EERE's Water Power Technologies Office in Alaska, September 15, 2021 at 5 p.m. ET. Join representatives from the Water Power Technologies Office as they share the work they are doing along the coasts and waterways of Alaska and offer insights into what could be next for water power in the last frontier.
- "Ready, Set, Solar Decathlon!" Introduction to Solar Decathlon September 16, 2021 at 5 p.m. to 6 p.m. ET. This webinar will give an in-depth introduction and overview of the Solar Decathlon. All students or faculty interested in participating or learning more are welcome to participate. No prior knowledge of Solar Decathlon is required.
- Webinar: How LBNL's ABPDU Is Training the Next Generation of Bioprocess Engineers. September 16, 2021, at 3 p.m. ET. A new college course taking place at LBNL's Advanced Biofuels and Bioproducts Process Development Unit (ABPDU) aims to train the next generation of bioprocessing engineers. LBNL is partnering with the University of California, Berkeley to provide students with hands-on experience with industry-relevant bioprocessing equipment. Part of UC Berkeley's Master of Bioprocess Engineering program, the course prepares students for careers in the biopharmaceutical, industrial biotech, or food tech industries.
- Innovation Crossroads Cohort 6 Webinar, September 17, 2021 at 2 p.m. ET. As part
  of the U.S. Department of Energy Advanced Manufacturing Office's Lab Embedded
  Entrepreneurship Program, Innovation Crossroads supports innovators for two years as
  they develop and de-risk their technologies.
- Empty Skies: Passenger Pigeon Story (a virtual program), Fernald Preserve,
   September 19, 4 5 p.m. ET. Registration required. Learn about this remarkable bird that went from a population in the billions to the brink of extinction in less than 60 years.
- Annual International Atomic Energy Agency General Conference, September 20th to 24th NNSA Administrator Jill Hruby will join with Energy Secretary Jennifer Granholm

- and many other dignitaries to consider a range of critical issues.
- Kick the Tires: Understanding the Role of R&D in the Deployment of Building
   <u>Energy Technologies</u>, September 21, 2021 at 3 p.m. ET. This Better Buildings webinar
   will explore current real-world examples of deploying technologies developed by DOE
   and the national labs. Participants will learn about DOE's ongoing efforts and
   opportunities to collaborate with the department.
- Innovation Crossroads Cohort 6 Webinar, September 22, 2021 at 12 p.m. ET. As part
  of the U.S. Department of Energy Advanced Manufacturing Office's Lab Embedded
  Entrepreneurship Program, Innovation Crossroads supports innovators for two years as
  they develop and de-risk their technologies.
- Long Duration Storage Shot Summit, September 23, 2021, with Pre-Event Roundtable on September 22, 2021. Long duration energy storage systems defined as technologies that can store energy for more than 10 hours at a time are a critical component of a low-cost, reliable, carbon-free electric grid. In alignment with DOE's Energy Earthshot Initiative, the recently announced Long Duration Storage Shot sets a bold target to reduce the cost of grid-scale energy storage by 90% within the decade. Join the DOE for the Storage Shot Summit to learn about how we can work together to achieve this goal and create affordable grid storage for clean power anytime, anywhere.
- Evolution of Commercial Building Design and Construction, September 23, 2021 at 1 p.m. ET. The session will focus on how the construction and engineering design industry is evolving and look at a futuristic perspective in the context of building codes.
- EMERGENCY Replacements the Biggest Real World Obstacle to
   Efficiency? September 23, 2021 at 1 p.m. ET Better Buildings Residential Network peer exchange call.
- Webinar 2: Chain Reaction Innovations Cohort 6, September 24, 2021 at 3 p.m.
   ET. As part of the U.S. Department of Energy Advanced Manufacturing Office's Lab Embedded Entrepreneurship Program, CRI supports innovators for two years as they develop and de-risk their technologies.
- What's Next in Water Tech for Multifamily Housing, September 28, 2021 at 11 a.m.
   ET, In this Better Buildings webinar, hear from water efficiency experts who reach beyond the low-hanging fruit of faucet aerators and low-flow showerheads to implement deep water conservation measures in multifamily housing.
- Cyclotron Road 2022 Cohort Webinar, September 28, 2021 at 12 p.m. ET. The
  Cyclotron Road fellowship at Lawrence Berkeley National Laboratory supports
  entrepreneurial scientists and engineers as they develop globally impactful and
  commercially viable technology products.
- Monarch Butterflies (a virtual program), Fernald Preserve, September 25, 2 3 p.m.
   ET. Learn about the monarch's fascinating life cycle as they pass through on their migration to their ancestral roots in Mexico.
- "Before Things Get Too Heated" De-escalation Techniques for Difficult
   Interactions, September 28 & 30, 2021. This session will outline hard-wired responses
   under stress and offer techniques for responding calmly and constructively when a
   situation gets tense.
  - o Tuesday, September 28th from 1 pm − 2 pm (ET)
  - Thursday, September 30th from 11 am Noon (ET)
- Webinar: Co-Optimization of Fuels & Engines past, present, and future: What did we learn and where do we go next? September 30, 2021 at 2 p.m. ET. New Co-Optima

- knowledge and tools point the way to cleaner, more efficient engines. This webinar looks at the initiative's accomplishments in the broader context of what might come next for internal combustion engine research in a rapidly changing world, factoring in increased vehicle electrification and a pressing need to reduce the carbon intensity of transportation.
- <u>Site Specific Advisory Board Meetings</u> September 16-23. The Office of Environmental Management is hosting several Site Specific Advisory Board meetings at Paducah, Savannah River Site, Nevada National Security Site, and Hanford. For more info, contact Kelly Snyder (kelly.snyder@em.doe.gov).
- <u>Stress Assessment Day October 7th, 2021, 8am 4pm ET Stress is interwoven into many conflict situations as a precursor, unwelcome participant, or lingering effect, especially when challenging circumstances are left unresolved. Meet virtually with the HQ EAP Specialist to identify your sources of stress and develop management strategies. Signup: Call HQ EAP: (202) 586-8420 or email <a href="Evelyn.Joy@hq.doe.gov">Evelyn.Joy@hq.doe.gov</a> to schedule an appointment.
  </u>

## Compete in the 2021 President's Cup Cybersecurity Competition

The President's Cup Cybersecurity Competition (President's Cup), hosted by the Cybersecurity and Infrastructure Security Agency (CISA), seeks to strengthen, and grow the federal cybersecurity workforce. The 2021 competition will consist of three increasingly difficult rounds, with real-world scenarios in which participants will apply their technical skills to solve a problem or complete a task. At the conclusion of the finals, there will be an awards ceremony held in Washington, D.C. The President's Cup is open to federal civilian and military employees, including the Department of Defense and uniformed service members. Government contractors are not permitted to participate. Participants can compete as an individual or on a team of up to five members, or both. All team members must belong to the same Government department, agency, or uniformed service. Registration is open from August 30 until September 20 for teams and until October 4 for individuals. To learn more and register for the competition, visit the CISA President's Cup website at <a href="https://presidentscup.cisa.gov">https://presidentscup.cisa.gov</a>

The annual President's Cup presents a unique way to challenge our nation's cybersecurity professionals and recognize them for their important contributions to our country's cyber excellence. Please consider representing the Department of Energy and competing in the 2021 President's Cup Cybersecurity Competition! Employees should get approval from their direct-reporting official or leave-approving official to participate during official duty hours (or official time). For questions directed to DOE regarding the competition, please send them to DOE at presidentscupeyber@hq.doe.gov

## **Departmental Directives Training Sessions**

The Departmental Directives Program is providing Directives training via Teams on **Thursday**, **September 16**, **2021**. Directives are a way the Department establishes internal policy, and these training sessions will cover how Directive are made and how they affect DOE employees. These classes are open to both Federal and contractor employees. Contractor employees should first

consult with their contracting officer before attending the course while on duty. The training will be offered in two sessions: a session for basic directives training and a session for advanced directives training.

Basic training is focused on introducing employees to the Directives Program and will cover topics, including:

- How internal policy is created in DOE
- Types of directives you may encounter
- Where to find internal DOE directives

Advanced training is geared towards those with experience with the directives process, or those that will be asked to play a role in the directives process. The advanced training will delve deeper into directives, covering topics like:

- · The different directives development processes and any updates
- Specific roles and responsibilities within the directives development processes
- How directives actions are prioritized

The trainings will be held on Thursday, September 16, as follows:

- Basic Directives Training: 1:00–1:45 p.m. (ET)
- Advanced Directives Training: 2:00–3:15 p.m. (ET)

If you have any questions or would like more information, please contact the Departmental Directives Program at doedirectives@hq.doe.gov.



# **Upcoming Career Fairs and Recruitment Events**

- RecruitMilitary Western Region Virtual Career Fair (September 14)
- NC State Engineering Career Fair (September 15)
- Virtual Career Day for NNSA's Minority Serving Institution Partnership Program, (September 15)
- Society of American Indian Government Employees, Virtual Youth Career Fair (September 15)
- Federal Asian Pacific American Council 2021 Student Career Fair (September 24)
- College Diversity Network Virtual Career Fair (September 30)
- <u>University of Michigan-Ann Arbor, Nuclear and Radiological Sciences Virtual</u>
   <u>Career Fair</u> (October 8)

For more events, view the <u>Recruitment Calendar</u> on HCnet. Please note, this list is not all inclusive; program offices may be participating in additional events.

# Job Opportunities:

 <u>Expression of Interest Announcements</u> – Visit this page regularly for a current list of details, temporary promotions, and reassignment opportunities available internally to DOE

- Federal employees. One of these opportunities may allow you to broaden your experience and advance your career!
- <u>USAJOBS Announcements</u> Visit this page to search all DOE jobs that are currently posted on USAJOBS. As you are viewing these opportunities, please keep in mind friends, colleagues, or acquaintances who may be a great fit for DOE. The best recruiters are those who do the work!

## Back to School Resources for Parents:

- Back To School, U.S. Department of Education
- . Back to School (Nutrition Education), U.S. Department of Agriculture
- School Safety, SchoolSafety.gov
- <u>Schools and Child Care Programs: COVID-19 Guidance</u>, Centers for Disease Control and Prevention (CDC)
- COVID-19 pandemic: Helping young children and parents transition back to school, CDC

## **Student Engagement:**

DOE's Student Volunteer Program is a great way to engage the next generation of climate leaders! You can request Corporate Recruitment and Outreach to send you resumes to bring on for the Spring. To find out more information <u>please visit HCNet</u>. Request are filled as needed, you can <u>student volunteer request form</u> on a rolling basis! Direct any questions to Pamela Baker (pamela.baker@hq.doe.gov).

## New Training Opportunity: ExecOnline:

The Future of Work Survey results indicated more than 60% requested training opportunities on effective communication and collaboration for hybrid and remote teams. To address this need and support our employees' success as we eventually transition to a hybrid workforce, we will be offering DOE employees a free new resource through our partnership with ExecOnline.

ExecOnline is a pioneer in the virtual education space offering courses designed by industry leaders and elite business schools, such as such as Columbia, Duke, UC Berkeley, and Stanford. We've worked with ExecOnline to tailor development tracks to help us respond to our most pressing organizational needs. This 4-month pilot program will begin September 30.

Please visit the ExccOnline page on HCnet for more information about this exciting pilot program and details on how to access these resources and upcoming orientation sessions.





From: Alders, Kyna L (BPA) - K-7

Sent: Thursday, December 8, 2022 4:30 PM

To: Cook, Joel D (BPA) - K-7

Subject: FW: Strategy 2.0

Attachments: Draft 2\_2 of the 2024-2028 Strategic Plan\_Alders v2.docx

FYI, my feedback to strategic planning. I feel that it is accurate and thorough, but they are not likely to be happy about it.

Kyna Alders (she/her)

Deputy Chief Operating Officer (acting)

Bonneville Power Administration

Phone: 503-230-5971 / Cell: (b)(6)

From: Alders, Kyna L (BPA) - K-7

Sent: Thursday, December 8, 2022 4:28 PM

To: Piraino-Olds, Lynn A (BPA) - DSS-3 < lapiraino-olds@bpa.gov>; Estep, Judith A (BPA) - DS-3 < jaestep@bpa.gov>

Cc: Kuhn, Shana L (BPA) - D-DITT-2 <slkuhn@bpa.gov>

Subject: Strategy 2.0

Hi All,

Thank you for the opportunity to review the draft strategy. I know this is challenging work, but it is important to get right as a key document for our customers, stakeholders and staff. As such, I think we have a hard road ahead of us to get this ready by January. My high level feedback is below. I've also attached my in line comments.

## Goals & Objectives:

#### Goals -

Starting with news you won't want to hear, I'm not sure what is in this draft is better than what we had in the last strategic plan. For example "provide competitive power products and services" (old language) seems better than "Optimize products and services..." (new language). Similarly "meet transmission customer needs efficiently and responsively" (old language) seems better than "operate an evolving system" or "optimize products and services." I know it is late to make that sort of an adjustment, but I also know that the core team was never really happy with these. They were something we agreed to live with to get started, but we never re-visited. If you want to test this with the core team or EB, I would be happy to try and re-map the objectives back to the original goals.

To the extent going back to the old language is off the table, I also want to flag that this draft adds new goal language that was not discussed with the core team and is different than what was shared with the EB Tuesday. While we discussed the initial language (aka "Sustain Financial Health"), goal descriptions now include "to..." language (e.g., to guarantee a resilient system and business"). I am not supportive of most of these as written. See below for some suggested improvements.

- "Goal 1: Sustain Financial Health to guarantee a resilient system and business" continue to build financial resilience. My biggest concern with this one is the word guarantee as our strategy does not guarantee this.
- "Goal 2: Mature Asset Management to ensure a resilient and reliable system" improve asset investment and O&M decision-making. Again, maturing asset management doesn't ensure anything.
- "Goal 3: Optimize Products & Services to serve an evolving region and industry" BPA's customers. We are not pursuing strategy to serve the industry.
- "Goal 4: Operate an evolving system safely and reliably" to maintain reliability." Note, there is nothing about safety in the objectives so it probably doesn't belong in the goal statement.
- "Goal 5 Modernize Digital Systems to enable business transformation" to improve our overall capabilities. We are so far from digital systems that enable transformation We don't even have the basics.
- "Goal 6 Value People at work, in our partnerships and across our expanding landscape to deliver results in an ever-improving work environment. This one needs work. Personally, I would write this more like "Improve recruitment and retention in a diverse and inclusive workplace" or "Make BPA an even better place to work" or something along those lines. This is marketing to current and future employees.

## Objectives --

#### Overall comments:

- we need to be somewhat consistent in the way we write objectives. For example: "1a. cost management discipline" is a very different type of statement than "6.5 Continue to build an environment where diversity, equity, inclusion and accessibility are second nature across our leadership and workforce." We need to decide if we are going for a tag line or a sentence and be consistent?
- Each outcome should describe where we are headed and at least the narrative should say something of why it is important and how we will get there. We are lacking one of these three elements in many of these sections. For example, under Goal 6 we make many aspirational statements without saying what needs to change or how we will get there. Personally, I would like to see fewer objective statement under Goal 6 and have it focus on the big issue recruitment and retention.
- Each of these goals needs to meaningful/compelling to our customers, constituents and/or our workforce. Some of these are written such that they seem insubstantial. For example, 3 of the objectives under goal 5, sound like they should be internal business as usual: "Establish a corporate digital systems modernization strategy," "Prepare for transformation activities," and "increase cost-effective service delivery." We need to change how these are written, collapse them, or eliminate them from the external document

#### Landscape and other Narrative

Overall, I think the strategy org should focus on nailing down goals and objective statements and leave writing of the "wrapper" to Communications with some input from the business. We need this to be compelling to our key audiences (customers, constituents, employees), sensitive to political and legal dynamics, and technically accurate. I have concerns on all fronts.

As written, the document de-emphasizes these important aspects of the strategic landscape:

- Changes in the HR landscape (impacting people and culture objectives)
- Sustained pressures re F&W and multi-purpose system on operations (we only talk about cost of F&W program)
- Reduction in regional base-load resources, electrification, and the pursuit of efficiency as drivers for markets (instead we continually try to talk about renewables and carbon as drivers)
- · Aging IT infrastructure and legacy of siloed systems driving need for tech investment

The document also over-emphasizes the role of climate change and carbon policy and makes statements about these forces as drivers for our strong revenues and market decisions that I believe are inaccurate. We also seem to try to weave in the word resilience way more than it is relevant/useful.

Again, thank you for the opportunity to review. Let me know if you would like to discuss further.

Thanks, Kyna

PS — I also want to re-share the crosswalk to top agency risks as I feel like we need to highlight with the EB that we are not responding to some of these in the strategy. In other cases, they help highlight aspects of the landscape that should be called out in the narrative.

Top Agency Risk (in no particular order)	Connection to draft BPA strategy
Declining competitiveness of BPA preference customer offerings	Included - Focus on fully subscribing the FCRPS through Provider of Choice. Success would provide 20-year benefits. (other parts of the strategy also help address this risk)
Grid Modernization Execution	Gap - We have content re work on markets, but little that addresses the wrap up of Grid Mod or the need to continue past the MVP state that Grid Mod achieved in the years to come.
Unlimited long-run environmental cost liability of large hydro	Gap – This seems like the biggest gap as Lower Snake Dams and litigation are at the forefront for customers, but we don't address this in the strategy at all.
Impact of environmental conditions on endangered species	Gap – we don't address this directly but we do focus on carbon reduction which could be partially responsive.
Major wildfire risk from power system asset failure	Partially included – discuss wildfire risk modeling and asset management
Market evolution	Included – focus on market evolution
Cyber attack	Included – Some work on cyber, but we also called out funding risk.
Breatkthrough / evolutions of battery technology	Gap – Not addressed unless transmission expansion gets at this.
Stranded assets	Gap?

Talent adequacy	Included – people and culture section of plan
Asset health and reliability	Included – asset management section
IT system performance and reliability	Included – IT/OT element in the plan but do not focus on reliability of operational systems
Ineffective business processes	Gap – not really included but could be given new BPM policy and work re Fin Mod
Inadequate business resilience	Included – resiliency as an outcome but not well funded
Hydro supply uncertainty	Gap – but could be partially addressed by carbon work plan, RA work, and work in PG on
	changing our water year forecasts.
Cascadia subduction zone	Gap – unless we think this is covered in asset management and resiliency somehow

Kyna Alders (she/her)

Deputy Chief Operating Officer (acting)
Bonneville Power Administration

Phone: 503-230-5971 / Cell: (b)(6)

From: Wright, Troy S (CONTR) - AIR-7
Sent: Friday, December 16, 2022 1:06 PM

To: ADL\_AI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations Report for Friday, December 16, 2022

Attachments: 2022,1216.docx

Hello everyone-

Attached is the Regional Relations Report for Friday, December 16, 2022.

This will be our final Regional Relations Report for the year... We wish you all a safe and happy holiday season!

## Intergovernmental Affairs welcomes a new BPA employee and a new acting detail

We are very happy to have them on the team!

Kathryn 'Kate' Wilson is the new Montana Constituent Account Executive based in Missoula. Prior to joining BPA, Kate was busy working on natural resource issues in Montana and even Alberta, Florida, and Idaho. Since 2017, Kate was the Executive Director at Montana Dept. of Natural Resources and Conservation for both the Upper Columbia Conservation Commission and the Flathead Basin Commission. For the past three years she also served as a Public Information Officer and Liaison for the resource agency during emergencies, including wildfires and floods. She's focused on aquatic invasive species and water quality issues for her career to date, and previously served as the Executive Director of the Pend Oreille Basin Commission in Idaho. Kate has a journalism degree from Carroll College in Helena and a Master of Science from University of Florida.

Hannah Dondy-Kaplan has been selected to serve a second detail as the Oregon Constituent Account Executive. Some of you may know Hannah from her 10+ years working on BPA's Fish and Wildlife team, and from her prior detail serving as the Oregon CAE earlier this year. Hannah earned her undergraduate degree at Wesleyan University in Connecticut and joined BPA after earning a graduate degree in Urban and Regional Planning from Portland State University.

Idaho News John Williams

#### Boise State research aims to improve power grid security

A Boise State associate professor is researching ways to improve the power grid's reliability by creating electronics to make it think like a human brain. The United States Department of Energy is now helping him. Kurtis Cantley, an associate professor of electrical and computer engineering at BSU, was awarded a three-year grant of \$700,000 by the Department of Energy's Established Program to Stimulate Competitive Research. The program is a federal-state partnership program that provides funding for sustainable and nationally competitive energy-related research. Cantley's grant is part of a larger \$21 million research grant explicitly focused on research in underrepresented areas. His research will focus on improving the power grid's reliability by developing hardware that will monitor power grid systems using something called neuromorphic systems. For the complete story: Read more at:

https://www.idahostatesman.com/news/local/education/boise-state-university/article269771222.html#storylink=cpy

Clean energy advocates plan education day for Idaho legislators in January

Idaho Energy Freedom has announced a new advisory council made up of clean power advocates from around the state. The new organization, chaired by longtime energy attorney Peter Richardson, will host an education day at the Idaho State Capitol on January 18, 2023.

"We plan to counter some of the persistent misinformation in Idaho about clean energy options so that our state doesn't miss out on the tremendous economic benefits," said Richardson, who owns a law practice in Boise. "Our state's largest utility has a 100% clean energy goal by 2045 and most major companies and cities are setting similar objectives so we can't afford to bury our heads in the sand on this."

In addition to Idaho Power's clean energy goals, the group notes that the City of Boise aims to be carbon-free by 2035, and cities like Moscow and Ketchum have similarly aggressive goals. Companies like Micron, Meta, Chobani and J.R. Simplot have also set goals for 100% clean energy or significant reductions in carbon emissions in the next decade.

Idaho Energy Freedom maintains a blog that curates clean energy news from around the region as well as offering its own analysis. Additionally, the group has also produced a series of videos about the importance of clean energy for Idaho's economy with the intention to activate its members in support of clean energy goals and projects.

"There are a lot of ways Idaho could make it easier for folks to save money through clean solar energy," said Sinuhe Montoya, whose business uses drones to survey homes for compatibility with rooftop solar. "It's windy all the time in the Magic Valley, and our schools and communities could really benefit from the tax revenue these larger projects can bring in."

Clean energy stakeholders are invited to provide information and educate legislators at Idaho Energy Freedom's upcoming event on Jan. 18 at the statehouse. (IEF news release)

#### **Nevada News**

With a new Governor, it's customary for current Governor Administration appointed members to send in their letter of resignation. Last week, David Bobzien, Director of the Nevada Governor's Office of Energy (GOE) announced his resignation, effective Jan. 2, 2023. "I am so proud of everything GOE has accomplished under Gov. Steve Sisolak's administration," Director Bobzien said. "This position and leading the team at GOE to advance clean energy in the Silver State has been an honor and a highlight of my career." Under Bobzien's leadership, GOE has elevated Nevada's presence as a leader in clean energy, regional electricity market coordination, and energy efficiency throughout the West and nation.

Nevada Governor-elect Joe Lombardo announced the Committee Chairs of the Lombardo Transition Team Working Committees. Two committees of interest:

- o Energy Working Committee Chair Karen S. Haller, President and CEO of Southwest Gas Holdings
- o Environment, Land, and Wildlife Working Committee Chair Mike Reese, Lincoln County Commissioner

## NV Energy to deploy 440 MWh battery energy storage system

NV Energy, Nevada's largest public utility, has chosen Energy Vault to construct a 220 MW/440 MWh grid-tied battery energy storage system (BESS) to be deployed at a site located near Las Vegas. The 2-hour energy storage system is designed to store and dispatch excess renewable energy, including solar and wind power, and will be charged and discharged on a daily basis. The BESS is designed to dispatch stored renewable energy at peak consumption hours to help meet the high demand during Nevada's peak load hours. Construction of the Energy Vault BESS will begin Q2 2023 and expected to be operational by the end of year. (Anne Fischer is a senior editor at pv magazine)

West Coast News Doug Marker

#### California Public Utilities Commission Cuts Rooftop Solar Subsidies

Closing the most recent chapter on rate policies for home solar installation, the California PUC voted unanimously to reduce credits from utility bills for surplus generation. The CPUC has had painful deliberations on the issue, with the solar industry and some environmental groups charging that the new policies will cripple California's climate progress. Meanwhile, advocates for low-income ratepayers and other environmental groups, have argued that changes are needed to reduce the shift of electric utility costs onto customers who cannot afford, or live where they cannot install solar generation.

The CPUC compromised from earlier proposals, preserving the advantageous rate credits current solar owners receive. The new crediting system will begin in April. Also, the CPUC deferred adopting a service charge to cover fixed costs of utility service. Solar advocates have labeled that proposal a "solar tax". The CPUC will revisit that issue in the future.

## California Market Boards Ready for Decision on EDAM, Governance

The California ISO Board of Governors and the Western Energy Imbalance Market (WEIM) Governing Body met jointly this week to hear briefings on the final draft proposals for the design of the Extended Day-Ahead Market and its governance. The joint meeting was further exercise of the shared governance for CAISO-sponsored markets. The CAISO Board of Governors remains appointed by the California Governor. The WEIM Governing Body is an independent board, nominated from a sector-based committee from across the West.

The CAISO released its final market design last week. Our good friend, Milos Bosanac, who is now leading EDAM development, briefed both boards on the main points of the proposed design - ensuring that resources committed to the market are delivered, and that the transmission necessary for the market is provided.

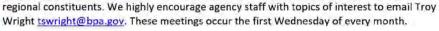
Members of the EIM Governance Review Committee briefed both boards on their draft final proposal which was released last week. The most challenging issue has been the delineation of which market rules will be subject to the joint authority of both boards and which will be under the final authority of the California-appointed ISO Board of Governors.

While there were questions and comments in the discussion, there were no sharp disagreements. The two boards will meet on February 1 for final action on the proposals.

## And Happy Holidays From the Cabazon Dinosaurs!

Near the wind farms north of Palm Springs reside the Cabazon Dinosaurs. The giant dinosaurs have greeted travelers along Interstate 10 for decades since they were originally built to advertise a roadside motel. Today, they're a miniamusement park in their own right, with kids able to climb inside and have their pictures taken inside a dinosaur mouth. This holiday season, the two big dinosaurs, Dinny and Mr. Rex are dressed in their holiday finest; wishing their visitors, as I do you, a joyous holiday season.

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact





#### Troy Wright (CONTR)

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From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, December 18, 2020 5:02 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, December 18, 2020

Attachments: 121820.pdf

Hello everyone,

Attached is the Regional Relations report for Friday, December 18, 2020. Have a wonderful weekend.

## Public Interest Organizations Josh Warner

## **Advancing Energy Efficiency**

In a <u>year end round-up</u>, NRDC's Ralph Cavanagh, surveys the last year in advancing energy efficiency and smart energy use and their role in decarbonization. He highlights the importance of utilities as, "clean energy partners by supporting programs, incentives and standards that accelerate energy efficiency programs." And continues that, "continued success hinge[s] on ensuring that both nonprofit and investor-owned utilities can thrive if they deliver on accelerating the transition to a decarbonized economy in an equitable and affordable manner." Examples from around the nation are given, with a few from the Pacific Northwest.

The Bonneville Power Administration <u>noted in December</u> that four decades of Northwest energy efficiency investment have created a "virtual river" of efficiency improvements that is now equivalent to the average annual output of the entire Federal Columbia River Power System, enough to meet the needs of five Seattle-sized cities. NRDC has been part of this effort from Day One (in keeping with its extensive roots in the region, where three of our six founders grew up, and at least a dozen of our staff now live).

The <u>California Technical Forum</u>, co-founded by my colleague Peter Miller, has a crucial independent expert role in evaluating and improving California's energy efficiency programs; in December, its utility sponsors reaffirmed their support and provided new funding for CalTF. The Pacific Northwest has a similar institution, the <u>Regional Technical Forum</u>, which includes my colleague Mohit Chhabra and thrives under the leadership of the Northwest Power and Conservation Council's Jennifer Light.

## NRDC's McCarthy Moving to New Administration

Of note from the Biden/Harris transition is that NRDC's President, Gina McCarthy, has been nominated to fill a newly created position in the White House of national climate advisor. Some have called the position the Climate Czar. McCarthy is also a former EPA Administrator.

## Idaho News John Williams

#### Governor's Salmon Workgroup Meeting

This meeting concludes the Governor's Salmon Workgroup after a year and a half of meetings. The workgroup is still finalizing the recommendations to send to the Governor. There is a possibility of presenting the recommendations to the legislature during the 2021 session. In summary, Governor Little heard a summary of the key areas of the draft report. Governor Little made the following statements:

- Would like items not on the priority list to be on a list for continued conversations
- Want to pursue an abundance and harvestable run of salmon

- Will review recommendations with Sam Eaton, Policy Director and Assistant Legal Counsel
- Clean water and good habitat is our focus as there are things out of our control like ocean condition and climate change

Sam Eaton provided a quick landscape in addressing the newly formed Columbia Basin Collaborative. He mentioned there is a new Governor in Montana that will have new people so we must wait for their involvement which may be different than the last Montana administration. Also, there is a new presidential administration and Idaho's congressional delegation along with our legislative leadership will have to see what direction will be taken on NW issues. Idaho's congressional delegation staff have attended the workgroup meetings and have had several conversations with Sam and Mike Edmondson, Interim Administrator for the Office of Species Conservation. I suspect Idaho Legislature will play a role on supporting the recommendations in part or whole. The Columbia Basin Collaborative is a different story as the legislature leadership will have issues on dam breaching conversations.

The following is a press release from the Idaho Conservation League, who is working with the workgroup to finalize document (I reported this back a few months ago).

The Idaho Conservation League (ICL) would like to sincerely thank Idaho Governor Brad Little. He personally launched this effort to bring together representatives of diverse interests from all across Idaho to work toward consensus on how to restore Idaho's salmon and steelhead to abundance. He chose not to simply ignore this issue, which is vitally important to Tribes and Idahoans, especially those who have suffered due to the sharp and drastic declines of our fish.

We are thankful to have played a role in these frank and constructive discussions that clearly and comprehensively laid out the factors affecting Idaho's wild salmon and steelhead, and examined in detail the options available to help our fish. ICL also thanks the other workgroup members and the facilitators.

Noting that the final report has not yet been delivered to the governor, ICL would like to recognize the sheer amount of effort spent in the workgroup's drafting and finalization of policy recommendations. The report is scheduled to be delivered by the end of December, at which point the workgroup will come to its formal conclusion. The ball will then be in Governors Little's court and he will determine whether to accept workgroup recommendations, and, if so, how he will implement them.

An important outcome of this workgroup is the recognition that Idahoans want to restore salmon and steelhead to true abundance. This is a much more meaningful goal than merely taking wild salmon and steelhead off the federal endangered species list. Idahoans want healthy, self-sustaining populations of wild salmon and steelhead that are economically, culturally and ecologically significant.

Throughout this process, it was agreed many times that the status quo is not working for fish or people. ICL believes the workgroup's recommendations, if adopted and implemented, will be useful ways for the State of Idaho and all Idahoans to help our fish. This is a meaningful accomplishment, one that likely would not have happened without this workgroup. We believe that it is a step towards breaking out of the status quo.

But, as the report makes clear, even if Governor Little acts on all of the workgroup's consensus recommendations, they will not restore Idaho's wild salmon and steelhead to harvestable and sustainable abundance by themselves. Rather, these recommendations constitute a list of the actions on which the workgroup could find consensus. These are positive actions, we advocate for them, and implementing them will help Idaho's fish. There is an urgency to implementing these recommendations and more needs to be done quickly to stave off extinction and to begin moving in the right direction.

The diverse stakeholder representatives that make up the workgroup had lengthy discussions regarding breaching the four lower Snake River dams. And, while it is ICL's position that dam removal is necessary to restore our fish, the workgroup did not reach consensus on this policy.

While it may be the end of the formal meetings of this workgroup, it's not the end for those of us who will continue to work to fully restore Idaho's wild salmon and steelhead. More work needs to happen on the ground and in the water and more work needs to happen to bring people together. The forthcoming Columbia Basin Collaborative will bring together the Northwest states, Tribes and other entities. We hope that this builds off of our work and advances bold, urgent actions at regional and national levels.

ICL thanks the nearly one thousand people who made public comments or sent them in writing to workgroup members and, again, to Governor Little. It's abundantly clear that Idahoans want bold action to restore salmon and steelhead and make all Idaho communities whole.

### Idaho Will Not Delay 2021 Legislative Session

In an interview with Idaho Education News, Governor Little said legislators should strongly consider delaying the upcoming session (as the state of Wyoming recently did) or explore remote options. On Tuesday, House and Senate minority leaders called for the session to be delayed until April. House Speaker Scott Bedke said the session will proceed on schedule unless two-thirds of the legislature passes a joint resolution to delay it.

House Speaker Scott Bedke said on Thursday that the upcoming Idaho legislative session is "going to be a day-by-day, week-by-week situation," amid the COVID-19 pandemic. "So I'm not going to speculate on what we may or may not do," he said. "We have contingency plans in place and processes that we could follow should we need to take an extended recess, or not. ... We will start the session based on the time-certain that's in the Constitution, and then we'll conduct the business under the rules that we have right now. But there's a process to change those."

Here's what the Idaho Constitution says on the topic, in Article III, Section 8: "SESSIONS OF LEGISLATURE. The sessions of the legislature shall be held annually at the capital of the state, commencing on the second Monday of January of each year, unless a different day shall have been appointed by law, and at other times when convened by the governor." The Constitution also says in Article III, Section 9, "Neither house shall, without the concurrence of the other, adjourn for more than three days, nor to any other place than that in which it may be sitting." That just means both houses must agree to adjourn for more than three days or to another location.

Bedke said his top priorities for the session match those of Senate President Pro-Tem Chuck Winder in setting a balanced budget and curbing executive branch authority. "But there's other things that we need to do as well," he said. "The pandemic has not slowed down the immigration to Idaho. We're one of the fastest-growing states in the union, so there are issues regarding infrastructure, certainly the road system, the bridge system that we need to take up."

Note: Masks are required in both Boise and Ada County, but the Legislature, as a separate branch of government from the executive branch, sets its own rules in the areas it controls within the Statehouse. (Russell, Betsy Z. *The Idaho Press* and *Adams Publishing Group*).

## Oregon News Julie Peacock

### **Legislative Days Committee Meetings**

This week the interim committees of the Oregon House met and heard testimony on several topics that of interest:

• The Governor's Wildfire priorities: During the 2021, the Governor will have a bill that is based on the National Cohesive Wildland Fire Management Strategy and the recommendations from the Governor's Council on Wildfire Response recommendations from 2019. The bill will focus on fire-adapted communities for utilities, insurance, defensible space, land use, health systems for smoke, emergency response and disaster recovery, and public education. Will require investor owned utility to develop fire response plans to the Public Utility commission and consumer owned utilities will have fire response plans reviewed by their boards. Part of this bill will also include mapping the wildland-urban interface. Creating resilient landscapes will include federal partnership by taking an "all-lands approach" with a second goal of maximizing forest resiliency.

- <u>Resource Adequacy:</u> Frank Afranji gave an update on the Northwest Power Pool's resource adequacy program.
  Maury Galbraith from the Western Interstate Electricity Board presented on regional approaches to resource
  adequacy including the recently completed study "Implications of a regional resource adequacy program on
  utility integrated resource planning". Jordan White from the Western Electricity Coordinating Council gave a
  presentation on WECC's reliability risk priorities with resource adequacy being the top of the list. Adam Schultz
  from ODOE gave a presentation giving a broad overview of what resource adequacy is to the committee,
  including a few very helpful graphics.
- <u>Utilities and Wildfire Ignitions</u>: Randy Enders, retried from 30 years at EWEB, testified about utilities and wildfire ignitions. He worked in system operations. He discussed issues that relate to distribution systems and the utilities creating a "best practice maintenance" policy to keep vegetation from power lines. He believes that there are questions that need to be asked of the utilities saying that they keep very detailed records on their daily operations, specifically related to vegetation management and reclosers.

### Special Session—December 21

The Governor called for a Special Legislative Session to be held on December 21. To be discussed at this special session of the legislature will be further COVID-19 and wildfire relief. The Governor indicated that she continues to hope for Congressional action on a COVID-19 relief package. The Governor's priorities for the special session include: aid for tenants and landlords, funding for vaccine distribution and contact tracing, wildfire prevention and community preparedness, and support for reopening schools. The Governor's office anticipates that this will be a one-day session.

## **ACEEE Releases State Energy Efficiency Scorecard**

This week <u>ACEEE released its 14<sup>th</sup> annual State Energy Efficiency scorecard</u>. (Bonneville provides information on its energy efficiency programs to Oregon which then report to ACEEE.) BPA state ranks are: Oregon 9<sup>th</sup>, Washington 11<sup>th</sup>, and Montana and Idaho tied for 29<sup>th</sup>. Programs related to the Governor's Executive Order on climate change were touted including strengthening energy efficiency programs and building codes.

West Coast News Doug Marker

#### CAISO Releases Proposed Terms for Imported Resource Adequacy; Set to Engage CPUC

The California ISO yesterday released its <u>revised straw proposal for Resource Adequacy Enhancements</u>. The ISO proposal notes the increasing significance for imported RA for the reliability of California electric operations, even as it expects more competition around the West for clean capacity. The ISO's proposal comes as the California PUC is writing its own rules for the RA resources it will require utilities in its jurisdiction to acquire. The ISO proposal would allow BPA's hydro generation to compete for favorable prices to incent offering resource adequacy to California. The California PUC's current rules will require BPA to commit to sell to California at whatever turns out to be the market price.

The CPUC is in the process of redesigning its RA program, including its rules for import capacity. The ISO will use yesterday's straw proposal as the basis for the recommendations it will make today in the CPUC's redesign. Both the CAISO and the CPUC will hold public meetings in January to discuss these RA requirements.

#### FERC Hears Staff Report on California Blackouts, Decides Against Own Investigation

The Federal Energy Regulatory Commission yesterday heard a <u>staff presentation</u> on the events of this past August that led to electricity blackouts in California. The staff report largely corroborated the earlier preliminary root cause analysis completed by California's energy agencies in October. The staff presentation is concise and well-written. While covering similar issues as the California report, I noted the presentation report that commitments of resource adequacy from imports to California performed well and better than other RA resources from within the state. Also, the FERC staff noted that demand response, which was credited for reducing loads at the peak hours of the August heat wave, nevertheless did not perform as well as expected.

FERC Chair James Danly proposed that FERC open a formal investigation of California's market rules for their performance in the heat wave. The two other commissioners participating in the motion voted against opening a

proceeding. They stated preference for working with California on the investigations already underway within the state. The commissioners did suggest holding a technical conference to discuss resource adequacy issues in the wake of the California events. Sonya Baskerville is organizing a BPA briefing for FERC Commissioner Rich Glick and possible participation in a technical conference.

### **EIM Governance Review Committee Releases New Proposal**

On Monday, the EIM Governance Review Committee released its <u>draft straw proposal</u> for revising the governance of the Western Energy Imbalance Market. The GRC is composed of representatives from various roles in the Western electricity markets, formed last year to proposed updates to the function of independent governance for the EIM as it is administered by the California ISO. Suzanne Cooper serves on the committee.

Two of the significant issues for discussion in this release are the authorities shared between the EIM Governing Body and the ISO Board; and the provision of outside market expertise to advise the EIM Governing Body. The scope of the GRC's discussions has narrowed somewhat as the development of expanding the EIM to day ahead services will likely take more time. Consequently, the new straw proposal concentrates its attention on the current EIM. The GRC seeks public comments by January 22.

## A Photo Bombing Gas Plant

After posting last week about Santa Monica's holiday Shopping Cart Tree, I found there's a similar concept farther up the coast in Morro Bay. The townsfolk there commemorate their crabbing industry by constructing a tree every year made from crab pots. This year's installation is at least 12 crab pots high and is strung with lights for nightly displays. Each year, the display is assembled in a different location around the waterfront, but always set up well for photographs.

That's the whimsy for the week. However, you may recall that I have from time to time discussed the retirement of California's coastal "once-through cooling" power plants. That's one of them behind this year's Crab Pot Tree. It was built in 1954 and originally ran on fuel oil. It eventually converted to natural gas but then faced the mounting concerns about the marine impacts of circulating ocean water for cooling. The plant closed in 2014. It was one of the early closures on list of 16 plants along California's coastline that have mostly closed by now or been replaced with more modern generators.



## Montana News Mark Reller

## Green Hydrogen Coming of Age

Dr. Laura Nelson of Green Hydrogen Coalition and Michel Ducker VP of renewable fuels Mitsubishi spoke this week to the Montana DEQ Generation and Transmission working group about Hydrogen fuels.

Dr. Nelson noted that hydrogen is a global commodity that trades at a volume of 100 million tons per year. Approximately 99 percent of it now uses fossil fuels as the production source energy making it the sixth leading GHG emitter. However it has the potential to be sourced using green fuels such as wind, solar, hydro and biofuels reducing its own GHG footprint and displacing GHG producing fuels in the electric production and transportation sectors. It can also be used as a mechanism to store renewable energies for long periods of time.

She reported on the Intermountain Power Project in Utah that is currently an 1800 MW coal plant but is being converted to run first on a blend of natural gas and hydrogen and eventually will be run entirely on hydrogen. The site is near salt formations that can be converted to undergrounds storage of hydrogen.

Mr. Ducker noted that in March 2020 Mitsubishi got the contract for two hydrogen gas turbines at the Intermountain site and says they will be online by 2025 burning a blend 30 percent hydrogen with 70 percent gas. By 2045 they will operate on 100 percent green hydrogen. He said the industry has experience storing hydrogen in salt caves since the 1980's. Energy storage as hydrogen gas is cost competitive with batteries for solutions that require more than 12 hours of storage capacity.

Mr. Ducker reported that an ideal place to make hydrogen and solve a growing contaminated water problem, would be at the *Berkley Pit in Butte*, USA. The legacy mining pit is filling with contaminated water that now has efforts underway to treat the water before it fills the pit and contaminates ground and surface water. Splitting the water into hydrogen and oxygen would reduce the volume of contaminated water, store energy and reduce GHG, a win, win, and win. Learn more about green hydrogen at the link here.

Speaking of hydrogen, what about using small nuclear reactors to split water and make storable hydrogen? Read more on this concept at link <a href="here">here</a>.

Speaking of small Nukes, the MT legislature will have that conversation this session. Multiple bills are in draft that will start the conversation. One will attempt to change the law to remove public approval prior to siting nukes in MT, the other will be a study bill to look at the potential for small nukes in MT. Read more at the link <a href="here">here</a>.

#### "Never Mind"

House Republicans at the Montana Legislature this week <u>backed off a proposal</u> to give committee chairs pocket-veto power, saying they received a lot of public comment and some scathing press opposing the idea. The Montana Free Press last week wrote that the prior proposal to change the rules hinted <u>"at a potential hardline coup in the House"</u>. As I reported last week the rule change would have allowed committee chairs, who are all republicans, to table any bill in committee without a hearing.

### Teachers, Nurses and more Lecture the Rules Committee on COVID Management

Stories of children successfully wearing masks to reduce the spread of COVID-19, should serve as an example for Montana's legislative body. Legislators heard several examples regarding children as they heard testimony from nurses, teachers, and Helena business owners on how to conduct the upcoming 2021 legislative session. The testimony also challenged the legislators to serve as role models for the greater state population. "Forcing citizens to choose between their own health and participation in their government, is fundamentally un-democratic," said one citizen during public testimony. Another recalled her childhood schooling when there was a grade for 'citizenship'. "Masks," she said "are a great expression of citizenship." Respect for others, businesses, first responders, and health care providers is paramount. Failure to wear a mask, could easily render a legislature in need of a hospital bed, a bed that may well not be available because of the pandemics stress on healthcare facilities.

The Lewis and Clark County Health department raised concerns about the impact to the City of Helena (County Seat of L&C County) of holding an in person legislative session. The influx of legislators, lobbyists, and public during the session and their use of motels, restaurants, and other businesses could result in super spreader events in the city and county putting local residents at increased risk. Governor elect Greg Gianforte has notified the legislature that he and his staff will wear masks, require visitors to wear masks and do temperature checks for folks entering his office, but stopped short of mentioning mandating masks for the legislators or the public. The final decision on how to hold the 2021 session, in person, remotely, or as a hybrid has still not been made. The session starts on January 4, 2021 and runs to April 30, 2021.

## Washington News Liz Klumpp

## Governor Inslee's 2021 Legislative Energy Package

Here's what the Governor has included in his 2021 request to the legislature. I believe he'll prioritize securing the \$428 million for clean energy projects and the Clean Fuels Standard to reduce transportation emissions, which would increase electricity loads. Here is the Governor's Office summary of its \$428 million biennial budget request for clean energy investments. More details are here.



The Governor-request energy legislation includes three carbon reducing bills and a \$12.6 million budget request to begin implementation. No bill language is available for review yet.

- Clean Fuels Standard to reduce transportation emissions by shifting transportation to electricity. I think this will be the third try at this bill. Oregon and California have similar standards.
- 2. Cap and Invest to cap greenhouse gas emissions economy wide (with exemptions for trade dependent industries). Invest proceeds from allowances into clean energy, transportation, climate resilience programs, and fund part of the Working Families Tax Credit. Some electricity industry parties want to integrate cap and invest with CETA and see this as a chance to allow for eventual purchase of carbon allowances as fossil fuel loads shift to the electric grid; others in the industry just want to avoid any further regulation. The legislature and the Governor likely have little energy or tolerance to modify CETA for the purpose of integrating cap and invest. This bill will be a big lift during a virtual session when no industry parties have discussed the language yet. There is a cap and trade bill from prior years that the House Energy Committee chair will introduce in January.
- 3. Amend state building energy codes to require new buildings to be carbon free by 2030 and additional language that eliminates fossil fuels from existing buildings by 2050. This will be another big lift it seems very unlikely to go anywhere. The description indicates that this law would allow households to cook with natural gas, which seems like an odd reason to preserve natural gas infrastructure.
- Require an environmental justice assessment for all climate related investments and create an Environmental Justice and Equity Advisory Panel to analyze how climate investments impact communities most affected by climate change.

Thank you,

Cynthia Case
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From: Dibble,Rachel L (BPA) - B-3

Sent: Monday, January 25, 2021 5:12 PM

To:Cook, Joel D (BPA) - P-6; Cook, Jeffrey W (BPA) - TP-DITT-2Subject:Additional Talking Points on CA Resource Adequacy

Proposals in CPUC Emergency Reliability Resource Adequacy Proceeding (in response to Summer 2020 heat wave events)

- Increasing month-ahead RA requirements based on information provided in the CEC's upcoming summer reliability assessment report and/or a resource stack analysis.
- Precluding exports from RA resources during reliability events.
- Requiring LSEs to expedite the procurement of incremental system capacity ordered in the IRP proceeding.
- Directing the IOUs to develop new supply-side resources to the extent they can be brought online in 2021.
- Directing the IOUs to bring additional capacity online by procuring incremental capacity from existing resources, implementing efficiency upgrades to existing generators, and retrofitting OTC generators that are set to retire.
- Establishing a new emergency load reduction program (ELRP) where participants are compensated only after the fact and based only on the amount of load reduction achieved during the dispatch window.
- Allowing BTM solar-plus-storage to participate in the ELRP, such that they receive compensation for exported energy (in addition to load reductions).
- Suspending restrictions on using fossil-fueled backup generation during reliability events / allowing BTM backup generation to participate in the ELRP.
- Revising existing supply-side reliability demand response programs, such as the Base Interruptible Program (BIP), so that they can be initiated during CAISO Flex Alerts or earlier.

## BPA Reactions to CAISO Filing in CPUC Proceeding Support for Resource Specificity Proposals

- Importance of assuring that specific generation capacity supports resource adequacy contracts.
- BPA supports CAISO proposal on import capability:
  - "a specified portfolio or aggregation of resources within a single balancing authority. This
    provision would allow Bonneville to market resource adequacy from the combined capabilities
    of the federal generation system.
- Current CPUC resource adequacy rules discourage Pacific Northwest hydro resources from
  participating in California's resource adequacy market. Integrated systems based on multiple
  generators should qualify as resource-specific and thus obtain fair value for the quality and flexibility of
  their operating capabilities.

#### **Supports Attestation Requirements**

Documentation of physical supply that is capable of delivery to California as requirements for import resource adequacy.

- 1. The capacity shown is owned or contractually secured;
- 2. The capacity shown has not been sold or otherwise committed to any other party;

- 3. The capacity can only be interrupted for reliability reasons as determined under the host balancing authority area's tariff, a transmission curtailment, or a plant outage; and
- 4. Transmission service of proper firmness has been reserved for the delivery of the identified import resource adequacy resource(s) to the CAISO's system.

## Transmission Deliverability:

- The CAISO proposes a requirement for high priority transmission delivery of import resource adequacy resources to CAISO.
- · Bonneville appreciates that the objective of the CAISO proposal is to provide competitive access for import resource adequacy to the benefit of California consumers while ensuring reliable delivery.
- Bonneville continues to support sound standards for the deliverability of resource adequacy to load and believes that the CAISO proposal is a reasonable approach.

Rachel Dibble she/her/hers

Director, Market Initiatives | Business Transformation Office

SONNEVILLE POWER ADMINISTRATIO rldibble@bpa.gov | P 360-619-6191 | C(b)(6) Please consider the environment before printing this email. From: Mace, Allison R (BPA) - PTM-5
Sent: Friday, April 5, 2024 7:46 AM

To: Quinata, Nicholas Y (BPA) - DKP-7; Mantifel, Russell (BPA) - MTM-3; Zimmerman, Nita M (BPA) - MT-3; Cook loel D (BPA) - K-7; Hairston John L (BPA) - A-7; Haves Matthew C

(BPA) - MT-3; Cook, Joel D (BPA) - K-7; Hairston, John L (BPA) - A-7; Hayes, Matthew C (BPA) - MTM-3; Bustamante, Richard (BPA) - TO-DITT-2; Eaton, Sara L (BPA) - PTMA-5; Cathcart, Michelle M (BPA) - PG-5; Dibble, Rachel L (BPA) - PT-5; Manary, Michelle L (BPA) - TS-DITT-2; Koehler, Birgit G (BPA) - PG-5; Thompson, Kim T (BPA) - PS-6; Harris, Marcus A (BPA) - F-2; Chong Tim, Marcus H (BPA) - L-7; Doot, Erika A (BPA) - LP-7; Marker, Doug R (BPA) - AIR-7; Wilson, Scott K (BPA) - PSW-6; Burczak, Sarah E (BPA) - PS-6; Johnson, G Douglas (BPA) - DK-7; Turner, Kristel L (BPA) - DKP-7; Montoya, Brian M (BPA) - MTP-3;

ADL MTM ALL; Kaseweter, Alisa D (BPA) - AI-7; Truong, Mai N (BPA) - TSB-TPP-2

Subject: RE: Update on DAM Policy Letter

We have access to the E&E article through the library subscription. I accessed it and have attached the article.



[EXTERNAL] Hydro giant sha...

From: Quinata, Nicholas Y (BPA) - DKP-7 < nyquinata@bpa.gov>

Sent: Friday, April 5, 2024 7:33 AM

To: Mantifel,Russell (BPA) - MTM-3 <rxmantifel@bpa.gov>; Zimmerman,Nita M (BPA) - MT-3 <nmzimmerman@bpa.gov>; Cook,Joel D (BPA) - K-7 <jdcook@bpa.gov>; Hairston,John L (BPA) - A-7 <jlhairston@bpa.gov>; Hayes,Matthew C (BPA) - MTM-3 <mchayes@bpa.gov>; Bustamante,Richard (BPA) - TO-DITT-2 <rxbustamante@bpa.gov>; Eaton,Sara L (BPA) - PTMA-5 <sleaton@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Manary,Michelle L (BPA) - TS-DITT-2 <mlmanary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <bbr/>
<ktthompson@bpa.gov>; Harris,Marcus A (BPA) - F-2 <maharris@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7 <mhchongtim@bpa.gov>; Doot,Erika A (BPA) - LP-7 <eadoot@bpa.gov>; Marker,Doug R (BPA) - AIR-7 <drmarker@bpa.gov>; Mace,Allison R (BPA) - PTM-5 <armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6 <skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7 <klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3 <BMMontoya@bpa.gov>; ADL\_MTM\_ALL <ADL\_MTM\_ALL@bpa.gov>; Kaseweter,Alisa D (BPA) - AI-7 <alkaseweter@bpa.gov>; Truong,Mai N (BPA) - TSB-TPP-2 <mntruong@bpa.gov>

Subject: RE: Update on DAM Policy Letter

Utility Dive just posted another article.

Bonneville staff backs joining SPP's Markets+ day-ahead market over CAISO alternative | Utility Dive

There is also another article in E&E News, but it's behind a paywall.

Hydro giant shakes up Western grid market plans

From: Quinata, Nicholas Y (BPA) - DKP-7 Sent: Friday, April 5, 2024 7:14 AM

To: Mantifel, Russell (BPA) - MTM-3 < <a href="mailto:rxmantifel@bpa.gov">rxmantifel@bpa.gov</a>; Zimmerman, Nita M (BPA) - MT-3

<nmzimmerman@bpa.gov>; Cook,Joel D (BPA) - K-7 <idcook@bpa.gov>; Hairston,John L (BPA) - A-7

<il><ilhairston@bpa.gov>; Hayes,Matthew C (BPA) - MTM-3 <mchayes@bpa.gov>; Bustamante,Richard (BPA) - TO-DITT-2

<rxbustamante@bpa.gov>; Eaton,Sara L (BPA) - PTMA-5 <sleaton@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5

<mmcathcart@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <ri>dibble@bpa.gov>; Manary,Michelle L (BPA) - TS-DITT-2</ti>

<ml><mlmanary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <br/>bgkoehler@bpa.gov>; Thompson,Kim T (BPA) - PS-6

<a href="mailto:ktthompson@bpa.gov">ktthompson@bpa.gov">; Chong Tim, Marcus H (BPA) - L-7</a>

<mhchongtim@bpa.gov>; Doot,Erika A (BPA) - LP-7 <eadoot@bpa.gov>; Marker,Doug R (BPA) - AIR-7

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<skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Johnson,G Douglas (BPA) - DK-7

<gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7 <klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3

<BMMontoya@bpa.gov>; ADL MTM ALL <ADL MTM ALL@bpa.gov>; Kaseweter, Alisa D (BPA) - Al-7

<alkaseweter@bpa.gov>; Truong,Mai N (BPA) - TSB-TPP-2 <mntruong@bpa.gov>

Subject: RE: Update on DAM Policy Letter

Here is the RTO Insider story on the policy letter.

### **BPA Staff Recommends Markets+ over EDAM**

Not a 'Final Decision' nor 'Endorsement,' BPA Chief Hairston Says

<< OLE Object: Picture (Device Independent Bitmap) >>

BPA's Bonneville Dam | @ RTO Insider LLC

Apr 4, 2024 | Robert Mullin

The Bonneville Power Administration on April 4 released a much anticipated staff report that tentatively recommends the agency choose *SPP*'s Markets+ over *CAISO*'s Extended Day-Ahead Market (EDAM).

"We stuck to our evaluation principles and are confident in the analysis and public process that led to the recommendation," Russ Mantifel, BPA director of market initiatives, said in a statement. "Both markets we are considering honor those principles; however, ongoing concerns with governance and some superior features related to greenhouse gas accounting and resource adequacy, among others, led to staff's preference for Markets+."

The staff recommendation, the product of a public process the federal power agency kicked off last July, should come as little surprise to electricity sector stakeholders who have closely followed the growing competition between Markets+ and EDAM to bring a more organized electricity market to the West. BPA was an important contributor to the development of EDAM, but it has been a central participant in the intensive — and expedited — stakeholder process to design Markets+, including the market's governance structure.

But the staff report, and an accompanying letter by BPA Administrator John Hairston, also made clear the recommendation is not etched in stone.

"This is not a final decision, nor is it an endorsement of one market option over another. Rather, it is intended to provide greater insight into the analysis of Bonneville staff and their recommendations based on information gathered to date," Hairston said in the *letter*.

Along with the market recommendation, BPA also released a "preliminary legal assessment" describing the agency's authority under federal law to join a day-ahead market. The assessment considered multiple factors, including the business case for participation, the agency's obligations to preference customers, and its environmental responsibilities with respect to operation of its dams.

The legal assessment notes that the Energy Policy Act of 2005 grants federal utilities the right to join transmission organizations, including RTOs. The assessment points out that Markets+ and EDAM would be "less restrictive" than an RTO because BPA "would retain substantial control over its transmission assets, and its balancing authority area responsibilities would be preserved."

"While the development of a day-ahead market is not an RTO, it is reasonable to conclude that Congress contemplated federal utilities would be authorized to participate in subcomponents of an RTO like a day-ahead market as part and parcel of that express authority," the assessment found.

# 'Important Differences'

In developing the market recommendation, BPA staff considered eight evaluation principles, including: statutory, regulatory and contractual obligations; service reliability for BPA customers; resource adequacy frameworks to maintain system reliability; business rationale; consistency with BPA's 2024-2028 strategic plan; governance; commercial and operational impact of day-ahead market participation on customers; and handling of greenhouse gas emissions.

Governance has been a top concern for BPA as it contemplates joining a day-ahead market that could eventually evolve into an RTO. For the agency, CAISO's governance, which is subject to oversight by California state officials, has been a significant hurdle for joining EDAM and a point that heavily favors Markets+.

"Paramount to Bonneville's participation in any day-ahead market is the requirement for independent market governance that is not obligated to any single state, entity or trade association," the staff recommendation said. "Bonneville staff believes that independent governance will ensure that decisions affecting the market are made with consideration of the interests of all market participants."

Staff said it saw "important differences" between Markets+ and EDAM in this area, pointing to differing approaches to stakeholder processes as well as governance.

"Bonneville staff believes that Markets+ has developed a structure and process that is more likely to result in equitable market outcomes and fair consideration of Bonneville's interest," the report said. "The structure of the Markets+ Executive Committee (MPEC), work groups and task forces that developed the market design and initial tariff provided all participants an equal opportunity to weigh in on decisions."

The BPA report said the Markets+ governance and processes "supported collaboration and negotiation" to help achieve consensus on issues, allowing the agency "to propose and obtain consideration of its statutory and contractual obligations" during development of the tariff.

BPA staff complimented the Markets+ work group processes for being "publicly accessible" and for considering views of utilities, states and independent organizations.

They also noted that SPP's staff have offered technical support and other facilitations "while respecting the decision-making roles of market participants."

"As Markets+ transitions from phase 1 to phase 2 and ultimately to an operational market, Bonneville staff expects the MPEC, work groups and task forces to maintain the same level of decision-making and collaboration that crafted the tariff," the BPA report said.

BPA staff contrasted SPP's approach with what they called CAISO's "staff-driven model."

"Bonneville staff acknowledge the CAISO's efforts to develop a more participatory stakeholder engagement process. Bonneville appreciates and respects the professionalism and expertise that CAISO staff routinely display in their stakeholder process, but Bonneville staff believes the process is still lacking in stakeholder leadership and engagement in policy and implementation development, evaluation and decision processes," the report said.

On governance, BPA staff said CAISO's model "has presented challenges in resolving contentious regional issues" and that the agency has observed "that EDAM governance presents real problems for Bonneville's participation in a day-ahead market and could result in unbalanced outcomes, as it continues to operate under provision of California law.

The report notes that CAISO's Board of Governors is appointed by California's governor "with obligations to California ratepayers embedded in California laws and policies." The ISO's "dual responsibilities" of serving California load and operating day-ahead and real-time markets "has resulted in Bonneville, and consequently its customers in the Pacific Northwest Region, being at a competitive and governance disadvantage," the report contends.

BPA staff acknowledged the efforts of the West-Wide Governance Pathways Initiative to create a more independent governance structure for a single Western market that would expressly include California and rest on the platform of EDAM and CAISO's Western Energy Imbalance Market.

"Bonneville's view is that achieving the objective of Pathways likely requires modification of California legislation, which has not gained traction in the past," the report said. "Bonneville is tracking the effort's legal analysis for indicators regarding the viability and potential timeline for governance updates. Throughout its decision-making process, Bonneville will continue to consider the progress of Pathways."

"I don't anticipate, at this point in time, that we'll get more involved [in Pathways] than we are right now," BPA's Mantifel said during an April 4 press briefing. "We will be evaluating anything that comes out of the Pathways Initiative as part of our ultimate decision, so when we do make the decision later this year, we will take into account any governance changes that have either been realized or proposed as a result of the Pathways Initiative."

# SPP Wins on RA, GHGs

Markets+ also won favor with BPA staff on the issue of resource adequacy based on the market's requirement that eligible participants also join the Western Power Pool's Western Resource Adequacy Program (WRAP), which is operated by SPP.

"WRAP has become the dominant resource adequacy program outside of California," the BPA report said. "The EDAM proposal does not propose a uniform adequacy metric or require EDAM entities to participate in a resource adequacy program. Bonneville staff supports and prefers the clear and consistent requirement that all Markets+ [load-responsible entities] must participate in WRAP, which better supports regional reliability."

While California utilities are subject to a state-mandated RA requirement, other EDAM participants outside California can participate in the WRAP but are not required to join an RA program, BPA staff noted.

"The EDAM proposal's lack of a common resource adequacy metric makes it difficult to assess whether the footprint as a whole will be resource adequate in the planning horizon. Further, failure to adequately plan in advance to meet demand by the day-ahead time frame could undermine the ability of the market to find adequate supply to serve load in the short day-ahead time frame," the report said.

BPA staff also favor the way Markets+ will handle the tracking and accounting of greenhouse gas emissions, an issue of specific concern for agency customers in Washington state, which last year adopted a cap-and-trade system to price carbon. While both Markets+ and EDAM are designed to attribute specific resources to states with GHG pricing, BPA staff said SPP's design offers more assurance that energy from the federal hydro system will be attributed to BPA's Washington customers who have contracted for that power.

"In contrast, CAISO's design would attribute the federal system to Washington only when it is the most economical solution for the entire market footprint," BPA staff said. "This outcome of CAISO's design would adversely impact Bonneville because, at times when the system is not attributed to Washington, Bonneville may not be able to recover the difference between the price it receives for system resources and the cost it pays for load in the GHG area."

BPA staff also preferred the Markets+ approach to transmission congestion rent, saying it "better models physical congestion in Bonneville's transmission system, allocates congestion rents according to constraint-level congestion and allocates congestion rents directly to long-term transmission right holders, which provides consistency for transmission customers across the entire footprint."

BPA plans to issue a draft decision on its market choice in August, followed by a final decision late in the year, likely in November. In the meantime, it will hold additional workshops on the issue this summer.

## Reactions

Stakeholder reactions to the BPA recommendation were mixed, if predictable.

"SPP is very pleased to hear of BPA's staff recommendation to join Markets+," RTO spokesperson Meghan Sever said in an email to *RTO Insider*. "BPA has been an active participant in Markets+ development, and we look forward to continued collaboration as we work to build a Western energy market that provides environmental and financial benefits and enhances electric reliability in the Western Interconnection."

"We respect BPA's public process and appreciate our continuing collaborative relationship on the broad set of Western electricity issues, as well as BPA's partnership and successful participation in the Western Energy Imbalance Market," CAISO said.

Opponents of BPA's "leaning" in favor of Markets+ offered stronger words.

The Northwest Energy Coalition (NWEC), which has strongly advocated for a single Western market, once again advised BPA to ease up on its timeline for selecting a market.

"NW Energy Coalition and our allies urge BPA to keep an open mind and continue to do comprehensive analysis before making a decision," NWEC said in a statement, noting that EDAM, which has already been approved by *FERC*, builds on the WEIM, a market in which BPA already participates.

"The WEIM already covers more than 80% of the Western region and has provided more than \$5 billion in customer benefits. It is no exaggeration to say the WEIM has provided a crucial contribution to keeping the lights on during extreme weather events, including the mid-January freeze in the Northwest," NWEC said.

"This decision makes clear that the Bonneville Power Administration cares more about political control than its customers, residents of the Northwest, or endangered salmon and steelhead," Mitch Cutter, salmon and energy strategist at the Idaho Conservation League, said in a statement. "A single regional market could help save ratepayers money, decarbonize the grid and reduce the Northwest's dependence on salmon-killing hydropower. Instead of heeding its mission and statutory obligations, BPA seems hellbent on joining Markets+ and fragmenting the West when unity is most needed."

Advanced Energy United Executive Director Leah Rubin Shen said it was "exciting" that BPA staff determined it would be legal and beneficial for the agency to join a day-ahead market, but she said joined "energy industry and policy leaders throughout the region — including the governors of Washington and Oregon — in finding the recommendation about which market to join premature."

"This is a very dynamic landscape that is rapidly changing. BPA's own modeling shows their customers and partners will benefit most from being in the same market as California, and there is a robust effort underway — the West-Wide Governance Pathways Initiative — to resolve BPA's primary objection regarding independent governance," she said.

# 'Absolutely Critical'

BPA's final decision will carry significant weight in the Northwest, where it operates 15,000 circuit miles of transmission — or 70% of the regional system — and is the largest power provider, controlling 17,500 MW of generating capacity.

But a final decision in favor of Markets+ could leave the agency at risk of hemming itself into a relatively small market with limited links to other potential participants, depending on the choices of neighboring balancing authorities.

On that front, EDAM has already won commitments from significant players in the Northwest, including PacifiCorp, whose six-state territory extends into the Intermountain region, and Portland General Electric, Oregon's largest utility by customer base. Publicly owned Seattle City Light, which has been deeply involved in the Pathways Initiative and is listed among its top funders, is expected to follow suit. (See *CAISO's EDAM Scores Key Wins in Contested Northwest*.)

Sources have told *RTO Insider* that decisions by Idaho Power and NV Energy will be vital for determining how markets take shape in West but especially important for the functioning of Markets+, which has its strongest support in the Pacific Northwest and Arizona — areas separated by more than a thousand miles and a lack of transmission links.

Signs point to both joining EDAM, although that's still uncertain.

Idaho Power offered the clearest signal last month in a *letter* to CAISO saying it is leaning toward joining EDAM after determining that the market offers the greatest value for its customers. The Boise-based utility has also recently partnered with the ISO to fund a Nevada transmission line designed to increase transfers of renewable energy between Idaho and points to the south, opening up the potential for more energy sales into the Southwest.

And while NV Energy has been more guarded about its direction, a recent Brattle Group study found the utility would realize significantly greater financial benefit from participating in EDAM than Markets+. The Nevada utility's choice will be pivotal for either market, given the central location of its transmission network and its role in facilitating transfers among WEIM participants. (See NV Energy to Reap More from EDAM than Markets+, Report Shows.)

"Where it looks like we're going to go right now — if Markets+ succeeds in moving forward with a lot of support across the West — is a Northwest zone and a Southwest zone with no direct connection from transmission," Fred Heutte, senior policy associate at NWEC, said in an interview in February. "It'll have to transfer power across the grid of other entities that are not in Markets+."

Asked during BPA's press briefing about the weight of such geographical factors in its final decision, Mantifel called them a "major factor," but he also noted that while the agency's financial benefits would be "sensitive" to the market footprint, it has not identified any "bright line at this point in time that would automatically shift our decision."

Asked whether the governance issue would outweigh financial benefits, Mantifel said: "I would say governance occupies a pretty equal spot in our evaluation. Yeah, governance is an absolutely critical issue for Bonneville in making this decision."

From: Mantifel, Russell (BPA) - MTM-3 < rxmantifel@bpa.gov>

Sent: Thursday, April 4, 2024 10:34 AM

To: Zimmerman,Nita M (BPA) - MT-3 <nmzimmerman@bpa.gov>; Cook,Joel D (BPA) - K-7 <idcook@bpa.gov>; Hairston,John L (BPA) - A-7 <ilhairston@bpa.gov>; Hayes,Matthew C (BPA) - MTM-3 <nchayes@bpa.gov>; Bustamante,Richard (BPA) - TO-DITT-2 <rxbustamante@bpa.gov>; Eaton,Sara L (BPA) - PTMA-5 <sleaton@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <nmcathcart@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Manary,Michelle L (BPA) - TS-DITT-2 <nlendamary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <blook\_bea.gov>; Chong Tim,Marcus H (BPA) - PS-6 <ktthompson@bpa.gov>; Harris,Marcus A (BPA) - F-2 <nlendamaris@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7 <nlendamaris@bpa.gov>; Doot,Erika A (BPA) - LP-7 <eadoot@bpa.gov>; Marker,Doug R (BPA) - AIR-7 <clendamarker@bpa.gov>; Mace,Allison R (BPA) - PTM-5 <armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6 <skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Quinata,Nicholas Y (BPA) - DKP-7 <nyquinata@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7 <klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3 <smtMontoya@bpa.gov>; Truong,Mai N (BPA) - TSB-TPP-2 <ntruerymerman.gov>

Subject: RE: Update on DAM Policy Letter

Indeed. Big thanks to OGC on this. For their own document and work on the letter.

Best, Russ From: Zimmerman, Nita M (BPA) - MT-3 < nmzimmerman@bpa.gov>

Sent: Thursday, April 4, 2024 8:26 AM

To: Cook,Joel D (BPA) - K-7 < jdcook@bpa.gov>; Hairston,John L (BPA) - A-7 < jlhairston@bpa.gov>; Hayes,Matthew C (BPA) - MTM-3 < mchayes@bpa.gov>; Bustamante,Richard (BPA) - TO-DITT-2 < rxbustamante@bpa.gov>; Mantifel,Russell (BPA) - MTM-3 < rxmantifel@bpa.gov>; Eaton,Sara L (BPA) - PTMA-5 < sleaton@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 < mmcathcart@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 < rldibble@bpa.gov>; Manary,Michelle L (BPA) - TS-DITT-2 < mlmanary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov>; Thompson,Kim T (BPA) - PS-6 < ktthompson@bpa.gov>; Harris,Marcus A (BPA) - F-2 < maharris@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7 < mhchongtim@bpa.gov>; Doot,Erika A (BPA) - LP-7 < eadoot@bpa.gov>; Marker,Doug R (BPA) - AIR-7 < drmarker@bpa.gov>; Mace,Allison R (BPA) - PTM-5 < armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6 < skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 < seburczak@bpa.gov>; Quinata,Nicholas Y (BPA) - DKP-7 < nyquinata@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7 < klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3 < mmontoya@bpa.gov>; Truong,Mai N (BPA) - TSB-TPP-2

Subject: RE: Update on DAM Policy Letter

And Erika and Todd! (3)

<mntruong@bpa.gov>

From: Zimmerman, Nita M (BPA) - MT-3 Sent: Thursday, April 4, 2024 8:24 AM

To: Cook,Joel D (BPA) - K-7 <idcook@bpa.gov>; Hairston,John L (BPA) - A-7 <idhairston@bpa.gov>; Hayes,Matthew C (BPA) - MTM-3 <mchayes@bpa.gov>; Bustamante,Richard (BPA) - TO-DITT-2 <rxbustamante@bpa.gov>; Mantifel,Russell (BPA) - MTM-3 <rxmantifel@bpa.gov>; Eaton,Sara L (BPA) - PTMA-5 <sleaton@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Manary,Michelle L (BPA) - TS-DITT-2 <mlmanary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <bld><br/>
\*kethompson@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <bld><br/>
\*mhchongtim@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7 <mlmanary@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7 <mlmanary@bpa.gov>; Marker,Doug R (BPA) - AIR-7 <bld><br/>
\*mhchongtim@bpa.gov>; Mace,Allison R (BPA) - PTM-5 <armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6 <skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Quinata,Nicholas Y (BPA) - DKP-7 <nyquinata@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gli>
\*klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3 <a href="mailth:BMMontoya@bpa.gov">BMMontoya@bpa.gov</a>; Truong,Mai N (BPA) - TSB-TPP-2 <mntruong@bpa.gov>; Kaseweter,Alisa D (BPA) - AI-7 <a href="mailth:alkaseweter@bpa.gov">alkaseweter@bpa.gov</a>; Truong,Mai N (BPA) - TSB-TPP-2 <mntruong@bpa.gov>

Subject: RE: Update on DAM Policy Letter

The BTO Markets team, Sara, Mai, Alisa and Nick along with many others that I should be listing made this possible! Great work to all of you!

From: Cook, Joel D (BPA) - K-7 < idcook@bpa.gov>

Sent: Thursday, April 4, 2024 8:12 AM

To: Hairston, John L (BPA) - A-7 < <u>ilhairston@bpa.gov</u>>; Zimmerman, Nita M (BPA) - MT-3 < <u>nmzimmerman@bpa.gov</u>>; Hayes, Matthew C (BPA) - MTM-3 < <u>mchayes@bpa.gov</u>>; Bustamante, Richard (BPA) - TO-DITT-2

<<u>rxbustamante@bpa.gov</u>>; Mantifel,Russell (BPA) - MTM-3 <<u>rxmantifel@bpa.gov</u>>; Cathcart,Michelle M (BPA) - PG-5
<<u>mmcathcart@bpa.gov</u>>; Dibble,Rachel L (BPA) - PT-5 <<u>rldibble@bpa.gov</u>>; Manary,Michelle L (BPA) - TS-DITT-2
<mlmanary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov>; Thompson,Kim T (BPA) - PS-6

```
<ktthompson@bpa.gov>; Harris,Marcus A (BPA) - F-2 <maharris@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7
<mhchongtim@bpa.gov>; Doot,Erika A (BPA) - LP-7 <eadoot@bpa.gov>; Marker,Doug R (BPA) - AIR-7
<a href="mailto:square;"><drmarker@bpa.gov</a>; Mace,Allison R (BPA) - PTM-5 <a href="mailto:armace@bpa.gov"><a href="mailto:square;">armace@bpa.gov</a>; Wilson,Scott K (BPA) - PSW-6
<skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Quinata,Nicholas Y (BPA) - DKP-7
<nyquinata@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7
<a href="mailto:klturner@bpa.gov"></a>; Montoya,Brian M (BPA) - MTP-3 <a href="mailto:klturner@bpa.gov"></a>; ADL MTM ALL
<ADL MTM ALL@bpa.gov>
Subject: RE: Update on DAM Policy Letter
```

Ditto that from me as well. Excellent work and the standard for running a transparent and collaborative process!

Joel D. Cook Chief Operating Officer, K-7 BONNEVILLE POWER ADMINISTRATION P: 503-230-7640 I jdcook@bpa.gov C:(b)(6)

From: Hairston, John L (BPA) - A-7 < ilhairston@bpa.gov>

Sent: Thursday, April 4, 2024 8:08 AM

To: Zimmerman, Nita M (BPA) - MT-3 < nmzimmerman@bpa.gov >; Hayes, Matthew C (BPA) - MTM-3 <mchayes@bpa.gov>; Bustamante,Richard (BPA) - TO-DITT-2 <rxbustamante@bpa.gov>; Mantifel,Russell (BPA) - MTM-3 <rxmantifel@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Cook,Joel D (BPA) - K-7

<idcook@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Manary,Michelle L (BPA) - TS-DITT-2

<mlmanary@bpa.gov>; Koehler,Birgit G (BPA) - PG-5 <br/>bgkoehler@bpa.gov>; Thompson,Kim T (BPA) - PS-6

<ktthompson@bpa.gov>; Harris,Marcus A (BPA) - F-2 <maharris@bpa.gov>; Chong Tim,Marcus H (BPA) - L-7

<mhchongtim@bpa.gov>; Doot,Erika A (BPA) - LP-7 <eadoot@bpa.gov>; Marker,Doug R (BPA) - AIR-7

<drmarker@bpa.gov>; Mace,Allison R (BPA) - PTM-5 <armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6

<skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Quinata,Nicholas Y (BPA) - DKP-7

<nyquinata@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7

<klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3 <BMMontoya@bpa.gov>; ADL MTM ALL

<ADL MTM ALL@bpa.gov>

Subject: RE: Update on DAM Policy Letter

Thank you, Nita and the entire team who have contributed to this very important milestone, for us, our customers and the region. Extremely well done!

From: Zimmerman, Nita M (BPA) - MT-3 < nmzimmerman@bpa.gov>

Sent: Thursday, April 4, 2024 7:59 AM

To: Hayes, Matthew C (BPA) - MTM-3 < mchayes@bpa.gov >; Bustamante, Richard (BPA) - TO-DITT-2 <rxbustamante@bpa.gov>; Mantifel,Russell (BPA) - MTM-3 <rxmantifel@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Cook,Joel D (BPA) - K-7 <jdcook@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Manary, Michelle L (BPA) - TS-DITT-2 < mlmanary@bpa.gov>; Koehler, Birgit G (BPA) - PG-5 < bgkoehler@bpa.gov>; Thompson, Kim T (BPA) - PS-6 < <a href="mailto:ktthompson@bpa.gov">ktthompson@bpa.gov</a>; Harris, Marcus A (BPA) - F-2 < <a href="mailto:maharris@bpa.gov">maharris@bpa.gov</a>; Chong Tim, Marcus H (BPA) - L-7 < mhchongtim@bpa.gov>; Doot, Erika A (BPA) - LP-7 < eadoot@bpa.gov>; Hairston, John L (BPA) - A-7 < ilhairston@bpa.gov >; Marker, Doug R (BPA) - AIR-7 < drmarker@bpa.gov >; Mace, Allison R (BPA) - PTM-5 <armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6 <skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6</a> <seburczak@bpa.gov>; Quinata, Nicholas Y (BPA) - DKP-7 <nyquinata@bpa.gov>; Johnson, G Douglas (BPA) - DK-7

<gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7 <klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3

<BMMontoya@bpa.gov>; ADL\_MTM\_ALL <ADL\_MTM\_ALL@bpa.gov>

Subject: RE: Update on DAM Policy Letter

Materials are live on the external web site: Day-Ahead Market - Bonneville Power Administration (bpa.gov)

Congratulations to all and thank you to the team for the tremendous work to get us to this milestone!

From: Hayes, Matthew C (BPA) - MTM-3 < mchayes@bpa.gov>

Sent: Wednesday, April 3, 2024 3:37 PM

To: Bustamante, Richard (BPA) - TO-DITT-2 <rxbustamante@bpa.gov>; Mantifel, Russell (BPA) - MTM-3 <rxmantifel@bpa.gov>; Zimmerman,Nita M (BPA) - MT-3 <nmzimmerman@bpa.gov>; Cathcart,Michelle M (BPA) - PG-5 <mmcathcart@bpa.gov>; Cook,Joel D (BPA) - K-7 <jdcook@bpa.gov>; Dibble,Rachel L (BPA) - PT-5 <rldibble@bpa.gov>; Manary, Michelle L (BPA) - TS-DITT-2 <mlmanary@bpa.gov>; Koehler, Birgit G (BPA) - PG-5 <br/>bgkoehler@bpa.gov>; Thompson, Kim T (BPA) - PS-6 < <a href="mailto:ktthompson@bpa.gov">ktthompson@bpa.gov</a>; Harris, Marcus A (BPA) - F-2 < <a href="mailto:mail Tim,Marcus H (BPA) - L-7 <<u>mhchongtim@bpa.gov</u>>; Doot,Erika A (BPA) - LP-7 <<u>eadoot@bpa.gov</u>>; Hairston,John L (BPA) - A-7 < jlhairston@bpa.gov>; Marker,Doug R (BPA) - AIR-7 < drmarker@bpa.gov>; Mace,Allison R (BPA) - PTM-5 <armace@bpa.gov>; Wilson,Scott K (BPA) - PSW-6 <skwilson@bpa.gov>; Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Quinata,Nicholas Y (BPA) - DKP-7 <nyquinata@bpa.gov>; Johnson,G Douglas (BPA) - DK-7 <gdjohnson@bpa.gov>; Turner,Kristel L (BPA) - DKP-7 <klturner@bpa.gov>; Montoya,Brian M (BPA) - MTP-3

<<u>BMMontoya@bpa.gov</u>>; ADL\_MTM\_ALL <<u>ADL\_MTM\_ALL@bpa.gov</u>> Subject: Update on DAM Policy Letter

Importance: High

FYI the communications package has been sent out to the AEs. This includes the DAM talking points, the pathways talking points, as well as the exec communication plan.

Additionally I returned the Friday message to comms for inclusion in John's 4/5 executive message.

#### DAM Policy Letter Update:

John has signed the cover letter. Nick Quinata is getting the staff recommendation and legal assessment into their final formats and then will send them to the web team for posting tomorrow morning at 8. All executives identified in the communication plan for tomorrow morning should be all set with who they are communicating with and their contact information. Please let me know ASAP is this is not the case for any of you.

Please let me know if you have any questions about this.

Thanks,

Matt

From: Quinata, Nicholas Y (BPA) - DKP-7 < nyquinata@bpa.gov>

Sent: Wednesday, April 3, 2024 3:26 PM

To: Hayes, Matthew C (BPA) - MTM-3 < mchayes@bpa.gov>

Subject: FW: Corrected + Updated w/ Executive Outreach Plan - April 4 Release of Staff Recommendation and Preliminary Legal Assessment for BPA's Potential Day-Ahead Market Participation, Comment Period Opens

Importance: High

From: Communications < Communications@bpa.gov>

Sent: Wednesday, April 3, 2024 3:15 PM

To: Communications < Communications@bpa.gov >; Communications Outreach

<CommunicationsOutreach@BPASite1.bpa.gov>

Subject: Corrected + Updated w/ Executive Outreach Plan - April 4 Release of Staff Recommendation and Preliminary

Legal Assessment for BPA's Potential Day-Ahead Market Participation, Comment Period Opens

Importance: High

Please note the outreach instructions have been corrected from the previous Communications email. Also, the Executive Outreach Plan has been embedded in the Other Outreach section below. Some AEs have tasks listed in this document. Please review for more information.

# Communications outreach guidance

You are receiving this email because you have outreach responsibilities, you are a manager or you have asked to be added to this distribution list.

#### SUBJECT:

April 4 Release of Staff Recommendation and Preliminary Legal Assessment for BPA's Potential Day-Ahead Market Participation, Comment Period Opens

#### POINT OF CONTACT: DATE:

Matt Hayes, 503-230-3682 4/3/24

Outreach leads:	Action requested:	Date:	Time:
Power AEs	While Transmission AEs have the lead for outreach, please respond to queries as appropriate.	4/4	After 8 a.m.
Transmission AEs	Please proactively share with your customers.	4/4	After 8 a.m.
Constituent AEs	Share message with your constituents and contacts.	4/4	After 8 a.m.
Tribal AEs	Share message with Tribal customers.	4/4	After 8 a.m.
DC Reps	FYI only		
Energy Efficiency Reps	FYI only		
Managers	FYI only		

## Other outreach:

 Executive outreach will begin on April 4, starting at 8 a.m. This document is for internal-use only. Do not share outside of BPA.

File: BPA DAM policy letter executive outreach plan (004).pdf >>

- BPA will issue a news release on April 4, around 8 a.m.
- A Tech Forum notice will be sent on April 4 around 8 a.m.
- The public comment period opens on April 4 around 8 a.m. on the BPA public comment

#### website.

A post will be made to BPA's <u>LinkedIn</u> page on Friday, April 5.

#### Notes/Resources:

- Talking Points BPA releases staff recommendation regarding day-ahead market participation
- Talking Points BPA's governance concerns regarding CAISO expansion of regional functions
- BPA external Day-Ahead Market page

## Message to share:

On April 4, the staff recommendation and preliminary legal assessment for BPA's potential day-ahead market participation will be posted on BPA's day-ahead market page.

A public comment period will be open April 4 through May 3. Comments will be accepted through BPA's public comment website.

The next DAM workshop is scheduled for May 8, where BPA will focus on a public discussion on the staff recommendation and preliminary legal assessment, as well as a discussion on the technical evaluation of BPA's transmission in a day-ahead market.

This workshop will be virtual only. Prior to the workshop, materials will be posted to BPA's day-ahead market webpage.

#### Meeting Details:

When: May 8, 2024

Time: 9 a.m. - 4 p.m. (PST)

Where: WebEx only

Phone Bridge: 1-415-527-5035

WebEx: join the meeting

Meeting Number: (b)(6)

Meeting Password: (b)(6)

From: Wellschlager, John D (MFE)(BPA) - PTL-5

Sent: Thursday, April 11, 2019 1:04 PM

To: Cook, Joel D (BPA) - P-6

Subject: RE: Update on Solar Storage and Shaping Product

Joel,



From: Cook, Joel D (BPA) - P-6

Sent: Thursday, April 11, 2019 12:45 PM
To: Wellschlager, John D (MFE)(BPA) - PTL-5

Subject: RE: Update on Solar Storage and Shaping Product

John,

# (b) (5)

From: Wellschlager, John D (MFE)(BPA) - PTL-5 < jdwellschlager@bpa.gov>

Sent: Thursday, April 11, 2019 10:29 AM

To: Wellschlager, John D (MFE) (BPA) - PTL-5 < jdwellschlager@bpa.gov>; Mainzer, Elliot E (BPA) - A-7 < eemainzer@bpa.gov>; Cook, Joel D (BPA) - P-6 < jdcook@bpa.gov>; Thompson, Garry R (BPA) - PS-6

<grthompson@bpa.gov>; Cooper,Suzanne B (BPA) - PT-5 <sbcooper@bpa.gov>

Cc: Vander Laan, Dirk A (BPA) - PTL-5 <davanderlaan@bpa.gov>; DeForest, Lon C (BPA) - PTM-5 <lcdeforest@bpa.gov>;

Miller, Andrew J (BPA) - PSE-6 <ajmiller@bpa.gov>; Weekley, Annamarie E (BPA) - PTL-5 <aegoode@bpa.gov>

Subject: RE: Update on Solar Storage and Shaping Product

Importance: High

All:

# (b)(5)

Thanks John

From: Wellschlager, John D (MFE)(BPA) - PTL-5

Sent: Tuesday, April 09, 2019 1:14 PM

To: Mainzer, Elliot E (BPA) - A-7; Cook, Joel D (BPA) - P-6; Thompson, Garry R (BPA) - PS-6; Cooper, Suzanne B (BPA) - PT-

Cc: Vander Laan, Dirk A (BPA) - PTL-5; DeForest, Lon C (BPA) - PTM-5; Miller, Andrew J (BPA) - PSE-6; Weekley, Annamarie E (BPA) - PTL-5

Subject: Update on Solar Storage and Shaping Product





# best

John Wellschlager Account Executive, Trading Floor Bonneville Power 503-230-5944 jdwellschlager@bpa.gov From: Wellschlager,John D (MFE)(BPA) - PTL-5

Sent: Friday, August 23, 2019 12:04 PM

To: Cooper, Suzanne B (BPA) - PT-5; Cook, Joel D (BPA) - P-6

Cc: Thompson,Garry R (BPA) - PS-6; Spain,Alex J (MFE)(BPA) - PTF-5; DeForest,Lon C (BPA) -

PTM-5; Miller, Mark E (BPA) - PTL-5; Miller, Andrew J (BPA) - PSE-6; Weekley, Annamarie E

(BPA) - PTL-5

Subject: NWCPUD - RFP for Carbon-Free Energy (for Google)

Attachments: RFP for CF Power August 2019.pdf

# Market Sensitive and Confidential - Please do not forward or discuss





From: Jen Kelly [mailto:jen-kelly@nwascopud.org]

Sent: Monday, August 19, 2019 10:51 AM

To: PRD

John

Subject: [EXTERNAL] NWCPUD - RFP for Carbon-Free Energy

Northern Wasco County People's Utility District is requesting proposals from qualified Sellers for 25 to 50 MW of firm, carbon-free resources for its customers. Energy may be sourced from a system or generator(s) that can produce a firm, flat output profile for all hours in the Contract Term using 100% carbon-free sources of energy including, but not limited to, wind, solar, hydro, geothermal, nuclear or combined renewable energy with storage. Carbon-free and hybrid sources must provide flat, scheduled blocks of energy at the Delivery Point.

This RFP and associated response form may also be found at: <a href="https://www.nwascopud.org/bids/carbon-free-energy">https://www.nwascopud.org/bids/carbon-free-energy</a>

From: James, Daniel M (BPA) - D-7

Sent: Wednesday, June 3, 2020 9:04 AM

To: Johnson,G Douglas (BPA) - DK-7; Klumpp,Elizabeth C (BPA) - DIR-WSGL; Mainzer,Elliot E

(BPA) - A-7; Connolly, Kieran P (BPA) - PG-5; Farleigh, Kevin S (BPA) - PSW-6;

Thompson,Kim T (BPA) - PS-6; Cogswell,Peter (BPA) - DI-7; Warner,Joshua P (BPA) - DIR-7; Wilson,David B (BPA) - DKP-7; Cook,Joel D (BPA) - P-6; Baskerville,Sonya L (BPA) -

DIN-WASH; Scruggs, Joel L (BPA) - DK-7

Cc: Moditz,Tina (BPA) - TP-DITT-2

Subject: RE: Port Angeles city council voted 5-1 to support dam removal letter to Rep. Kilmer

Thank you Doug.

Adding Joel S. to this string.

Let's put our heads together on this. I will ask Tina to set up a conference call. Perhaps tomorrow afternoon. We won't be able to make it work for everyone's calendars but time is of the essence.

DJ

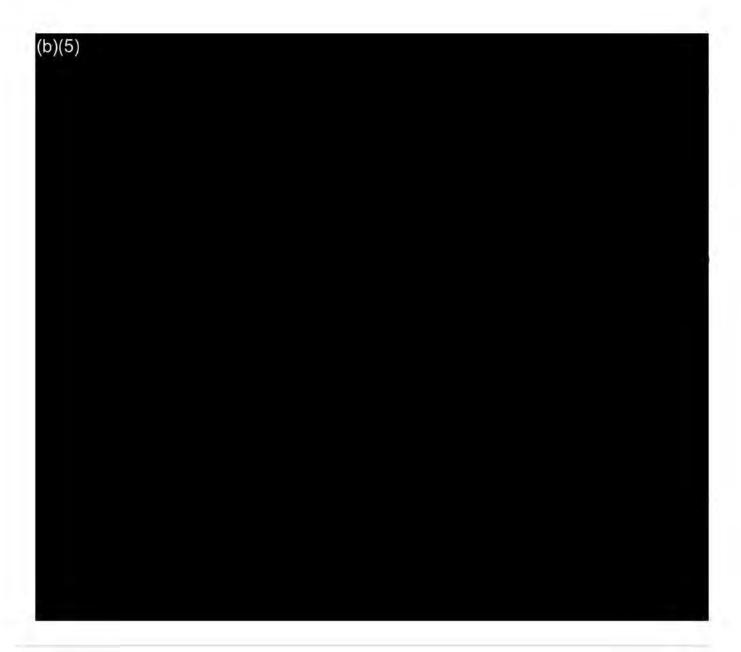
From: Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>

Sent: Wednesday, June 3, 2020 6:53 AM

To: Klumpp,Elizabeth C (BPA) - DIR-WSGL <ecklumpp@bpa.gov>; Mainzer,Elliot E (BPA) - A-7 <eemainzer@bpa.gov>; James,Daniel M (BPA) - D-7 <dmjames@bpa.gov>; Connolly,Kieran P (BPA) - PG-5 <kpconnolly@bpa.gov>; Farleigh,Kevin S (BPA) - PSW-6 <ksfarleigh@bpa.gov>; Thompson,Kim T (BPA) - PS-6 <ktthompson@bpa.gov>; Cogswell,Peter (BPA) - DI-7 <ptcogswell@bpa.gov>; Warner,Joshua P (BPA) - DIR-7 <jpwarner@bpa.gov>; Wilson,David B (BPA) - DKP-7 <dbwilson@bpa.gov>; Cook,Joel D (BPA) - P-6 <jdcook@bpa.gov>; Baskerville,Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Subject: RE: Port Angeles city council voted 5-1 to support dam removal letter to Rep. Kilmer





From: Klumpp, Elizabeth C (BPA) - DIR-WSGL <ecklumpp@bpa.gov>

Sent: Tuesday, June 2, 2020 11:08 PM

To: Mainzer, Elliot E (BPA) - A-7 < <a href="mainzer@bpa.gov">eemainzer@bpa.gov</a>; James, Daniel M (BPA) - D-7 < <a href="mainzer@bpa.gov">dmjames@bpa.gov</a>; Connolly, Kieran P (BPA) - PG-5 < <a href="mainzer@bpa.gov">kpconnolly@bpa.gov</a>; Farleigh, Kevin S (BPA) - PSW-6 < <a href="mainzer@bpa.gov">ksfarleigh@bpa.gov</a>; Thompson, Kim T (BPA) - PS-6 < <a href="mainzer@bpa.gov">kthompson@bpa.gov</a>; Cogswell, Peter (BPA) - DI-7 < <a href="mainzer@bpa.gov">ptcogswell@bpa.gov</a>; Wilson, David B (BPA) - DK-7 < <a href="mainzer@bpa.gov">dbwilson@bpa.gov</a>; Cook, Joel D (BPA) - P-6 < <a href="mainzer@bpa.gov">jdcook@bpa.gov</a>; Johnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DIN-VASH < <a href="mainzer@bpa.gov">slohnson, G Douglas (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a>; Baskerville, Sonya L (BPA) - DK-7 < <a href="mainzer@bpa.gov">gdjohnson@bpa.gov</a> > <a href="mainz

Subject: Port Angeles city council voted 5-1 to support dam removal letter to Rep. Kilmer

INTERNAL ONLY summary - thanks.

Tuesday night, June 2 the Port Angeles City Council voted 5-1, 1 abstention (Clallam PUD supervisor) to have the Mayor sign the letter below to U.S. Rep. Kilmer to demonstrate leadership regarding removal of the Snake River dams; the letter refers to win-wins in creating a free-flowing river. The no vote was the mayor, who agreed to sign the letter. I found out about this meeting at 5 pm and listened via webex.



Port Angeles City Council Agenda: Sign letter to Rep. Kilmer regarding LSRD removal

Date: June 2, 2020 To: City Council

From: Nathan West, City Manager

Subject: Letter of Support – Snake River Dam Removal Discussion

Background / Analysis: On May 17, City Council received an email from Sierra Club state vice-chair Marc Sullivan, who requested the Port Angeles City Council consider signing a letter to Congressmen Kilmer in support of Snake River dam removal. The letter, addressed to Rep. Derek Kilmer, was sent on behalf of the Sierra Club and the Save Our Wild Salmon Coalition. Mr. Sullivan is asking the City Council to endorse and support the effort.

On May 19, the Council voted 3-4, in opposition of adding the letter to the agenda in consideration of the Governor's proclamation 20-28, which places guidelines that agenda items be necessary and routine or necessary and routine relative to the COVID-19 health emergency. However, staff recognized the Council consensus that they would like to discuss the letter when they weren't under the limitations of the Governor's restrictions. At the time this memorandum was drafted Governor's proclamation 20-28 was scheduled to expire May 31, 2020.

Funding Overview: Unknown. There may be financial implications to the City if dams are removed.

Summary: On May 17, City Council received an email from Sierra Club state vice-chair Marc Sullivan, who requested the Port Angeles City Council consider signing a letter to Congressmen Kilmer in support of Snake River dam removal. By Council consensus reached on May 19, this is being added to the agenda.

Funding: Unknown. There may be financial implications to the City if dams are removed.

Recommendation: Council discussion

#### Letter to Rep. Kilmer

April 16, 2020

The Honorable Derek Kilmer 1410 Longworth House Office Bldg. Washington, DC 20515

Dear Representative Kilmer:

As residents of the 6th Congressional district, we are writing to express our appreciation of your leadership in Congress and to ask for your urgent help to address a set of linked problems affecting salmon, orca and communities in our district and across the State.

Salmon and orca are perhaps our two most emblematic Northwest species. They have inhabited our coastal waters for hundreds of thousands of years; they are deeply woven into tribal cultures and highly valued by many non-tribal communities as well. Unfortunately, many salmon populations and the Southern Resident orcas that rely upon them are struggling. Without big changes in our policies and actions, we may lose these species forever.

Salmon are an important economic driver in the 6th District. Commercial and recreational fishermen depend on returns of salmon for their livelihoods, as do many in the tourist industry. The dollars from the fishing fleet and tourist trade flow into our coastal communities to support local businesses and families.

The Columbia- Snake River Basin was once the most productive chinook salmon system on Earth. Steep salmon population declines in recent decades and the loss of benefits that they bring has harmed communities in the 6th District and across our region. We now know that the loss of chinook salmon is the main cause of endangerment for Southern Resident orcas. They require an increased supply of prey throughout the year in order to survive and reproduce.

Unfortunately, past Columbia Basin salmon restoration efforts have proven costly and ineffective. It's clear that a new approach is urgently needed. Support is growing today among regional sovereigns, stakeholders and citizens for developing comprehensive solutions. Working together, we can recover abundant salmon populations and meet the needs of communities on both sides of the Cascades.

We believe that the science strongly supports restoring a free-flowing lower Snake River as the cornerstone of a lawful and effective recovery plan. We also believe that working together, Northwest policymakers, sovereigns and stakeholders can develop a set of investments and actions that not only restore salmon and help feed hungry orcas, but also ensure a reliable and affordable energy system and a strong and prosperous economy in the 6th District and across the Northwest.

Given the urgent challenges facing our salmon, orca and communities, we ask for your leadership to bring people together to collaborate on win-win solutions that recover healthy salmon and orca populations and invest in vibrant fishing and farming communities.

Thank you for considering our concerns and offering your leadership on behalf of the 6th District and the nation.

Sincerely,

Residents of Washington's 6th Legislative District

I took notes and am sharing here, but if you are short on time, you are already familiar with the positions made here.

#### **Public comment:**

Five or six individuals called in to provide comments. Comments included a commercial fisherman stating that federal agencies have been lying and cheating for 70 years. Snake River dams destroy salmon runs, which adversely affects Clallam County's salmon populations. This harms the orcas.

Marc Sullivan, former SCL Conservation Director and NWEC Director emphasized the purpose of the letter was to get Rep. Kilmer to speak up for salmon and "Get us off the hamster wheel. Feds produced 6 recovery plans and 5 were struck down, 6<sup>th</sup> is likely to go down the same path. The power from the LSRDs can be readily replaced; they mostly produce power in spring and summer. Mainstream consulting firm demonstrated they can be replaced with little to no GHG increases and run better than current system."

Kurt Miller - NWRP supports achieving clean energy goals w hydro as the cornerstone. Carefully consider important implications to your constituents. BPA is a voice that matters. BPA report estimates it would cost \$1 billion a year to

replace the energy functions of the 4 dams. Monthly bill would increase 25%. The dams provide enough power for the size of Seattle. LSRDs can balance wind and solar. Many don't know that election grid must be in load resource balance every minute and these dams can provide that function. We can't afford to decommission these dams. Submitted salmon comments earlier in day that I hope you can read.

Nina - resident of PA. Thanks for considering breaching the dams. It's a win, win, win - for fisherman, for the economy (because it helps SRKWs and salmon which helps tourism and fishing), and win for ratepayers because BPA is losing money with the LSRs. Find out more by going g to PUD mtg. LSRs causing BPA rates to increase. Convey urgency. Kurt Miller doesn't live in PA. Ashley Slater lobbies against every enviro issue in congress!

Ed Chad - lives in PA. Support breaching dams. Agree w Miss Dermiento (Nina). Americans have died at alarming rate for blacks. I see a parallel. Can't accept unnecessary deaths of anyone. Death rate of orcas higher than covid death rate. Goes beyond economics. Orcas bring tourists here. Matter of salmon and fisheries. Intangible value. Want to see likelihood of analysis. Building them was a mistake. Clean energy is so cheap. Competitive w regular energy. At cusp of losing orcas.

Ed Bollen, county resident. Oppose this letter. Didn't PA learn its lesson w removing Elwha dams. Roads don't work, let's spend money to fix them. Why are we reaching out on dams in some other place? These dams don't affect our salmon populations.

Jim Waddell – Doesn't live in PA. Kurt made egregious overstatement- that replacing dams will cost \$1 billion per year. I worked on those dams. This isn't rocket science. We just did a paper than this cost is false. 1 mw is all the peaking power these dams provide. BPA is still running a surplus. BPA's analysis is that load demand is going to stay flat for ten years. 5,000 mws of solar and wind sitting in BPA's queue. BPA takes forever to do feasibility utility study and are slowing down these projects.

#### **City Council Discussion**

The council member (and Clallam PUD supervisor) asked for more data, had questions about understanding the source of salmon decline, who pays for removal, how to address carbon?

The tribal Elwha River restoration manager was prepped with lots of Dam Sense details and she had a lot to say: There are lots of benefits to congressional district 6 members by removing LSRDs. BPA is \$15 billion in debt. California has changed its policies and it doesn't want BPA's power. These are just run of river dams and not important like Grand Coulee and Chief Jo. There are 19 dams and we're only talking about 4. Removing them would help BPA's finances. BPA's Administrator said in 2018 that "BPA would need to prioritize their costs" and hinted that salmon are not a top priority."

One member, an attorney, said the facts would come to light when Rep. Kilmer gets the discussion going. BPA has emphasized that its power is carbon free, but I'm troubled by that. We care about climate change because we care about habitat. We don't want BPA throwing money down the river and wasting resources. BPA is maintaining assets at a loss. Then we need to lobby the agency to do the right thing.

One member said it was a huge failure on BPA's part to not address Jim Waddell's presentation. We need to look at a different lifestyle for our planet. Think like the Lorax and speak for the trees and the creatures that can't speak for themselves.

Another member indicated he 'doesn't like to remove carbon-free generation, but...'

Councilmember Meyer indicated that he'd just watched Dam Sense and that explained everything and was very powerful.

<u>Utility Director Thomas Hunter</u>, when asked, explained that this is a significant important issue that is significantly complex. He indicated the need for analysis to clarify how BPA would serve PA without the dams, and he faces

challenges in meeting CETA. He didn't mention that we are proposing to change our rates to save customers \$30 million/year. (Interesting because much of the meeting was about public COVID dollars.)

Liz Klumpp

Washington Liaison | Bonneville Power Administration | o 360-943-0157 | m (b)(6)



From: Warner, Joshua P (BPA) - AIR-7

Sent: Friday, May 5, 2023 12:12 PM

To: Cook, Joel D (BPA) - K-7

Subject: NIPCC/RN White paper on TX

Attachments: BPA Tx Whitepaper 05.03.pdf

Joel-

Here is the paper from NIPCC and Renewable NW. I have not made it through yet. Here are some paragraphs from the executive summary that seem to consolidate the messages.

Unfortunately, BPA's current transmission planning and related processes are not well-suited to ensure that transmission gets built in time for the wave of change underway. If BPA does not implement process reforms, the ability of consumers, communities, and states as a whole to meet clean energy requirements and goals will be jeopardized. Likewise, with increasing concerns over resource adequacy and climate-related extreme weather events, new and upgraded transmission lines can help ensure system reliability. Fortunately, if BPA implements the recommendations set forth below, which are permissible under its existing legal authorities, BPA can reassert itself as the region's leader in providing a backbone transmission system, alongside a wider range of private transmission developers complementing BPA's work than in the past. BPA appears to have begun recognizing this need for change.

While this paper focuses on the details of how BPA plans and builds transmission and the nexus between BPA, independent power producers, and utilities, this focus does not imply that BPA should be considered once again the transmission builder of first resort for all or most transmission in the Northwest. Competitive merchant and utility transmission projects should have an essential role in assuming some development risk and responsibility for transmission expansion in the Northwest, particularly for projects that fall outside of BPA's existing rights-of-way or primary network. Similarly, regional projects involving more than one transmission provider should be an important part of BPA's solution set. Nevertheless, the region's currently dominant transmission provider has a significant and indispensable role of its own to play in upgrading and potentially expanding its existing backbone grid, such as upgrading line ratings, doubling circuits, and building tie lines in gaps between existing BPA segments.

There are over two pages of bulleted recommendations on 1)planning, 2)business case development, 3)participant funding, 4)contracting innovation, 5)risk calculation, 6)process, 7)transparency and 8)workforce compensation. These start on page 5.

No doubt the folks on the Transmission team will digest this and share as is useful.

Best,
Josh

Josh Warner (he/him/his)
Liaison | Public Interest Organizations

BONNEVILLE POWER ADMINISTRATION

jpwarner@bpa.gov | 0:503-230-5857 | C: (b)(6)

**From:** Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2 **Sent:** Thursday, March 19, 2020 10:47 PM

**To:** Jensen, Mary K (BPA) - L-7; McDonald, Thomas A (BPA) - C-7; Cook, Jeffrey W (BPA) - TP-

DITT-2; Ackley,Sandra J (BPA) - ECP-5; Loebach,Elizabeth K (BPA) - LT-7; Harris,Marcus A (BPA) - FA-2; Anasis,John G (TFE)(BPA) - TOOP-DITT-2; Williams,Nigel L (BPA) - CBE-7; Shaheen,Richard L (BPA) - T-DITT-2; Cook,Joel D (BPA) - P-6; Kitali,Salah H (BPA) - TP-DITT-2; Thompson,Kim T (BPA) - PS-6; Ko,Tina G (BPA) - TS-DITT-2; Korsness,Mark A (BPA) - TEP-TPP-1; Lamb,William D (BPA) - TOC-DITT-1; Mazaika,Rosemary (BPA) -

ECP-4; Cathcart, Michelle M (BPA) - TO-DITT-2

Cc: Dibble,Rachel L (BPA) - TSQ-TPP-2; Johnson,Anders L (BPA) - TPLE-TPP-2

**Subject:** RE: SILS Business Case Independent Review

Thanks Mary for your question and I think it is an important question. I don't disagree with your point but your question highlights the importance of having discussion on complex issues as often the unstated assumptions can cause confusion. If we take the assumption that there is significant likelihood the load won't be there after 2028, that would also exclude all resource development and BPA build options that we have been considering and the only safe option would be to extend the interim solution until 2028 and beyond unless the SE Idaho customers sign up long-term beyond 2028. Also, I am assuming SILS customers have an NT agreement for transmission in addition to power sales contract.

If the SILS customers were planning to leave, would it make sense for them to offer to finance B2H? What lower cost alternate resource would they purchase? Analysis by both BPA and IPC showed new gas plants has unfavorable economics. Back of the envelope numbers for small modular nukes are about double of BPA Tier 1. Perhaps wind + solar + storage + wheeling, but that is probably out of the money too for a winter peaking load.

A more realistic scenario worth exploring is that some of the load might not be there, such as if a large industrial facility is at risk of closure or if EE measures are especially effective at flattening the rate of growth. Once again, the OATT service from IPC would appear to perform well because NT service is billed based on peak load.

Towards the end, in our analysis we are not suggesting that BPA fund the B2H project as an asset owner. Whereas, the project clearly defines a net positive benefit to the region, BPA can still benefit by the line by purchasing OATT service. The risk can be shifted to the SE Idaho customers rather than other BPA customers assuming the risk. However, without the line we are left with the option of market purchases and OATT service from PAC, which could work but will come at a higher cost (as indicated by NPV analysis for this option).

Hope our response is making sense.

**Thanks** 

Regards, Ravi (and Anders) From: Jensen, Mary K (BPA) - L-7 < mkjensen@bpa.gov>

Sent: Thursday, March 19, 2020 4:57 PM

To: Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2 <rkaggarwal@bpa.gov>; McDonald,Thomas A (BPA) - C-7 <tamcdonald@bpa.gov>; Cook,Jeffrey W (BPA) - TP-DITT-2 <jwcook@bpa.gov>; Ackley,Sandra J (BPA) - ECP-5 <<sjackley@bpa.gov>; Loebach,Elizabeth K (BPA) - LT-7 <ekloebach@bpa.gov>; Harris,Marcus A (BPA) - FA-2 <maharris@bpa.gov>; Anasis,John G (TFE)(BPA) - TOOP-DITT-2 <jganasis@bpa.gov>; Williams,Nigel L (BPA) - CBE-7 <nlwilliams@bpa.gov>; Shaheen,Richard L (BPA) - T-DITT-2 <rlshaheen@bpa.gov>; Cook,Joel D (BPA) - P-6 <jdcook@bpa.gov>; Kitali,Salah H (BPA) - TP-DITT-2 <shkitali@bpa.gov>; Thompson,Kim T (BPA) - PS-6 <ktthompson@bpa.gov>; Ko,Tina G (BPA) - TS-DITT-2 <tgko@bpa.gov>; Korsness,Mark A (BPA) - TEP-TPP-1 <makorsness@bpa.gov>; Lamb,William D (BPA) - TOC-DITT-1 <wdlamb@bpa.gov>; Mazaika,Rosemary (BPA) - ECP-4 <rxmazaika@bpa.gov>; Cathcart,Michelle M (BPA) - TO-DITT-2 <mmcathcart@bpa.gov>
Cc: Dibble,Rachel L (BPA) - TSQ-TPP-2 <rldibble@bpa.gov>; Johnson,Anders L (BPA) - TPLE-TPP-2 <aljohnson@bpa.gov> Subject: RE: SILS Business Case Independent Review

Ravi,

One of the points you made truly stood out for me:

The decision in question is not whether it would be profitable for BPA to enter a new commitment to serve SE Idaho loads, but rather how to minimize costs of meeting existing commitments.

The "existing commitment" is for power delivery for a little over 7 years. Building a transmission line to meet that commitment does not make sense to me.

Mary

From: Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2 < rkaggarwal@bpa.gov>

Sent: Thursday, March 19, 2020 4:37 PM

To: Jensen, Mary K (BPA) - L-7 < mkjensen@bpa.gov >; McDonald, Thomas A (BPA) - C-7 < tamcdonald@bpa.gov >; Cook, Jeffrey W (BPA) - TP-DITT-2 < jwcook@bpa.gov >; Ackley, Sandra J (BPA) - ECP-5 < sjackley@bpa.gov >; Loebach, Elizabeth K (BPA) - LT-7 < ekloebach@bpa.gov >; Harris, Marcus A (BPA) - FA-2 < maharris@bpa.gov >; Anasis, John G (TFE)(BPA) - TOOP-DITT-2 < jganasis@bpa.gov >; Williams, Nigel L (BPA) - CBE-7 < nlwilliams@bpa.gov >; Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov >; Cook, Joel D (BPA) - P-6 < jdcook@bpa.gov >; Kitali, Salah H (BPA) - TP-DITT-2 < shkitali@bpa.gov >; Thompson, Kim T (BPA) - PS-6 < ktthompson@bpa.gov >; Ko, Tina G (BPA) - TS-DITT-2 < tgko@bpa.gov >; Korsness, Mark A (BPA) - TEP-TPP-1 < makorsness@bpa.gov >; Lamb, William D (BPA) - TOC-DITT-1 < wdlamb@bpa.gov >; Mazaika, Rosemary (BPA) - ECP-4 < rxmazaika@bpa.gov >; Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov >

Cc: Dibble,Rachel L (BPA) - TSQ-TPP-2 < ridibble@bpa.gov >; Johnson,Anders L (BPA) - TPLE-TPP-2 < aljohnson@bpa.gov >

Subject: RE: SILS Business Case Independent Review

Importance: High

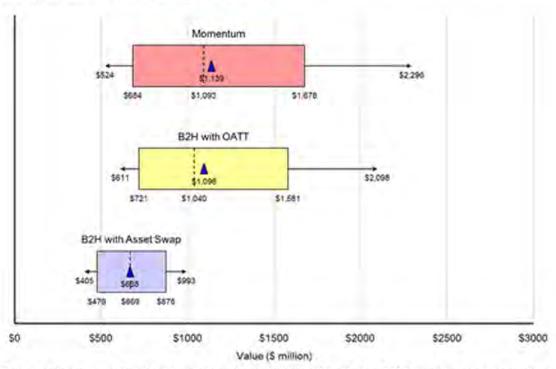
Hello,

Thank you Tom and others for putting this together in a very short turnaround, and appreciate the opportunity to provide comments. Attached are some comments and observations to the document and some suggestions below. We have spoken with Jeff and Salah and believe an extended meeting between us would be needed to fully address all of the comments and give us an opportunity to present our findings. I understand time is of an essence and we will do our best to make ourselves available.

It's not clear whether there is a lack of common understanding on the quantitative analysis that has been performed and updated over the past decade or just differences of opinion on input assumptions. There does seem to be

differences in understanding related to the objective. The executive direction that we have consistently received from the front office over the years on this project has been that the analysis should take a "One BPA perspective".

The SILS Prioritization and related modeling has consistently shown that options involving B2H minimized the expected net present value of costs of serving Southeast Idaho Loads over a status quo "Momentum" strategy. This type of analysis is assumption driven, and there are going to be differences of opinion related to uncertainties. Extensive quantitative risk analysis has been performed to robustly assess the impacts of a range of uncertainties and to identify most sensitive variables. The example below from Section 7 from the attached 2017 ADF update shows that the overall distribution of expected costs of B2H with Asset Swap appears favorable to Momentum (lower number is good), even if the capital cost of B2H was underestimated:



The decision in question is not whether it would be profitable for BPA to enter a new commitment to serve SE Idaho loads, but rather how to minimize costs of meeting existing commitments.

The capital cost of a transmission project dependents on market conditions for labor and materials at the time the project is constructed. However, some of the other resource options raised in the comments likely have both a higher expected cost as well as a larger range of uncertainty because they rely on pre-commercial technologies or projects that have not gone through extensive permit. The asset exchange also conceptually appeared to present some costs that were difficult to quantify.

The multilateral nature of options such as B2H mean that a mutually-agreeable set of terms and conditions needs to be established to inform an effective business case. Despite our best efforts, such an agreement including exchanges of FCRTS assets has not been reached. Developing a structure that satisfies the various requirements of federal and investor-owned participants has proved inherently more complex than project that is solely federal or non-federal. BPA explored unilateral construction options in the 2012 SILS ADF and elected not to pursue them because they appeared to not be competitive by a wide margin.

The recent proposals centered around OATT service would appear to mitigate many of the key risks identified. In the event that BPA transmission rates escalate faster than projected, the OATT approach retains revenue from 500 MW of new OATT service from IPC and 600 MW from PAC converting from FPT. If BPA receives credits for transmission service purchased over B2H from IPC, then this should reduce the amount of time for which BPA would have underutilized asset risk from SE Idaho customers pursuing alternate service.

Finally, recent economic evaluation of the Boardman to Hemingway (B2H) transmission project performed using the Long-term Capacity Expansion (LTCE) model indicates that building B2H may reduce the region's overall cost of meeting its clean energy requirements in a multi-scenario analysis. This assumes that the region stays on a trajectory towards zero-carbon energy targets and that the region can build the proposed expansions within assumed cost estimates. The benefit-to-cost ratio of B2H was 1.2 or greater in each of the scenarios tested. The production cost modeling analysis also indicated that B2H could enable increased bidirectional energy transfers and reduce renewable energy curtailment in clean energy scenarios.

Please let me know when we can meet to further discuss results of our findings and our comments. We fully understand that this work is dynamic and at some point a line had to be drawn in the sand to perform the independent assessment and might not be able to fully capture the changes happening on a daily basis.

Thank you.

Regards, Ravi

Ravi K. Aggarwal BSEE MBA Manager, Long Term Planning (TPL) Bonneville Power Administration Ph 360-619-6056

From: Jensen, Mary K (BPA) - L-7 < mkjensen@bpa.gov>

Sent: Tuesday, March 17, 2020 3:28 PM

To: McDonald,Thomas A (BPA) - C-7 < tamcdonald@bpa.gov >; Cook,Jeffrey W (BPA) - TP-DITT-2 < jwcook@bpa.gov >; Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2 < rkaggarwal@bpa.gov >; Ackley,Sandra J (BPA) - ECP-5 < sjackley@bpa.gov >; Loebach,Elizabeth K (BPA) - LT-7 < ekloebach@bpa.gov >; Harris,Marcus A (BPA) - FA-2 < maharris@bpa.gov >; Anasis,John G (TFE)(BPA) - TOOP-DITT-2 < jganasis@bpa.gov >; Williams,Nigel L (BPA) - CBE-7 < nlwilliams@bpa.gov >; Shaheen,Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov >; Cook,Joel D (BPA) - P-6 < jdcook@bpa.gov >; Kitali,Salah H (BPA) - TP-DITT-2 < shkitali@bpa.gov >; Thompson,Kim T (BPA) - PS-6 < ktthompson@bpa.gov >; Ko,Tina G (BPA) - TS-DITT-2 < tgko@bpa.gov >; Korsness,Mark A (BPA) - TEP-TPP-1 < makorsness@bpa.gov >; Lamb,William D (BPA) - TOC-DITT-1 < wdlamb@bpa.gov >; Mazaika,Rosemary (BPA) - ECP-4 < rxmazaika@bpa.gov >; Cathcart,Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov >

Cc: Dibble,Rachel L (BPA) - TSQ-TPP-2 < rldibble@bpa.gov > Subject: RE: SILS Business Case Independent Review

Here are my comments and suggestions. I agree with your conclusion.

Thanks for getting this done so quickly.

From: McDonald, Thomas A (BPA) - C-7 < tamcdonald@bpa.gov>

Sent: Tuesday, March 17, 2020 1:56 PM

To: Cook, Jeffrey W (BPA) - TP-DITT-2 < <u>jwcook@bpa.gov</u>>; Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2

<<u>rkaggarwal@bpa.gov</u>>; Ackley,Sandra J (BPA) - ECP-5 <<u>sjackley@bpa.gov</u>>; Jensen,Mary K (BPA) - L-7

<<u>mkjensen@bpa.gov</u>>; Loebach,Elizabeth K (BPA) - LT-7 <<u>ekloebach@bpa.gov</u>>; Harris,Marcus A (BPA) - FA-2

<maharris@bpa.gov>; Anasis,John G (TFE)(BPA) - TOOP-DITT-2 <<u>iganasis@bpa.gov</u>>; Williams,Nigel L (BPA) - CBE-7

<<u>nlwilliams@bpa.gov</u>>; Shaheen,Richard L (BPA) - T-DITT-2 <<u>rlshaheen@bpa.gov</u>>; Cook,Joel D (BPA) - P-6

<idcook@bpa.gov>; Kitali,Salah H (BPA) - TP-DITT-2 <shkitali@bpa.gov>; Thompson,Kim T (BPA) - PS-6

<a href="mailto:ktthompson@bpa.gov">ktthompson@bpa.gov</a>; Korsness, Mark A (BPA) - TEP-TPP-1

<<u>makorsness@bpa.gov</u>>; Lamb,William D (BPA) - TOC-DITT-1 <<u>wdlamb@bpa.gov</u>>; Mazaika,Rosemary (BPA) - ECP-4 <<u>rxmazaika@bpa.gov</u>>; Cathcart,Michelle M (BPA) - TO-DITT-2 <<u>mmcathcart@bpa.gov</u>>

Cc: Dibble,Rachel L (BPA) - TSQ-TPP-2 < ridibble@bpa.gov >; Jensen,Mary K (BPA) - L-7 < mkjensen@bpa.gov >

Subject: SILS Business Case Independent Review

# Good afternoon,

Attached please find the draft SILS Business Case review. Please provide comments by COB Thursday. Thanks to all for their help in getting through the expedited review.

t

From: Cook, Jeffrey W (BPA) - TP-DITT-2

Sent: Wednesday, September 11, 2019 10:28 AM

To: Jensen, Mary K (BPA) - L-7; Manary, Michelle L (BPA) - F-2; Shaheen, Richard L (BPA) - T-

DITT-2; Cook, Joel D (BPA) - P-6; Herrin, Janet C (BPA) - K-7; Cathcart, Michelle M (BPA) -

TO-DITT-2; Ko, Tina G (BPA) - TS-DITT-2; Thompson, Garry R (BPA) - PS-6;

McDonald, Thomas A (BPA) - C-7; James, Daniel M (BPA) - D-7; Hairston, John L (BPA) -

N-7

Subject: RE: B2H Alignment Thoughts



Jeffrey W. Cook P.E.
VP Transmission Planning and Asset Management
Bonneville Power Administration
360-418-8981

From: Jensen, Mary K (BPA) - L-7

Sent: Monday, September 09, 2019 5:22 PM

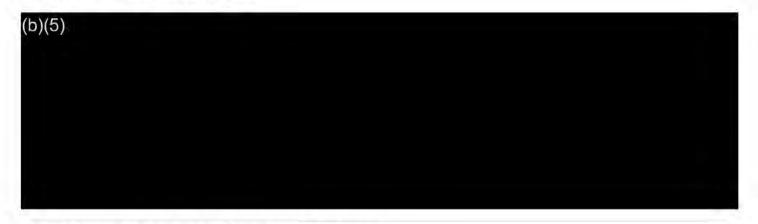
To: Manary, Michelle L (BPA) - F-2; Shaheen, Richard L (BPA) - T-DITT-2; Cook, Joel D (BPA) - P-6; Cook, Jeffrey W (BPA) -

TP-DITT-2; Herrin, Janet C (BPA) - K-7; Cathcart, Michelle M (BPA) - TO-DITT-2; Ko, Tina G (BPA) - TS-DITT-2;

Thompson, Garry R (BPA) - PS-6; McDonald, Thomas A (BPA) - C-7; James, Daniel M (BPA) - D-7; Hairston, John L (BPA) -

N-7

Subject: RE: B2H Alignment Thoughts



From: Manary, Michelle L (BPA) - F-2 <mlmanary@bpa.gov>

Sent: Monday, September 9, 2019 4:56 PM

To: Shaheen,Richard L (BPA) - T-DITT-2 <rlshaheen@bpa.gov>; Cook,Joel D (BPA) - P-6 <jdcook@bpa.gov>; Cook,Jeffrey W (BPA) - TP-DITT-2 <jwcook@bpa.gov>; Jensen,Mary K (BPA) - L-7 <mkjensen@bpa.gov>; Herrin,Janet C (BPA) - K-7 <jcherrin@bpa.gov>; Cathcart,Michelle M (BPA) - TO-DITT-2 <mmcathcart@bpa.gov>; Ko,Tina G (BPA) - TS-DITT-2 <tgko@bpa.gov>; Thompson,Garry R (BPA) - PS-6 <grthompson@bpa.gov>; McDonald,Thomas A (BPA) - C-7 <tamcdonald@bpa.gov>; James,Daniel M (BPA) - D-7 <dmjames@bpa.gov>; Hairston,John L (BPA) - N-7 <jlhairston@bpa.gov>

**Subject:** B2H Alignment Thoughts

Good afternoon,



1. (b)(5)

2. 3.

4. (b)(5)

(b)(5)

Thanks, Michelle Manary 
 From:
 Cook, Jeffrey W (BPA) - TP-DITT-2

 Sent:
 Monday, May 11, 2020 11:17 AM

To: Mainzer, Elliot E (BPA) - A-7; Hairston, John L (BPA) - K-7

Cc: Shaheen,Richard L (BPA) - T-DITT-2; Cook,Joel D (BPA) - P-6; Kitali,Salah H (BPA) - TP-

DITT-2; Cook, Jeffrey W (BPA) - TP-DITT-2

Subject: FW: Puget and B2H

#### Elliot

Richard forwarded me your question on PSE and B2H. In summary PSE is looking for new resources due to the impact from WCETA. PSE is considering submitting a TSR to access capacity from B2H for their load. PSE has not submitted this yet. Below is a more specifics from Anders.

Jeffrey W. Cook P.E. VP Transmission Planning and Asset Management Bonneville Power Administration 360-418-8981

From: Johnson, Anders L (BPA) - TPLE-TPP-2 <aliohnson@bpa.gov>

Sent: Monday, May 11, 2020 10:34 AM

To: Aggarwal, Ravi K (TFE) (BPA) - TPL-TPP-2 < rkaggarwal@bpa.gov>; Cook, Jeffrey W (BPA) - TP-DITT-2

<iwcook@bpa.gov>

Subject: RE: Puget and B2H

Jeff,

Puget is facing a dramatic overhaul of their resource portfolio that is being accelerated by the Washington Clean Energy Transformation Act, with the bottom line that they are facing the need for thousands of MW of new resources. Here are some of the provisions driving this need:

- Coal must be out of their portfolio by the end of 2025 (Colstrip 3 & 4, Centralia contract)
- Carbon neutrality must be reached by 2030, with zero emissions resources required for at least 80% of their portfolio and emissions offsets required for any fossil fuels
- The social cost of carbon must be incorporated in integrated resource planning, and WA uses a very high assumed cost (https://www.utc.wa.gov/regulatedIndustries/utilities/Pages/SocialCostofCarbon.aspx)

IPC has presented analysis of all-in delivered cost of energy to potential additional B2H participants. This indicated that WY wind and desert SW solar delivered over B2H to NW loads is competitive in an emission-constrained world even with incremental cost of transmission included. Adding diverse resources to a portfolio provides a higher capacity contribution than more from existing resource zones.

BPA staff met Puget on April 10<sup>th</sup> where Puget indicated they are considering submitting a TSR to move power from B2H to their loads. Puget requested some clarification of the details. TPL is coordinating a response with Puget's AE, which addresses using "Newpoint" as a Point of Receipt and the Data Exhibit Validation process

Thanks, Anders Johnson Electrical Engineer, Long Term Planning Bonneville Power Administration Office: (360)619-6842 Mobile: (b)(6)

From: Thompson, Garry R (BPA) - PS-6

Sent: Monday, February 4, 2019 1:11 PM

To: Thompson,Kim T (BPA) - PE-6; Cooper,Suzanne B (BPA) - PT-5; Cook,Joel D (BPA) - P-6;

Connolly, Kieran P (BPA) - PG-5

Cc: Shaughnessy, Julia M (BPA) - PSI-6; Petty, Robert J (BPA) - PGP-5; Bas, JoAnn L (BPA) - P-6

Subject: FW: follow up on meeting invite on integrated planning program

I am sharing Julia's draft notes from her "hallway" discussion with Elliot. She is meeting tomorrow with Melanie, Birgit and a few others to further discuss and develop a plan to go forward. I have asked her to keep me informed of next steps and will share with all of you.

Garry R. Thompson
VP NW Requirements Marketing

grthompson@bpa.gov 503.230.5175

From: Shaughnessy, Julia M (BPA) - PSI-6 < jmshaughnessy@bpa.gov>

Sent: Monday, February 4, 2019 12:56 PM

To: Thompson, Garry R (BPA) - PS-6 < grthompson@bpa.gov>

Subject: FW: follow up on meeting invite on integrated planning program

FYI -

From: Shaughnessy, Julia M (BPA) - PSI-6
Sent: Monday, February 04, 2019 10:47 AM
Text Smith Melania B (BPA) - PSS 6

**To:** Smith, Melanie R (BPA) - PES-6 **Cc:** Vanden Bos, James H (BPA) - PSB-6

Subject: RE: follow up on meeting invite on integrated planning program

#### Hi Meanie,

Thanks for your time today. Below is a summary prepared by both James and me regarding our hallway conversation with Elliot. James, please feel free to edit if I missed with the content.

Focus: bring together a BPA-cross agency group of SMEs and develop (?) an Integrated Resource Program

<u>February Deliverables</u>: meeting of the minds (T & P), involved groups, bring them together to brief the Administrator on the issues outline below. 60-90 mins to present and discuss (allow 6-7 minutes for each group to share statement). 5-6(?) cross-agency groups

## SMEs:

- 1. Melanie Smith PES (IP lead)
- 2. Ravi Aggarwal (TPL)
- 3. Melvin R(?) replacement (under Jeff Cook)
- 4. Representative from PEH (A. Mace old position)
- 5. James Vanden Bos (PRSF)
- 6. Ryan Egerdahl (PGPR)

Sponsors: Garry, Kim T, Kieran, Jeff Cook

Managers: Ryan E, Lee Hall, ?

#### Summary:

There is concern about the next 9+ months as BPA completes critical analysis surrounding the Columbia River System Operations (CRSO, focused on Snake River dam removal). There is the likelihood that outside groups will come forward and push their own agendas into the public with potentially false claims that may be harmful to BPA. As such, BPA needs to be prepared to respond to these external communications, especially those based on bias and/or politically motivated analysis.

One assignment is to research and review outside studies includes the studies are from the NW Energy Coalition: https://nwenergy.org/category/resources-publications/studies/NWPC

Also must understand the following and be able to respond in detail:

- 1. Coal plant decommissioning (where does the new power come from, what does this look like for his grid)
- 2. Distributed generation (DG) coming online, same concern as above
- New renewables and batteries, ditto

The Administrator would like to see a strong, long-term planning coalition within BPA that is well coordinated between Power and Transmission. This group of SMEs will respond to these outside claims (whether true or not) by producing good internal analysis that will keep decision makers informed about the impacts of these issues, while at the same time be agile and informed enough to respond to the external claims using our own analysis (and produce counter-analysis (?)).

Following our hallway conversation and meeting with Rob, we understand there is already plan in place between Power and Transmission. The question is on deliverables and how changes to power generation (dam removal, coal decommissioning, new renewables, DG, batteries) will impact BPA's Transmission planning and assets as well as Power's ability to stay competitive in modern markets?

Please let James or me know if you have immediate questions.

Thanks,

Julia

#### Julia M Shaughnessy

Residential Exchange Program Manager | PSI-6 Power Forcasting and Planning | PSB-6 BONNEVILLE POWER ADMINISTRATION bpa.gov | P 503-230-7443 | C(b)(6)

















503.230.3000 | Fax 503.230.4019 | www.bpa.gov

From: Smith, Melanie R (BPA) - PES-6 Sent: Monday, February 04, 2019 7:28 AM To: Shaughnessy, Julia M (BPA) - PSI-6 Cc: Vanden Bos, James H (BPA) - PSB-6

Subject: RE: follow up on meeting invite on integrated planning program

Hi Julia,

I look forward to the conversation. I do telework on Mondays so please feel free to call me at x3170 or provide a phone bridge. Attached is the latest meeting notes, charter, and methodology, as well as a link to the sharepoint site (please let me know if this doesn't open for you). Talk with you soon.

https://portal.bud.bpa.gov/orgs/corp-strat/SR/IRTP/default.aspx

# Best Regards, Melanie

**From:** Shaughnessy,Julia M (BPA) - PSI-6 **Sent:** Friday, February 01, 2019 12:23 PM **To:** Smith,Melanie R (BPA) - PES-6 **Cc:** Vanden Bos,James H (BPA) - PSB-6

Subject: follow up on meeting invite on integrated planning program

Hi Melanie,

As a follow up on the meeting invite, I am the new manager of the Power Forecast group - PSB (replacing Rob Petty). Elliot dropped by today and asked about BPA's integrated planning program. I understand a team is already in the works and you are leading it up? As the newbie here, I am just needing more understanding of the program. I will share more details on our hallway conversation with Elliot at our meeting.

Thanks, Julia

#### Julia M Shaughnessy

Residential Exchange Program Manager | PSI-6 Power Forecasting and Planning Manager | PSB-6 BONNEVILLE POWER ADMINISTRATION

bpa.gov | P 503-230-7443 | C(b)(6)













503.230.3000 | Fax 503.230.4019 | www.bpa.gov

From: Wilson, David B (BPA) - DKP-7

Sent: Thursday, March 21, 2019 4:48 PM

To: Mainzer, Elliot E (BPA) - A-7; Cook, Joel D (BPA) - P-6; Connolly, Kieran P (BPA) - PG-5;

James, Daniel M (BPA) - D-7

Cc: Simms, Scott R (BPA) - DK-7; Hansen, Michael S (BPA) - DKP-7

Subject: Seattle Times FOIA Requests

Hi-

We've received two FOIA requests from Seattle Times reporter Hal Bernton. One asks for all memorandums and emails written by Kieran between June of last year and March 10 2019 that mention the words, "power costs," "competition," "solar," "wind" or "natural gas."

In a separate request, Hal is asking for all correspondence between Scott Corwin or Seattle City Light, Cowlitz PUD, Tacoma Power, Clark Public Utilities or Snohomish to Elliot, Dan or Joel that contain the words "rates" or "contracts."

In a phone conversation with Hal, he claims not to be looking for anything in particular from the FOIA requests, "he's just covering his bases."

Hal also says he wants to interview BPA experts about the big picture in terms of investments that need to be made in the years ahead in the hydroelectric system. Also, he wants to interview someone who can speak to BPA's overall financial situation, the California market and how that has impacted BPA sales.

In addition, Hal wants BPA's perspective on CGS, its cost structure and how that impacts BPA, and - the ongoing debt legacy from the WPPS nuclear plants that were never built.

I've set up an interview with Kieran for Wednesday afternoon, March 27. I'm hoping to get Hal on Elliot's Calendar sometime in the next few weeks. I'm still looking for the best person to address CGS, its cost structure and the WPPS debt.

We've had a good relationship with Hal - so the FOIA requests surprised me. However, I think we have a really good story to tell so this should be a good opportunity for us.

Will keep you updated as things progress.

Thank you,

Dave

David B. Wilson
Communications – Media Relations
BONNEVILLE POWER ADMINISTRATION
dbwilson@bpa.gov | P 503-230-5607 | C (b)(6)
Please consider the environment before printing this email

 From:
 Manary, Michelle L (BPA) - F-2

 Sent:
 Friday, May 15, 2020 4:45 PM

To: Mainzer, Elliot E (BPA) - A-7; James, Daniel M (BPA) - D-7; Furrer, Robin R (BPA) - N-7;

Hairston, John L (BPA) - K-7; Cook, Joel D (BPA) - P-6; Shaheen, Richard L (BPA) - T-DITT-2

Cc: Switzer, Alayne M (BPA) - FTR-2; Coseo, Nadine M (BPA) - FT-2; Dunning, Christopher G

(BPA) - F-2

Subject: FW: Recent Rating Agency Reports

Attachments: Fitch Rating EN 2020 AB May 2020.pdf; Moodys Rating EN 2020 AB May 2020.pdf; SP

Global Ratings EN 2020 AB May 2020.pdf

FYI – we just completed a very successful RCD2 bond deal and in the process received ratings from our rating agencies. All is steady at the moment. Reports are attached and summary table and bullets below.

#### Michelle

From: Switzer, Alayne M (BPA) - FTR-2 <a href="mailto:switzer@bpa.gov">amswitzer@bpa.gov">amswitzer@bpa.gov</a>

Sent: Friday, May 15, 2020 11:56 AM

To: Manary, Michelle L (BPA) - F-2 < mlmanary@bpa.gov > Cc: Coseo, Nadine M (BPA) - FT-2 < nmcoseo@bpa.gov >

Subject: Recent Rating Agency Reports

#### Michelle,

As part of the \$357m Energy Northwest bond deal, BPA requested ratings from all three rating agencies. The final reports are attached. Moody's and Fitch re-affirmed the ratings we received earlier this year and S&P re-affirmed our rating from the previous EN transaction. We have requested new ratings from Moody's and Fitch for the upcoming lease purchase transaction that we plan to price in June.

Standard &						
Moody's	Poor's	Fitch				
(May 2020)	(May 2020)	(May 2020)				

	Prime	AAA	AAA	Aaa
		AA+	AA+	Aal
	High Grade	AA	AA	Aa2
er Medium Grade		ΛΛ-	ΛΛ-	Aa3
		A-	A+	A1
	Upper Medium Grade	A	A	A2
		Α-	A-	A3
	107 TO 100 TO 1	BBB+	BBB+	Baa1
	Lower Medium Grade	BBB	BBB	Baa2
		BBB-	BBB-	Baa3
		BB+	BB+	Bal
	Speculative	BB	BB	Ba2
		BB-	BB-	Ba3

As we worked with the rating agencies they were all very focused on the Covid impacts to BPA, our response to assist customers, and any impacts to our loads and liquidity.

Key points made by each rating agency on BPA's financial health are consistent with previous years and include:

#### Moody's Aa2, stable

- Positive credit aspects
  - Explicit and implicit support from the US government
  - Access to competitive power
  - Long term contracts
- Negative credit aspects
  - Continued decline in liquidity
  - Continued decline in US Treasury availability
  - "Regulated utility" like ratemaking process
- Factors that could result in a downgrade
  - If Moody's models show reserves for risk falling below 45 days cash on hand
  - Availability of US Treasury borrowing capacity (reduced by deferred borrowing) trends below \$1.25 billion on a sustained basis

## S&P AA-, stable

- Positive credit aspects
  - Explicit and implicit support of the US government
  - Ability to defer federal repayment to ensure nonfederal repayment occur
  - o Broad and diverse service territory
- Negative credit aspects
  - Available US Treasury borrowing authority continuing to decline, possibly below targeted \$1.5 billion threshold
  - Liquidity continues to decline towards the minimum 60 days cash on hand target
  - Diminished rate competitiveness due to low natural gas prices, renewable resource impacts, and possible difficulties in renewing power contracts
  - Highly politicized and protracted rate proceedings
- Factors that could result in a downgrade
  - o Rate pressure due to capital project financings, environmental compliance or Covid-19
  - o Decreased debt service coverage
  - Decreased liquidity

# Fitch AA, stable for BPA supported non-federal debt

- Positive credit aspects
  - Revenue defensibility and strong credit quality of customers
  - Low operating costs
- Negative credit aspects
  - High leverage (debt to operating cashflow)
  - Lengthy and formal ratemaking process
  - Risk of weakening revenue defensibility if power customer base reductions occur in upcoming contract renewals
- Factors that could result in a downgrade
  - Declines in liquidity or disruptions in planned increase in Power reserve levels (based on Financial Reserves Policy)

o Increases in leverage (debt to operating cashflow)

Fitch also issues an "Issuer Default Rating" that includes all BPA's financial obligations. The BPA IDR is AA-, stable. We do not request or use this rating.

If you have any questions or would like to discuss these reports, please let me know.

Thanks,

Alayne

Alayne M Switzer

Manager | Revenue Requirement, Repayment & Financial Strategy BONNEVILLE POWER ADMINISTRATION 905 NE 11<sup>™</sup> AVENUE FTR-2 PORTLAND, OR 97232 bpa.gov | P 503-230-4025

 From:
 Cook, Joel D (BPA) - K-7

 Sent:
 Friday, April 5, 2024 4:18 PM

 To:
 Harris, Marcus A (BPA) - F-2

Subject: FW: Regional Relations Report for Friday, April 5, 2024

Marcus,

Check out the highlighted information at the bottom. Reference to X-energy

Joel D. Cook

Chief Operating Officer, K-7

BONNEVILLE POWER ADMINISTRATION

C: (b)(6) P: 503-230-7640 I jdcook@bpa.gov

From: Manchester, Kathleen L (CONTR) - AIT-7 < klmanchester@bpa.gov>

Sent: Friday, April 5, 2024 3:15 PM

To: ADL\_AI\_ALL <adl\_ai\_all@bpa.gov>; ADL\_DK\_ALL <ADL\_DK\_ALL@bpa.gov>; Executive Associates

<ExecutiveAssistants@bpa.gov>; Executive Team <ExecTeam@bpa.gov>

Subject: Regional Relations Report for Friday, April 5, 2024

Hello all,

Below is the Regional Relations Report for April 5, 2024.

Have a great weekend.

# 'UBLIC REST GROUPS

#### **ICL Comments on Salmon Returns Forecast**

In a review of expected returns of various species of salmon and steelhead to Idaho this year, Mitch Cutter with Idaho Conservation League states the "results aren't pretty". He says that for three of Idaho's four remaining species of wild anadromous fish, 2024 looks to be as bad as or worse than 2023. He says that while spring/summer Chinook are forecast to be below average they will, "benefit the most from planned temporary operational changes, which push young salmon over the top of the dams, rather than through their turbines. These changes were announced as part of the December 2023 Columbia-Snake River Agreement." On the other hand, Cutter says fall Chinook will, "face worse conditions in their migration due to other temporary operational changes made as concessions in the December agreement."

Steelhead forecasts are positive and Sockeye that return to Redfish Lake in the dozens are still in peril. What will change this according to Cutter? "While ocean and climate conditions can shift their populations up and down slightly each year, their overall trend is negative. The only action that could reverse that trend is breaching of the four lower Snake River dams. This would ease the migratory pathway for these fish and let more of them make it

safely to the Pacific Ocean. Paired with a broad suite of other actions to protect habitat and control predators, salmon would be restored. Until we do that, future forecasts will be similarly dark."

# OREGON NEWS

## **ODOE Seeking Energy Efficiency Grants from USDOE**

The Oregon Department of Energy this week submitted proposals to USDOE to received funding for Oregon to be part of two new rebate programs started under the Infrastructure Rehabilitation Act. The two rebate programs include the Home Efficiency Rebates (HOMES) and the Home Electrification and Appliance Rebates (HEAR). These two programs would provide single-family and multifamily households with varying rebates for efficiency upgrades and high-efficiency home appliances and equipment in all of Oregon. The Energy Trust of Oregon would implement the programs in IOU territory, and ODOE is seeking an implementer that would work to do this for COU customers as well.

#### Fishing Industry Opposes Floating Offshore Wind

This week a group of over 80 signatories sent a letter to Governor Kotek asking her to work with the Bureau of Ocean Energy Management to pause the offshore lease-process until the State of Oregon has developed its offshore wind roadmap. The roadmap was just approved in legislation this session and work has not yet begun. Opposition from the fishing industry is not new.

# west coast 's

# CAISO Proposed \$6.1 Billion Transmission Plan Focuses on Offshore Wind

The California ISO released this week its <u>draft 2023-24 transmission plan</u>. The plan prioritizes 26 projects totaling \$6.1 billion in estimated construction costs. Three projects to connect new wind generation off the coast of Humboldt County in northern California make up \$4.2 billion of the portfolio. The remainder of the projects are primarily system upgrades addressing reliability needs.

The CAISO develops its transmission plans in coordination with the California Energy Commission, which develops load forecasts and optimal areas for new resource development. The California Public Utility Commission collaborates by prioritizing utility resource procurement approval consistent with CAISO's approved transmission plans. The CAISO will hold a public meeting on April 9 to discuss the draft plan and, after public comment, has scheduled final Board of Governors approval on May 23.

## California PUC Proposes \$24 Monthly Charge for Residential Ratepayers

The California PUC issued a draft proposal to respond to the state Legislature's direction to adopt income-based fixed base service charges. The Legislature's objective was to place more of utility base service costs into fixed monthly rates but adjust the monthly charges based on customer incomes. The CPUC had considered more graduated fixed charge tiers based on household incomes. That concept drew concerns about requirements for income verification. The current proposal ties reduced monthly charges to its existing low-income rate discounts. The bulk of ratepayers who don't qualify for low-income discounts will pay a \$24 monthly charge regardless of income or electricity consumption. The CPUC may vote on the proposal early next month.

#### PG&E CEO Says Diablo Canyon Should Stay Open Longer than Five Years

The future of the Diablo Canyon nuclear plant continued to be in the news this week. Friends of the Earth filed a suit against the U.S. Department of Energy this week, arguing that DOE's \$1 billion funding for extending plant operations did not consider safety and environmental impacts. The following day, the CEO of the plant's owner said the plant should stay open past the five-year extension being currently reviewed by the Nuclear Regulatory Commission. PG&E's Patti Poppe said that she expects discussion as the plant goes through its

5-year extension of continuing operations which she sees as benefitting reliability and clean electricity generation. This statement is significant because PG&E has stayed cautious about signaling that it may reconsider its 2016 agreement to close the plants two generators in 2024 and 2025.

#### Are helmets next?

For generations now, countless children have had their first experience behind the wheel of an automobile at the Autopia track in Disneyland. There's that sensation of lurching forward when small feet hit the gas pedal and the



cacophonous roar of gas-powered engines from all over the race course. Not to mention the fumes of gas exhaust wafting over the lines of waiting drivers. Autopia is joining the future, however. Disney confirmed plans this week to make the Autopia cars non-carbon emitting. While it's not clear whether they'll be electric or some more exotic hydrogen technology befitting their home in Tomorrowland, the cars will soon be cleaner and quieter. But they'll still max out at six miles an hour.

# MONTANA

# Montana - Energy, Transmission & Politics

- The USACE has approved Energy Keepers, Inc. (EKI) request for a variation in the management of SKQ Dam re: addressing concerns related to Flathead lake levels. This will allow EKI to deviate from the Flood Risk Management Plan and allow dam operators to keep the lake at a higher level than normal this spring. By raising the level by two feet, less water will be needed to refill the lake to full pool this summer. Under normal operating procedures, the dam-controlled lake drops to its lowest point, 2,883 feet, by April 15 to provide flood control across the region, then rises to 3 feet from full pool by Memorial Day, hitting full pool elevation of around 2,893 by June 12. The goal is to then operate in the full-pool range through Labor Day, according to EKI, before lowering the levels in October to mitigate erosion from fall storms.
  Montana Free Press, 4/3. Article)
- Relatedly, the recording and presentation materials are now publicly available from the informational briefing on the 2023 lake level issues held a couple of weeks ago (held by EKI, BoR, USACE, and National Weather Service). See materials and FAQs <a href="here">here</a>.
- Constituents have reported this week that outreach has been initiated to congressional staff re: Rep. Zinke's
   "Fill the Lake Act," which calls on Hungry Horse Reservoir to prioritize supporting Flathead Lake levels when they
   are low. Given the implications to Hungry Horse operations and potential impacts to ESA-listed species and the
   FCRPS, the outreach is unexpected. It is an election year for Rep. Zinke.
- The January cold snap is now estimated to have costed NorthWestern Energy (NWE) customers in Montana \$39M. In a presentation to the MT Public Service Commission, NWE officials argued the cold snap demonstrates that the utility needs to be able to generate more of its own energy, pointing to the controversial Yellowstone Generating Station in Laurel, a natural gas-fired plant, as a critical solution.
- Last week, the House passed <u>H. Con. Res. 86</u>, a resolution condemning a domestic carbon tax sponsored by Western Caucus Vice Chair Ryan Zinke (MT-01).
- ExxonMobil's Snowy River project, the state's first geologic carbon sequestration proposal, drew local scrutiny
  this week as BLM announced a public meeting in the community. Exxon proposes to inject 150 million tons of

- carbon dioxide thousands of feet below southeastern Montana's sagebrush steppe. Carter Co. residents maintain that little if any outreach has occurred in the two-year period between the time oil and gas company began working with the BLM and the public scoping meeting last October. (Montana Free Press, 4/3. Article)
- High energy costs are forcing REC Silicon, a polysilicon production company in Butte, to phase out a division of
  its business. Earlier this year, REC Silicon announced it would shutter its Butte facility because of the rising cost
  of electricity in the region. It buys energy on the open market. The company produces materials for the solar
  and electronics industries worldwide. "Energy costs are a huge concern right now in the state of Montana," said
  DeeAnna Worley, vice president of the Butte operation for REC Silicon.

#### Montana – Water, Wildlife & Fisheries

- Scientists report that Montana will need an extremely wet spring to avoid widespread drought once summer
  arrives, and are skeptical that the needed moisture will arrive. Almost 95% of the state is abnormally dry this
  winter (National Drought Information System). Nowhere is the problem more acute than the Upper Clark Fork
  Basin east of Missoula, where snowpack and precipitation are near their lowest levels since records began in
  1979. The Bitterroot, Flathead and lower Clark Fork are only a bit better with about 73% of their normal
  snowpack. This could lead to water shortages affecting agriculture, fisheries, and recreation around the state.
- A Montana Fish, Wildlife & Parks warden stopped a driver pulling a boat after he drove past an aquatic invasive species inspection station near Anaconda, MT last week. The warden noticed suspicious attachments on the boat and had the driver return to the inspection station where invasive zebra mussels were detected. The boat was traveling from Michigan to BC. This is the firth mussel boat intercepted in MT since stations opened last month.

# British Columbia/Western Canada - Energy, Natural Resources & Water

- BC Hydro's Technical Strategic Principal for Water Licensing joined the CAE meeting on Wednesday. She
  provided an overview of BC Hydro as a crown corporation, its relationship to PowerEx, updates on Site C Dam,
  system operations, and how they work with communities and First Nations in BC. Site C Dam is on schedule to
  begin filling this summer.
- The Alberta Electric System Operator (AESO) says an "unexpected generation loss" led to the declaration of a
  grid alert Wednesday (4/3) evening. AESO reported that a high amount of renewable energy captured during the
  day, and forecasts for the coming days led to some generating units were switched off as a cost-saving measure.
  The alert was resolved with the support of imported power from neighboring provinces. (City News, 4/3. Article)
- Following months of engagement with the independent power industry, First Nations and stakeholders, BC Hydro has issued a RFP to acquire approximately 3,000 gigawatt hours per year (GWh/y) of electricity. This is BC Hydro's first competitive call for power in 15 years and will add 5% to its current supply, providing enough clean electricity to power 270,000 homes or approximately one million electric vehicles per year. The development and construction of new clean-energy projects in response to the call for power will generate an estimated \$2.3 billion to \$3.6 billion in private capital spending throughout the province and create approximately 800 to 1,500 jobs on average annually. Electricity demand is expected to increase by 15% between now and 2030 due to population growth, housing construction, increased industrial development, including in the mining sector, and more homes and businesses switching from fossil fuels to clean electricity, among other factors. (BC Government Press Release, 4/4).
- Oil production in Alberta continues to ramp up and the province set another record in February, as the long-awaited Trans Mountain pipeline expansion is expected to soon come online. Average daily output for the month rose by nearly three per cent, year over year, to 3.95 million barrels per day (the most oil Alberta has ever produced in February). (CBC, 4/3. Article).

Advanced nuclear developer X-energy and Canadian power producer TransAlta are partnering to study the
deployment of X-energy's Xe-100 advanced small modular reactors (SMRs) in Alberta. Supported through
funding from Emissions Reduction Alberta, the study aims to assess the feasibility of repurposing a fossil fuelfired generation site for an Xe-100 plant. X-energy and TransAlta would evaluate the economics, regulatory
impacts, licensing requirements, timelines, and overall suitability of deploying an Xe-100 plant. The study would
also focus on identifying and building Alberta-based supply chain partners, vendors and economic benefits for
Canada's fourth-largest province. (Power Engineering, 4/4. Article)

Regional Relations hosts a monthly meeting to hear from agency subject matter experts on emerging and evolving issues which may impact regional constituents. We highly encourage agency staff with topics of interest to email Kathie Manchester <a href="mailto:klmanchester@bpa.gov">klmanchester@bpa.gov</a>. These meetings occur the first Wednesday of every month.

### Kathie Manchester

(CONTR) Actalent
Program Support Specialist | Tribal Affairs, AIT-7
BONNEVILLE POWER ADMINISTRATION
bpa.gov | P 503-230-7685 klmanchester@bpa.gov

 From:
 Cooper,Suzanne B (BPA) - P-6

 Sent:
 Monday, June 14, 2021 5:03 PM

To: Miller,Mike P (BPA) - TE-DITT-2
Cc: Lahti,John A (BPA) - TF-DITT-2; Co

Cc: Lahti, John A (BPA) - TF-DITT-2; Cathcart, Michelle M (BPA) - TO-DITT-2

Subject: RE: FW: Talking points for NW wholesale power markets conference

Thank you, Mike, this is exactly what I was looking for.

Much gratitude to you, too, Michelle for passing on my request. 

©

From: Miller, Mike P (BPA) - TE-DITT-2 <mpmiller@bpa.gov>

Sent: Monday, June 14, 2021 4:07 PM

To: Cooper,Suzanne B (BPA) - P-6 <sbcooper@bpa.gov>

Cc: Lahti, John A (BPA) - TF-DITT-2 < jalahti@bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov>

Subject: FW: FW: Talking points for NW wholesale power markets conference

Here is some information from the engineering side of the issue:

In recognizing the importance of maintaining a bulk transmission system overlay with interconnections across the PNW regional power grid, BPA builds transmission lines and substations not only with redundancy to guard against impact from unplanned outages, but for extreme weather tolerance as well. For example, all lines are designed to a minimum 1/2" ice zone (1" glaze ice and 2" rime ice) and 100 mph wind, with extreme exposure locations hardened further. In our substations, we design yard drainage to withstand heavy winter rain events without flooding and our equipment is specified to be capable of operating at -40 °F. In most cases, we design above national electric safety code (NESC) minimum standards as our engineering analysis demonstrates this is necessary to withstand the wide range of weather conditions experienced across the PNW. BPA also builds to limit exposure to cascading failures, where the failure of one element of a transmission line or substation would cause significant additional damage, and assist our federal and nonfederal generation partners in achieving similar hardening and resiliency.

John's folks will probably have more on the things done in the shorter term.

### Mike

From: Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov>

Sent: Sunday, June 13, 2021 7:54 PM

To: Lahti, John A (BPA) - TF-DITT-2 < jalahti@bpa.gov>; Miller, Mike P (BPA) - TE-DITT-2 < mpmiller@bpa.gov>

Subject: Fwd: FW: Talking points for NW wholesale power markets conference

I think you two may have better points on ice loading design, danger trees, etc?

Sent from Workspace ONE Boxer

----- Forwarded message -----

From: "Cooper,Suzanne B (BPA) - P-6" < sbcooper@bpa.gov>

Date: Jun 13, 2021 6:23 PM

Subject: FW: Talking points for NW wholesale power markets conference

To: "Federovitch, Eric C (BPA) - PTL-5" < ecfederovitch@bpa.gov >, "Cathcart, Michelle M (BPA) - TO-DITT-

2" < mmcathcart@bpa.gov >, "Connolly, Kieran P (BPA) - PG-5" < kpconnolly@bpa.gov >

Cc:

I'm speaking during Thursday's segment of Clearing Up's wholesale market conference. I'll be on a panel with Roger Gray addressing conditions through this coming winter. Roger is addressing summer conditions, I'll be speaking to winter conditions. I could use your assistance in arming me with some details as noted in these talking points.

Michelle and Kieran, could you provide a couple of examples of winterization actions for transmission and generation assets? By COB Tuesday would be especially helpful.

Eric, it's noted that the comms team is planning to reach out to you for price excursion information for the last 2 winters which may already be in the works for the slide deck.

Thank you! Suzanne

From: Scruggs, Joel L (BPA) - DK-7 < ilscruggs@bpa.gov>

Sent: Friday, June 11, 2021 10:53 AM

To: Cooper, Suzanne B (BPA) - P-6 < <a href="mailto:sbcooper@bpa.gov">sbcooper@bpa.gov</a>>

Cc: Habibi, Maryam A (BPA) - DKP-7 < maasgharian@bpa.gov>; Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>;

Wingert, Kevin M (BPA) - DKP-7 < <a href="mailto:kwingert@bpa.gov">kwingert@bpa.gov</a>; Turner, Kristel L (BPA) - DKP-7 < <a href="mailto:klurner@bpa.gov">klurner@bpa.gov</a>>

Subject: Talking points for NW wholesale power markets conference

Good morning, Suzanne. Here's a set of talking points that we've compiled for you. Obviously, you are able to leverage your own expertise and that of your team for the market outlook and operational conditions. So we focused on some of the major agency-level issues/initiatives, some of which fit naturally with your winter outlook presentation and others are for consideration if you want to bridge to those points/messages or for reference for any questions in those areas. (We refreshed some talking points that John recently used, which received a lot of positive feedback on.) *Note: We can dial the organization of the talking points and ensure they line up with the slides once the deck is ready.* 

We did include some performance and value statements about the LSRDs. While we don't think you should be too heavy-handed talking about their value, we think it's completely appropriate to highlight them in the context of the role they play in the winter. I don't understand the concerns John expressed about that. Maybe he thought someone suggested the LSRDs as a focus area for your presentation? That's definitely not the case. Regardless, it seems safe and appropriate given the context, and frankly would be a missed opportunity to not reference them since the topic is the system outlook through next winter.

A couple of other thoughts; ex parte in effect until the final Record of Decision for BP/TC-22. So you need to avoid discussing the merits of any rate case issues. We kept that in mind as we developed the TPs. The Ex parte status could also reduce the likelihood of some curveball questions during Q&A. However, if you are asked about something you're not prepared to answer, it's completely appropriate to say that you don't know but can look into and get back to the questioner. Doug Johnson, our senior spokesperson, will be listening in on the conference. So, you could also say that BPA Communications staff is listening and taking notes and can follow-up.

Regarding the format/flow, here's what we know.

The panel runs from 10:50-11:30 a.m. on Thursday, June 17.

Content: Roger Gray will focus on summer 2021 and you will concentrate on winter 2021-22. Both of you are planning slide presentations, 10 to 12 minutes each.

Q&A to follow the presentations; Mark Ohrenschall will facilitate Q&A sent via the chat function (and he may ask some questions too).

Finally, we weren't sure how you like to prepare for speaking engagements. But please let us know if you want do a dryrun with our team. Otherwise, let us know if there's anything else you need from us.

Thanks,

### Joel Scruggs

Director of Communications | Communications (DK) BONNEVILLE POWER ADMINISTRATION

bpa.gov | P 503-230-5511 | C (b)(6)















From: Sent: To: Goodwin, Andrew L (CONTR) - BD-3 Tuesday, May 10, 2022 4:41 PM

Ellison, Brian H (CONTR) - B-3; Chang, Elsa (BPA) - B-3; McGrath, Consuello M (CONTR) -JLQ-2; Klement, Anthony J (BPA) - PGSD-5; Simpson, Mark C (MFE) (BPA) - PTFN-5; Mezzatesta, Mariano (BPA) - PGST-5; Newlon, Scott M (BPA) - PTK-5; Tarver, Adrina B (BPA) - PTKP-5; Johnson, Robert C (BPA) - PTK-5; Ganoe, Dennis J (CONTR) - JLQ-2; Dent, David D (BPA) - JC-6; Choudhury, Rahen Z (BPA) - JC-6; Fahy, Benjamin J L (BPA) -PGST-5; Siewert, Christopher W (BPA) - PGSD-5; Zach Gill Sanford; zSchaal, Richard; Sarah Davis; Hall, Stephen M (CONTR) - B-3; adonald@utilicast.com; Ryan Kroelinger; Spain, Alex J (MFE) (BPA) - PTF-5; steve.hall@slalom.com; Gaddam, Madhukar R (CONTR) -TTSE-DITT-2; Hawkins, Robert E (BPA) - PGSP-5; Kirsch, David J (TFE) (BPA) - TOOC-DITT-2; sarah.francaviglia@slalom.com; Cathcart,Michelle M (BPA) - TO-DITT-2; Briggs,Peter M (BPA) - TSRE-DITT-1; Guajardo, Wyndi N (BPA) - TSR-DITT-1; Moody, Karyn M (BPA) -TSRE-DITT-1; Judson, David L (BPA) - TSRE-DITT-1; Van Calcar, Pamela M (BPA) - PGS-5; Horttor, Michael D (BPA) - PTMA-5; Strand, Heidi M (CONTR) - PTF-5; Platter, M Phillip (MFE)(BPA) - PTFR-5; Andrew Goodwin; Loepker, Timothy E (TFE)(BPA) - TORO-DITT-1; Nguyen, John G (BPA) - B-3; Williams, Montel N (BPA) - PTMA-5; Nutile, Enzo R (BPA) -PGSD-5; Silver, David M (TFE) (BPA) - TOOC-DITT-2; Pellicori, Damon A (BPA) - PGST-5; Hayes, Matthew C (BPA) - PGST-5; Brown, David R (BPA) - TOOC-DITT-2; Henning, Thomas R (CONTR) - TTBP-DITT-2; Sackett, Rian R (TFE)(BPA) - TOOC-DITT-2; Hillegas-Elting, James V (BPA) - TOII-DITT-1; McManus, Bart (BPA) - TOOC-DITT-2; Kirby, Elizabeth A (BPA) - TOOC-DITT-2; Pham, Peter (BPA) - TTSE-DITT-2; Hunziker, Cameron (BPA) - TOII-DITT-2; Kingsford, Brent E (BPA) - TORD-DITT-1; Wolf, Justin R (TFE) (BPA) - TORD-DITT-1; Paradis, Dean D (TFE) (BPA) - TORD-DITT-1; McAllister, Bruce (TFE)(BPA) - TORD-DITT-1; Lowe, Brian C (TFE)(BPA) - TORD-DITT-1; Jackson, Holly K (TFE)(BPA) - TORO-DITT-1; Lewis, Mark A (CONTR) - TOII-DITT-2; Chambers, Joseph L (BPA) - TSRE-DITT-1; Lower, Selma (CONTR) - JLP-3; Keanini, Rasa I (BPA) - TSRE-DITT-1; Donald, Andrea M (CONTR); Dalia, Bernadette (BPA) - TSRE-DITT-1; Gallas, Christine E (BPA) - PTMA-5; Dernovsek, David K (BPA) - PTF-5; Edwards, Robert W (BPA) - PTK-5; Kroelinger, Ryan M (CONTR) - B-3; Gill Sanford, Zachary A (CONTR) - B-3; Schaal, Richard L (CONTR) - BE-3; Francaviglia, Sarah (CONTR) - B-3; Kochheiser, Todd W (BPA) - TOI-DITT-2; Bentz,Roger E (BPA) - B-3; Siemsen,Matthew A (MFE)(BPA) - PTFR-5; Symonds, Mark C (BPA) - B-3; Epifanov, Calin S (BPA) - JCD-6; Minden, Vincent L (BPA) -TTS-DITT-2; Davis, Sarah A (CONTR); Habluetzel, Nicki S (CONTR) - BD-3; Viskov, Jim S (BPA) - JC-6; Mace, Allison R (BPA) - PTM-5; Fredrickson, Rebecca E (BPA) - TSQ-TPP-2; Jenck, Joel N (MFE) (BPA) - PTFR-5; Germer, Matthew J (BPA) - PTMA-5; Haraguchi, Kelii H (BPA) - PTM-5; Winner, Scott W (BPA) - PGS-5; Standards of Conduct; Truax, Sarah R (BPA) - PTMP-5; Jones, Emily C (BPA) - PGSD-5; Randolph, Kimberly L (BPA) - PGSD-5; Messemer, Clarisse M (BPA) - PGST-5; Meyers, Andrew P (BPA) - PTF-5; Cole, Marcie V (MFE)(BPA) - PTFR-5; Dahiya, Sumit (MFE)(BPA) - PTFR-5; Day, Jody A (MFE)(BPA) -PTFR-5; Giglio, George M (MFE)(BPA) - PTFR-5; Hyman, Aretha A (MFE)(BPA) - PTFR-5; O'Drane, Dennis J (MFE) (BPA) - PTFR-5; Pimputkar, Pia S (MFE) (BPA) - PTFR-5; Robinson, Donald S (MFE)(BPA) - PTFR-5; Tkachuk, Paul G (MFE)(BPA) - PTFR-5; Hurlburt, Jennifer (BPA) - PGL-5; Bermejo, Juergen M (BPA) - TOI-DITT-2; Castro, Zina M (TFE)(BPA) - TORW-DITT-1; Al-Sheikhly, Mohammed A (CONTR) - JLQ-6; Walle, William H (CONTR) - JLQ-2; Arp, Gayland T (BPA) - PGSD-5; Blasingame, Sharon N (BPA) - PGSD-5; Bolas, Angela E (BPA) - PGSD-5; Chandler, Clayton K (BPA) - PGSD-5; Christman, Locke A (BPA) - PGSD-5; Failing, Josiah J (BPA) - PGSD-5; Frazer, Jacqueline V (BPA) - PGSD-5; Jones, Joshua C (BPA) - PGSD-5; Harris, Brad G (BPA) - PGSD-5; Hayes, John W (BPA) -PGSD-5; Koehler, Cory E (BPA) - PGSD-5; Lana, Aaron D (BPA) - PGSD-5;

To: McAllister, William S (BPA) - PGSD-5; Rojas, Gustavo D (BPA) - PGSD-5; Yim, Joon S (BPA)

- PGSD-5

Subject: EIM Daily Issue Sync - 5/10/2022

Notes from issues and good-conversation at the: EIM Daily Issue Sync - 5/10/2022

Regards, Andrew

Meeting Date: 5/10/2022 10:00 AM

Location: Skype Meeting, Bridge 5032304000,,(b)(6)

**Invitation Message** 

\*Agenda/purpose: To address the time-crunch in the daily 1230 call, this sync-point will serve (as-needed) to discuss known EIM issues, and for the first few weeks following EIM go-live, provide additional time to identify/refine questions for CAISO and/or that need added BPA/team attention.

\*\*Note that the 1230 MQ Task-force call will continue on days we have a 1 o'clock Market Quality review meeting with the CAISO; The 1230 will focus solely on prep for the 1300 call so as to make good use of those 30 minute windows with the CAISO market-SMEs.

# Notes

- 1. Issues
  - a. 5/8 Topics still being debriefed Communications between BPA and PCI, between operations desks, and with AGC/BAAOP team; once the trouble-shoot began and later, when the BRB/DSO 2720 was initiated, groups worked really well and communicated well. There will still be settlement aspects to address and sorting out whether price spikes created by BPA's tagging issues affected LMPs in adjacent BAAs.
  - b. 5/9 MQ report very clean balancing, capacity, flex-ramp overall a good operating day
  - c. Series of shadow price fluctuations
    - i. Negative priced DEC bids we are paying for others to DEC
    - ii. Even with extremely negative prices BPA continues to get DEC' d
  - a. 5/9 Observed that Load forecasts particularly in the area of VERs was inaccurate
    - i. RTD and Actuals were very close (10 min latency between actuals and model)
    - ii. FMM (e.g. data from Energy & Meteo Systems) forecasts differed
    - iii. \* from Actuals and RTD by ~200+ MW all day
    - iv. \*RTD/Actuals vs BASE was significantly different, at times as much as ~400MW
- 2. Discussion topics
  - a. Bid rejection on HE17
    - Bid exceeded SMEC; negative price exceeded the energy bid floor bid was rejected and provisional bid was substituted
    - ii. Root-cause fault in PCI was over-writing RT bids with the DA values (\*commentary this DA value was aged and actually entered on 5/5)



- b. After submitting, what is the users visibility?
  - i, PCI RT Bid screen (bid inputs)
  - ii. PCI Summary screen to confirm status (CB, green)
  - iii. SIBR double-check using the BIDS view and locate the hour and bid submission (per comments from PGSD does not seem that PT is using SIBR currently for reference) is there any way the feedback from SIBR can be visible in PCI?
- How are the Price caps set (administrative limits)
  - \$-150 is the bid-pricing limit (floor)
  - ii. \$1000 is the bid-pricing limit (ceiling)
- d. Takeaway to review the validation in PCI as it seems
  - i. Flagged on the initial bid-calc; price override on the DEC is entered
  - Subsequent blocks get built out increasing the steps and getting progressively further out of bounds (when SIBR sees that the step is more negative than -150, then the bid is rejected).
- Conclusion for today we need to investigate this more in depth and survey options before solution-ing how to monitor.
- f. (Similar but different) Phil Platter POPS experience with Market Power Mitigation (policy driven, prevents anticompetitive behavior) where pricing was adjusted due to market conditions triggering MPM and resulted in a DEB value being used.
  - i. We can submit a bid high next CAISO Market run evaluates for constrained path, evals whether a pivotal supplier in the area, if deemed pivotal mitigates to the higher of the DEB or the competitive LMP. Recently ~\$130
- Job-aids side topic can we make the CAISO job aids available internally at BPA (for folks not having the correct
  certs to access directly on the WEIM web-site? e.g. -> <u>ENERGY IMBALANCE MARKET (EIM) JOB AID (caiso.com)</u> -->
  place pdf copy of job-aids on SP.
  - g. SharePoint (Todd k to reach out to Jamey Turner)
- 4. Update/request certs Chris Gallas P\*/ Monique McMillan T\*

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[5/10/2022 9:59 AM] Al-Sheikhly, Mohammed A (CONTR) - JLQ-6: Morning all
```

[5/10/2022 9:59 AM] Goodwin, Andrew L (CONTR) - BD-3: Good morning

[5/10/2022 9:59 AM] Nutile, Enzo R (BPA) - PGSD-5:

Mornin!

[5/10/2022 9:59 AM] Klement, Anthony J (BPA) - PGSD-5: good morning!(sun)

[5/10/2022 10:05 AM] Klement, Anthony J (BPA) - PGSD-5:

Did I loose audio? i don't hear anything.

[5/10/2022 10:05 AM] Mace, Allison R (BPA) - PTM-5:

I hear fuzz

[5/10/2022 10:05 AM] Symonds, Mark C (BPA) - B-3: (rofl)

[5/10/2022 10:05 AM] Hunziker, Cameron (BPA) - TOII-DITT-2:

I redialed in 3 times. lol

[5/10/2022 10:13 AM] Klement, Anthony J (BPA) - PGSD-5:

today when marketer tried with a starting bid of -130, but with multiple steps which would take the final bucket below -150, PCI said invalid bid.

[5/10/2022 10:17 AM] Goodwin, Andrew L (CONTR) - BD-3:

thanks Tony so it did trigger the validation

[5/10/2022 10:18 AM] Klement, Anthony J (BPA) - PGSD-5:

yes, but from what I heard, when an automated process for producing the bids (calc priority) this can result in a violation

[5/10/2022 10:18 AM] Symonds, Mark C (BPA) - B-3:

If PCI is creating highest steps of bid curve, is the same true on the ceiling for the \$1,000 energy bid cap and the possibility that energy bid cap can rise to \$2,000 under certain condition-specific time frames?

[5/10/2022 10:26 AM] Randolph, Kimberly L (BPA) - PGSD-5:

I think the feedback we were getting from the marketers is that they are not currently using SIBR

[5/10/2022 10:43 AM] Klement, Anthony J (BPA) - PGSD-5:

more water

[5/10/2022 10:43 AM] Nutile, Enzo R (BPA) - PGSD-5:

Runoff is starting

LSNK popped

[5/10/2022 10:45 AM] Goodwin, Andrew L (CONTR) - BD-3:

ENERGY IMBALANCE MARKET (EIM) JOB AID (caiso.com)

[5/10/2022 10:46 AM] Klement, Anthony J (BPA) - PGSD-5:

mine worked

[5/10/2022 10:47 AM] Pellicori, Damon A (BPA) - PGST-5:

Todd - can you send to me as well please?

[5/10/2022 10:54 AM] Kochheiser, Todd W (BPA) - TOI-DITT-2:

Done

[5/10/2022 10:55 AM] Goodwin, Andrew L (CONTR) - BD-3:

Western EIM - Job Aids (caiso.com)

[5/10/2022 10:55 AM] Al-Sheikhly, Mohammed A (CONTR) - JLQ-6:

Nope could not launch it :(

[5/10/2022 10:56 AM] Goodwin, Andrew L (CONTR) - BD-3:

Chris Gallas - P\*/ Monique MacMillan T\*

[5/10/2022 10:58 AM] Siemsen, Matthew A (MFE)(BPA) - PTFR-5:

McMillan \* :) - at least per outlook

[5/10/2022 10:59 AM] Haraguchi, Kelii H (BPA) - PTM-5:

Haifeng, what is the meaning of life?

[5/10/2022 10:59 AM] Goodwin, Andrew L (CONTR) - BD-3:

thanks all

[5/10/2022 12:39 PM] Ellison, Brian H (CONTR) - B-3:

can we ask for an update on CIDI 00250234 (CMRI test Results Seem IncorrecT)? It has happened multiple hours today. Before today it was only one or two intervals

[5/10/2022 12:47 PM] Nutile, Enzo R (BPA) - PGSD-5:

Fairly sure the top is the market cap, I'm not sure on the 150

[5/10/2022 12:47 PM] Kochheiser, Todd W (BPA) - TOI-DITT-2:

FERC set the floor, as I recall.

[5/10/2022 12:47 PM] Ellison, Brian H (CONTR) - B-3:

(y)

[5/10/2022 12:53 PM] Kochheiser, Todd W (BPA) - TOI-DITT-2:

I'm fairly confident any request to change the price floor or cap would have to be approved by FERC. Easier said than done.

[5/10/2022 12:54 PM] Siemsen, Matthew A (MFE)(BPA) - PTFR-5:

I'm sure you are correct on that, Todd!

[5/10/2022 12:55 PM] Mezzatesta, Mariano (BPA) - PGST-5:

I found this, but it's pretty old

https://www.caiso.com/Documents/EnergyBidFloorProposal-

ISOPresentation.pdf?msclkid=b7a33b15d09a11eca8f7721a8334da07

on the bid floor

[5/10/2022 12:55 PM] Nutile, Enzo R (BPA) - PGSD-5:

Oh that says -300. Funny.

[5/10/2022 12:57 PM] Mezzatesta, Mariano (BPA) - PGST-5:

it used to be -30, then it went to -300, now it's -150

[5/10/2022 12:57 PM] Siemsen, Matthew A (MFE)(BPA) - PTFR-5:

It seems to indicate some of our assumptions, that there were a lot of considerations toward the wind contracts and federal credits to keep them in the market

From: Cook, Jeffrey W (BPA) - TP-DITT-2

Sent: Thursday, April 29, 2021 8:31 AM

To: Dibble,Rachel L (BPA) - B-3; Shaheen,Richard L (BPA) - T-DITT-2; Ko,Tina G (BPA) - TS-

DITT-2; Cathcart, Michelle M (BPA) - TO-DITT-2

Subject: RE: SPP Markets Plus

Thanks Rachel for putting the list together of questions. I will probably have Eddie get with you as well to help form some of those questions although some were addressed when Joel and I spoke with SPP about a month ago.

Jeffrey W. Cook, PE VP Transmission Planning and Asset Management Bonneville Power Administration 360-418-8981

From: Dibble, Rachel L (BPA) - B-3 < rldibble@bpa.gov>

Sent: Wednesday, April 28, 2021 5:00 PM

To: Shaheen, Richard L (BPA) - T-DITT-2 <rlshaheen@bpa.gov>; Ko, Tina G (BPA) - TS-DITT-2 <tgko@bpa.gov>; Cook, Jeffrey W (BPA) - TP-DITT-2 <jwcook@bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 <mmcathcart@bpa.gov>

Subject: RE: SPP Markets Plus

This is scheduled for May 26. I'm attaching the SPP presentation on Markets + when they first introduced it at a PPC meeting so you have some background on the concept. I'll start a list of questions so we have some ideas to seed the conversation with, but I'm sure it will move along pretty easily. I can also touch base with any staff members you recommend to get some ideas.

## Suggested agenda

- Introductions
- Overview of Concept/Timing of Development SPP
- 3. Questions/Discussion

From: Dibble,Rachel L (BPA) - B-3 Sent: Tuesday, April 27, 2021 2:19 PM

To: Shaheen, Richard L (BPA) - T-DITT-2 < <a href="mailto:rlshaheen@bpa.gov">rlshaheen@bpa.gov">rlshaheen@bpa.gov</a>; Ko, Tina G (BPA) - TS-DITT-2 < <a href="mailto:tgko@bpa.gov">tgko@bpa.gov</a>;

Cook, Jeffrey W (BPA) - TP-DITT-2 < iwcook@bpa.gov >; Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov >

Cc: Juber, Angela C (CONTR) - TO-DITT-2 <a href="mailto:acjuber@bpa.gov">acjuber@bpa.gov">; McKay, Barbara A (CONTR) - TS-DITT-2

<<u>bamckay@bpa.gov</u>>; Moditz,Tina (BPA) - TP-DITT-2 <<u>cdmoditz@bpa.gov</u>>; Brookshire,Sherry S (BPA) - T-DITT-2

<ssbrookshire@bpa.gov>
Subject: FW: SPP Markets Plus

I followed up with Steve Johnson and his response is attached. Some interesting information about a bill in Colorado.

To follow up on John's direction below, I'd like to set up an introductory session with all of you and Steve Johnson at SPP. One of the top issues they would like to engage with us on is our transmission issues. We can do an internal prep session to brainstorm some questions once we get this scheduled. You are welcome to invite some key staff, but probably best to keep the group relatively small since it's more of an introduction.

I'm copying your admins here to get a few options for scheduling an hour for the discussion with SPP. I can then give Steve some options for scheduling. Thanks.

From: Dibble,Rachel L (BPA) - B-3 Sent: Tuesday, April 13, 2021 3:14 PM

To: Shaheen, Richard L (BPA) - T-DITT-2 < rishaheen@bpa.gov>; Ko, Tina G (BPA) - TS-DITT-2 (tgko@bpa.gov)

<tgko@bpa.gov>; Cathcart,Michelle M (BPA) - TO-DITT-2 (mmcathcart@bpa.gov) <mmcathcart@bpa.gov>; Cook,Jeffrey

W (BPA) - TP-DITT-2 < iwcook@bpa.gov>; Jensen, Mary K (BPA) - L-7 < mkjensen@bpa.gov>

Cc: Cook,Joel D (BPA) - P-6 < idcook@bpa.gov >; Thompson,Kim T (BPA) - PS-6 < ktthompson@bpa.gov >; Cooper,Suzanne B (BPA) - PT-5 < sbcooper@bpa.gov >; Trolese,Laura C (CONTR) < idctrolese@bpa.gov >; Symonds,Mark C (BPA) - PTM-5 < mcsymonds@bpa.gov >; Sheckells,Katie (BPA) - TAS-TPP-4 (kksheckells@bpa.gov) < kksheckells@bpa.gov >

Subject: SPP Markets Plus

See below for notes on an intro session we had today with Southwest Power Pool to learn more about their Markets Plus concept. The questions we asked are in bold text.

John asked us to make BPA staff/execs available for some 1:1 discussions with SPP to help them flesh out their proposal over the next few months. We expect it to be a minimal time commitment in the short term. John was clear that our short term priorities of EIM decision, NWPP RA and rate/tariff case make a bigger resource commitment unworkable right now. He also emphasized the value of having competition for market design/structures available to us as a region so BPA will be supporting the effort.

SPP's plan is to have individual discussions with several western entities so that they can put together a more concrete high level proposal they could start taking public and reviewing informally with FERC this fall.

I will work with Steve Johnson (SPP) to make some arrangements.

Meeting Date: 4/13/2021 1:00 PM

Location: Webex

Link to Outlook Item: click here

**Invitation Message** 

**Participants** 

Cook, Joel D (BPA) - P-6 (Meeting Organizer)

Thompson, Kim T (BPA) - PS-6 (Accepted in Outlook)

Cooper, Suzanne B (BPA) - PT-5 (Accepted in Outlook)

Hairston, John L (BPA) - A-7 (Accepted in Outlook)

Dibble, Rachel L (BPA) - B-3 (Accepted in Outlook)

sjohnson@spp.org (Accepted in Outlook)

# Notes

Questions/Discussion Topics

- You indicated you are taking a pause to deal with aftermath of weather events in February. What is your
  estimate of timing for beginning design discussions with the region? How long do you expect it to take to get to
  a final design? September/October timeline for really starting public design review. Will spend that time doing
  individual outreach as able to be able to and get high level design. Resource constraints are understood.
  - Do you plan to work sequentially on real time then day ahead market design? Or work on them both simultaneously? Already have WEIS, but no connectivity. Expect to supersede it with Markets+. Expect those to commit to RTO. If they don't, would either run separate bubbles OR
- Are you doing outreach with IOUs and other entities in the west? Have you discussed with desert southwest
  entities? Have session scheduled with SRP next week. Working on getting APS scheduled. Furthest along with BPA
  and Powerex. Some outreach to Tacoma. Will continue to work on getting together with other entities.

- What do you believe would be critical mass to make a Markets+ feasible? Work on market design first to
  understand costs. It's more about costs than footprint, but minimum footprint around 10-12K MW range during
  peak load to be able to be viable. BPA, a couple SW entities, Powerex and a couple IOUs and large publics. PAC
  probably won't come along early, but may come along later.
- John requested SPP sit down with BPA and map out potential. Keenly interested in how RA program develops. That
  will give good indication for how we can approach markets+ in future.
- Transmission issues in the west are challenging due to the multiple TSP/BA participants with individual OATTs, transmission rights and cost shift issues. Slide 38 in presentation suggests transmission issues can be resolved with minimal cost shifts. How do you plan to tackle this? An example of potential solution: Look at revenue from NF what is revenue drop with markets+ what is difference? Add all those up and work on a make whole payment. Load based charge transmission access charge reimburses TSPs and finds ways to incent investment trying to stay away from CRRs. Transmission SPP will add in others including Richard Dillon can't have free riders but can't have pancaked rates either.
- We support the concept of having an independent market monitor. How is that implemented in SPP today?
   What is the interface between SPP and the market monitor? Who does the market monitor take direction from on issues to explore and who do they report out to? From BPA perspective, in this context, CA governance is bigger issue than FERC governance.
- What does SPP need from the West? Specific conversations with participants in the West. Try to find a model that
  would be acceptable for FERC. Mentioned MISO Order and some potential. Need to address independent Board
  (current SPP and markets+ merge in future? Stay separate?)
- History of attempts at RTO development in the NW is long and we haven't been successful. Is the long term plan
  for Markets+ (or at least an option) to transition to full RTO? Doesn't have to be. Plan for day ahead/RT to be
  self-sustaining.
- Is your intent to develop a market that can eventually integrate with SPP footprint on east side of WECC? Longer term plans to also leverage SPP's work on DC tie with Eastern Interconnection?
- Difference from EDAM Transmission is in market...out by exception. EDAM is opposite. Get everything set up
  then let market run in morning with transmission that has been arranged in the market run. If we don't get it right,
  how do we trust we can decommit resources/transmission?
- Have to be able to trust design that was developed with the participants. Not something designed by staff with minimal ability for participants/members to influence.
- WAPA motivated to enter WEIS partly by reduction in trading partners.
- WEST RTO project WEIS participants are all pursuing working on cracking issues across DC tie. Need market design and price formation right – includes transmission
- SPP what's in it for them? Look at GI queue in SPP footprint, it's all wind/solar and some storage. Come up with
  construct that would expand footprint to manage costs/operate market to market with SPP existing footprint.
- Aren't all these things building blocks to an RTO? How will you leverage those building blocks? Goal is to make
  RA program implicit in markets+. May require NWPP RA participation before market + participation is allowed.
  BPA wants to make sure investments made in GridMod and EIM can be transferred and leveraged in other market
  structure.
- RA program is critically important for NW understanding governance approach will be valuable. Leveraging all of that is important for bringing along public power.
- Deliverability how do you incent transmission investments or get transmission to address the needs. Could be embedded in RTO. Probably can't pull this off without major xmission investments. Probably big DC lines.

Rachel Dibble

she/her/hers

Director, Market Initiatives | Business Transformation Office

BONNEVILLE POWER ADMINISTRATION

rldibble@bpa.gov | P 360-619-6191 | C (b)(6)

Please consider the environment before printing this email.

From: Sent: Miller, Mike P (BPA) - TE-DITT-2 Thursday, July 15, 2021 7:03 AM

To:

TVPS

Subject:

FW: TAMEC: Market conditions and OCS Contractors Declining Work Due to Lack of

Resources to Meet BPA Schedules

(b)(5)

Importance:

High

Some VPs are on this but not all and I think it is important for everyone to hear.

Mike

From: Linson, Trudy W (BPA) - NST-4400-LL <twlinson@bpa.gov>

Sent: Wednesday, July 14, 2021 8:44 AM

To: Cook, Jeffrey W (BPA) - TP-DITT-2 <jwcook@bpa.gov>; Miller, Mike P (BPA) - TE-DITT-2 <mpmiller@bpa.gov>; Lahti, John A (BPA) - TF-DITT-2 <jalahti@bpa.gov>; Hunter, Kimberly A (BPA) - TTB-MODD <kahunter@bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 <mmcathcart@bpa.gov>; Jusupovic, Jana D (BPA) - TPO-TPP-4 <jdjusupovic@bpa.gov>; Staats, Michael L (BPA) - TEE-CSB-1 <mlstaats@bpa.gov>; Sheppard, Charles A (BPA) - TFBV-DOB-1 <casheppard@bpa.gov>; Sanford, Chris T (TFE)(BPA) - TOR-DITT-1 <ctsanford@bpa.gov>; Hillegas-Elting, James V (BPA) - DT-3 <jvhillegas@bpa.gov>; Nguyen, John G (BPA) - NNC-1 <jgnguyen@bpa.gov>; Hester, Shane H (BPA) - TFAW-DOB-1 <shhester@bpa.gov>; Barton-Smith, Julie G (BPA) - TPO-TPP-4 <jbarton@bpa.gov>; Talbott, Annette E (BPA) - LN-7 <aetalbott@bpa.gov>; Olesen, Thomas J (BPA) - TP-DITT-2 <tjolesen@bpa.gov>

Subject: TAMEC: Market conditions and OCS Contractors Declining Work Due to Lack of Resources to Meet BPA

Schedules

Importance: High

Good morning TAMEC,



# Trudy Linson

Acting Chief Supply Chain Officer - NS Supply Chain Services SONNEVILLE POWER ADMINISTRATION twlinson@bpa.gov | From: McGee, Joyce (BPA) - NSSV-4400-2 < hmcgee@bpa.gov>

Sent: Thursday, July 1, 2021 4:29 PM

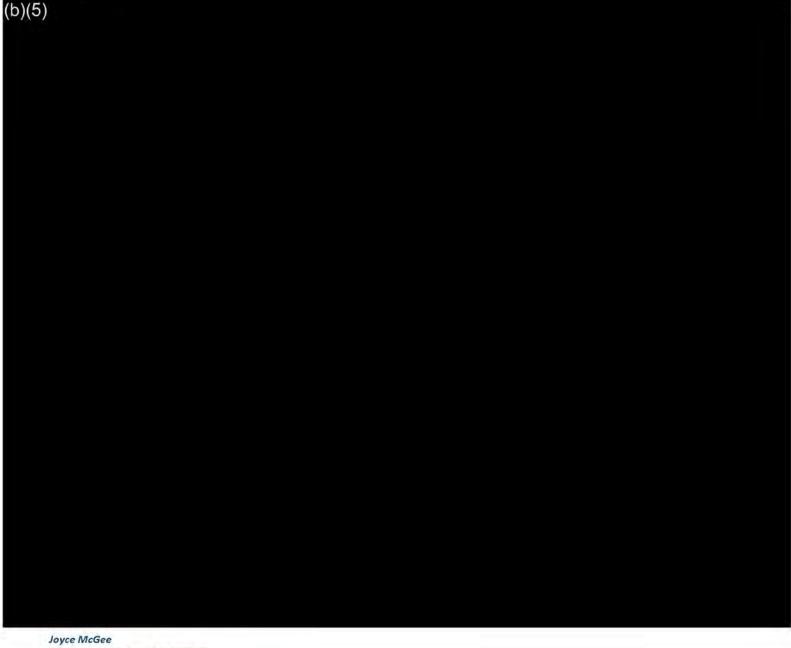
To: Linson, Trudy W (BPA) - NST-4400-LL < <a href="mailto:twlinson@bpa.gov">twlinson@bpa.gov</a>; DeLong, Matthew L (BPA) - NSSS-4 < <a href="mailto:mldelong@bpa.gov">mldelong@bpa.gov</a>;

Limantzakis, Vasia A (BPA) - NSSF-4 < vlimantzakis@bpa.gov >; Cochenour, William M (BPA) - NSSP-4

<wmcochenour@bpa.gov>; Rojas,Jose I (BPA) - NSSS-4400-2 < irojas@bpa.gov>

Subject: FW: ACTION: OCS Contractors Declining Work Due to Lack of Resources to Meet BPA Schedules

Importance: High



Joyce McGee Bonneville Power Administration Construction Acquisition Team Manager – NSSV

Office: 360-418-2744

Mobile: (b)(6)

Email: hmcgee@bpa.gov

From: Craig, Christina M (BPA) - NSSV-4400-2 < cmcraig@bpa.gov>

Sent: Wednesday, June 30, 2021 6:58 PM

To: Marleau, Michael L (BPA) - TEPS-TPP-1 < mlmarleau@bpa.gov >; Smith, Thornton D (BPA) - TEPF-CSB-2

<tdsmith@bpa.gov>; Berry,Theresa M (BPA) - TEPL-TPP-1 <tmberry@bpa.gov>; Bailey,Jennifer A (BPA) - TFHQ-TPP-3 <jaballey@bpa.gov>

Cc: Freel, Dean M (BPA) - TEP-TPP-1 < dmfreel@bpa.gov >; Cousins, Ana (BPA) - NSSV-4400-2 < axcousins@bpa.gov >;

McGee, Joyce (BPA) - NSSV-4400-2 < hmcgee@bpa.gov >; Lewis, Jason C (BPA) - NSSV-4400-2 < jclewis@bpa.gov >;

Kulak,Rachel A (BPA) - NSSV-4 < rakulak@bpa.gov >

Subject: ACTION: OCS Contractors Declining Work Due to Lack of Resources to Meet BPA Schedules

Importance: High

Good Morning,





## Christina Craig

Supervisory Contract Specialist Substation and SCM Team Energy Infrastructure Delivery | NSSV

BONNEVILLE POWER ADMINISTRATION -

bpa.gov | P 360-619-6310 | C (b)(6)

Please consider the environment before printing this email.

From: Baskerville, Sonya L (BPA) - DIN-WASH

Sent: Tuesday, July 6, 2021 2:07 PM

To: Hairston, John L (BPA) - A-7; Cathcart, Michelle M (BPA) - TO-DITT-2

Cc: Shaheen, Richard L (BPA) - T-DITT-2; Cogswell, Peter (BPA) - DI-7

Subject: RE: Bipartisan Infrastructure Bill- Request

The PMAs DC reps are reading it now. It is written in an ambiguous way (I assume legislative counsel hasn't gotten to it yet), but it appears to want to be applicable to distribution utilities who operate in California. California applies for the money annually and gets the grants to distribute the funds. I assume "Secretary" means the Secretary of Energy.

Sonya Baskerville BPA National Relations



On Jul 6, 2021 4:59 PM, "Hairston, John L (BPA) - A-7" < jlhairston@bpa.gov > wrote: Thanks,
John

From: Baskerville, Sonya L (BPA) - DIN-WASH <slbaskerville@bpa.gov>

Sent: Tuesday, July 6, 2021 1:55 PM

To: Hairston, John L (BPA) - A-7 < jlhairston@bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov> Cc: Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov>; Cogswell, Peter (BPA) - DI-7 < ptcogswell@bpa.gov>

Subject: FW: Bipartisan Infrastructure Bill- Request

This only applies to California and their distribution utilities. I don't know why we would have an opinion on that?

Sonya Baskerville BPA National Relations



On Jul 6, 2021 4:34 PM, "Hairston, John L (BPA) - A-7" < <u>ilhairston@bpa.gov</u>> wrote: Sonya,

While this really doesn't pertain to us from a non-appropriations standpoint, is there anything we can or need to do to provide input on areas of funding that could be helpful to us via other appropriated agencies or customer grants?

I added Michelle and Richard to get their perspectives.

Thanks John

From: Hoffman, Patricia <pat.hoffman@hq.doe.gov>

Sent: Tuesday, July 6, 2021 1:17 PM

To: Wech, Michael S < mike.wech@swpa.gov >; Hobbs, Virgil < Virgil.Hobbs@Sepa.doe.gov >; Hairston,John L (BPA) - A-7 < ilhairston@bpa.gov >; LeBeau, Tracey < lebeau@wapa.gov >; Baskerville,Sonya L (BPA) - DIN-WASH

<slbaskerville@bpa.gov>; Thompson, Dionne E <dthompson@wapa.gov>; Smith, Barbara L <barbara.smith@swpa.gov>; Tyer, Katherine M <tyer@wapa.gov>

Cc: Perrin, Rusty <rusty.perrin@hq.doe.gov>; Lee, Terri <terri.lee@hq.doe.gov>

Subject: [EXTERNAL] Bipartisan Infrastructure Bill- Request

Request – do you see a need for additional funding or activities that should be included in section 1001 of the infrastructure bill specific for WILDFIRES. The front office would like to know if there is anything missing from OE and the PMAs perspective. So I am reaching out to verify. Please provide your response to Rusty Perrin@Hq.Doe.Gov.

Thanks pat.

### Appendix: Full Proposed Bill Language

### Section 1001. Preventing Outages and Enhancing the Resilience of the Electric Grid

- (a) Definitions.—In this section:
  - (1) CALIFORNIA ELIGIBLE ENTITY.—The term "California eligible entity" means an entity described in any of clauses (i) through (vi) of paragraph (2)(A) that is located in the State.
    - (2) ELIGIBLE ENTITY .-
      - (A) IN GENERAL. Except as provided in subparagraph (B), the term "eligible entity" means -
        - (i) an electric grid operator;
        - (ii) an electricity generator;
        - (iii) a transmission owner or operator;
        - (iv) a distribution provider;
        - (v) a fuel supplier; and
        - (vi) any other relevant entity, as determined by the Secretary.
      - (B) EXCLUSIONS.—The term "eligible entity" does not include an entity located in the State.
    - (3) EXTREME WEATHER.—
      - (A) IN GENERAL.—The term "extreme weather" means a weather phenomenon that—
        - (i) occurs outside of the historical frequency prior to 1990; or
        - (ii) is unexpected, unusual, severe, or unseasonal.
      - (B) INCLUSIONS.—The term "extreme weather" includes—
        - (i) a tornado;
        - (ii) a thunderstorm;
        - (iii) an ice storm;
        - (iv) a heat wave;
        - (v) flooding;
        - (vi) drought;
        - (vii) high winds; and
        - (viii) mudslides.
  - (4) NATURAL DISASTER.—The term "natural disaster" has the meaning given the term in section 602(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195a(a)).
    - (5) POWER LINE.—The term "power line" includes a transmission line or a distribution line, as applicable.
    - (6) PROGRAM.—The term "program" means the program established under subsection (b).
  - (7) RESILIENCE EVENT.—The term "resilience event" means an event in which, due to extreme weather, a wildfire, or any other natural disaster, operations of the electric grid are disrupted, preventively shut off, or cannot operate safely.
    - (8) STATE.—The term "State" means the State of California.
- (b) Establishment of Program.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish a program under which the Secretary shall make grants to eligible entities and the State in accordance with this section.
  - (c) Grants to Eligible Entities.—
    - (1) IN GENERAL. The Secretary may make a grant under the program to an eligible entity to carry out activities that
      - (A) are supplemental to existing hardening efforts of the eligible entity planned for any given year; and
      - (B)(i) reduce the risk of any power lines owned or operated by the eligible entity causing a wildfire; or
      - (ii) increase the ability of the eligible entity to reduce the likelihood and consequences of resilience events.
    - (2) APPLICATION. -
      - (A) IN GENERAL.—An eligible entity desiring a grant under the program shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

- (B) REQUIREMENT.—As a condition of receiving a grant under the program, an eligible entity shall submit to the Secretary, as part of the application of the eligible entity submitted under subparagraph (A), a report detailing past, current, and future efforts by the eligible entity to reduce the likelihood and consequences of resilience events.
- (3) LIMITATION.—The Secretary may not award a grant to an eligible entity in an amount that is greater than the total amount that the eligible entity has spent in the previous 3 years on efforts to reduce the likelihood and consequences of resilience events.
- (4) PRIORITY.—In making grants to eligible entities under the program, the Secretary shall give priority to projects that, in the determination of the Secretary, will generate the greatest community benefit in reducing the likelihood and consequences of resilience events.
- (5) SMALL UTILITIES SET ASIDE.—The Secretary shall ensure that not less than 50 percent of the amounts made available to eligible entities under the program are made available to eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year.
- (d) Grants to the State.—
  - (1) IN GENERAL.—The Secretary, in accordance with this subsection, may make grants under the program to the State, which the State may use to award grants to California eligible entities.
    - (2) ANNUAL APPLICATION.
      - (A) IN GENERAL.—For each fiscal year, to be eligible to receive a grant under this subsection, the State shall submit to the Secretary an application that includes a plan described in subparagraph (B).
        - (B) PLAN REQUIRED.—A plan prepared by the State for purposes of an application described in subparagraph (A) shall—
          - (i) describe the criteria and methods that will be used by the State to award grants to California eligible entities;
          - (ii) be adopted after notice and a public hearing; and
          - (iii) describe the proposed funding distributions and recipients of the grants to be provided by the State.
  - (3) OVERSIGHT.—The Secretary shall ensure that each grant provided to the State under the program is allocated, pursuant to the applicable State plan, to California eligible entities for projects within the State.
  - (4) PRIORITY.—In making grants to California eligible entities using funds made available to the State under the program, the State shall give priority to projects that, in the determination of the State, will generate the greatest community benefit in reducing the likelihood and consequences of resilience events.
  - (5) SMALL UTILITIES SET ASIDE.—The State shall ensure that not less than 10 percent of the amounts made available to California eligible entities from funds made available to the State under the program are made available to California eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year.
  - (6) TECHNICAL ASSISTANCE AND ADMINISTRATIVE EXPENSES.—Of the amounts made available to the State under the program each fiscal year, the State may use not more than 5 percent for—
    - (A) providing technical assistance under subsection (g)(1)(A); and
    - (B) administrative expenses associated with the program.
  - (7) MATCHING REQUIREMENT.—The State shall be required to match 15 percent of the amount of each grant provided to the State under the program.
- (e) Use of Grants.—
  - (1) IN GENERAL.—A grant awarded to an eligible entity or a California eligible entity under the program may be used for activities, technologies, equipment, and hardening measures to reduce the likelihood and consequences of resilience events, including—
    - (A) weatherization technologies and equipment;
    - (B) fire-resistant technologies and fire prevention systems;
    - (C) monitoring technologies;
    - (D) the undergrounding of electrical equipment;
    - (E) utility pole management;
    - (F) the relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors;
    - (G) vegetation and fuel-load management;
    - (H) the use or construction of distributed energy resources for enhancing system adaptive capacity during resilience events, including—
      - (i) microgrids; and
      - (ii) battery-storage subcomponents;
      - (I) adaptive protection technologies;
      - (J) advanced modeling technologies;
      - (K) hardening of power lines, facilities, substations, of other systems; and
      - (L) the replacement of old overhead conductors and underground cables.
    - (2) PROHIBITED USES.—
      - (A) IN GENERAL.—A grant awarded to an eligible entity or a California eligible entity under the program may not be used for—

- (i) construction of a new—
  - (I) electric generating facility; or
  - (II) large-scale battery-storage facility that is not used for enhancing system adaptive capacity during resilience events; or
- (ii) cybersecurity.
- (B) CERTAIN INVESTMENTS ELIGIBLE FOR RECOVERY.—
  - (i) IN GENERAL.—An eligible entity or California eligible entity may not seek cost recovery for the portion of the cost of any system, technology, or equipment that is funded through a grant awarded under the program.
  - (ii) SAVINGS PROVISION.—Nothing in this subparagraph prohibits an eligible entity or California eligible entity from recovering through traditional or incentive-based ratemaking any portion of an investment in a system, technology, or equipment that is not funded by a grant awarded under the program.
- (f) Distribution of Funding.—Of the amounts made available to carry out the program for a fiscal year, the Secretary shall ensure that—
  - (1) not less than 80 percent is used to award grants to eligible entities under subsection (c); and
  - (2) not more than 20 percent is used to make grants to the State under subsection (d).
  - (g) Technical and Other Assistance.—
    - (1) IN GENERAL.—The Secretary and the State may—
      - (A) provide technical assistance and facilitate the distribution and sharing of information to reduce the likelihood and consequences of resilience events; and
      - (B) promulgate consumer-facing information and resources to inform the public of best practices and resources relating to reducing the likelihood and consequences of resilience events.
    - (2) USE OF FUNDS BY THE SECRETARY.—Of the amounts made available to the Secretary to carry out the program each fiscal year, the Secretary may use not more than 5 percent for—
      - (A) providing technical assistance under paragraph (1)(A); and
      - (B) administrative expenses associated with the program.
  - (h) Matching Requirement.—
    - (1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity or California eligible entity that receives a grant under this section shall be required to match 100 percent of the amount of the grant.
    - (2) EXCEPTION FOR SMALL UTILITIES.—With respect to an eligible entity or California eligible entity that sells not more than 4,000,000 megawatt hours of electricity per year, the eligible entity or California eligible entity shall be required to match \1L3\ of the amount of the grant.
  - (i) Biennial Report to Congress.—
    - (1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, and every 2 years thereafter through 2026, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the program.
      - (2) REQUIREMENTS.—The report under paragraph (1) shall include information and data on—
        - (A) the costs of the projects for which grants are awarded to eligible entities and California eligible entities;
        - (B) the types of activities, technologies, equipment, and hardening measures funded by those grants; and
        - (C) the extent to which the ability of the power grid to withstand resilience events has increased.
- (j) Appropriations.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out the program, out of any amounts in the Treasury not otherwise appropriated, \$1,000,000,000 for each of fiscal years 2022 through 2026.

### Section 1005. Siting of Interstate Electric Transmission Facilities

- (a) Designation of National Interest Electric Transmission Corridors.—Section 216(a) of the Federal Power Act (16 U.S.C. 824p(a)) is amended—
  - (1) in paragraph (1)—
    - (A) by inserting "and Indian Tribes" after "affected States"; and
    - (B) by inserting "capacity constraints and" before "congestion";
  - (2) in paragraph (2)—
    - (A) by striking "After" and inserting "Not less frequently than once every 3 years, the Secretary, after"; and
    - (B) by striking "affected States" and all that follows through the period at the end and inserting the following:
    - "affected States and Indian Tribes), shall issue a report, based on the study under paragraph (1) or other information relating to electric transmission capacity constraints and congestion, which may designate as a national interest electric transmission corridor any geographic area that—
      - "(i) is experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers; or
        - "(ii) is expected to experience such energy transmission capacity constraints or congestion.";
  - (3) in paragraph (3)—

- (A) by striking "The Secretary shall conduct the study and issue the report in consultation" and inserting "Not less frequently than once every 3 years, the Secretary, in conducting the study under paragraph (1) and issuing the report under paragraph (2), shall consult"; and
- (4) in paragraph (4)-
  - (A) in subparagraph (C), by inserting "or energy security" after "independence";
  - (B) in subparagraph (D), by striking "and" at the end;
  - (C) in subparagraph (E), by striking the period at the end and inserting a semicolon; and
  - (D) by adding at the end the following:
- "(F) the designation would-
  - "(i) enhance the ability of facilities that generate or transmit renewable energy, low-emission energy, or emission-free energy to connect to the electric grid;
    - "(ii) promote electrification of other sectors, including the transportation sector; or
    - "(iii) facilitate other public policies to decarbonize the grid;
- "(G) the designation-
  - "(i) maximizes existing rights-of-way, including along highways, brownfields, and railways; and
  - "(ii) avoids, to the maximum extent practicable, sensitive environmental areas and cultural heritage sites; and
- "(H) the designation would result in a reduction in the cost to purchase electric energy for consumers.".
- (b) Construction Permit.—Section 216(b) of the Federal Power Act (16 U.S.C. 824p(b)) is amended—
  - (1) in paragraph (1)—
    - (A) in subparagraph (A)(ii), by inserting "or interregional benefits" after "interstate benefits"; and
    - (B) by striking subparagraph (C) and inserting the following:
  - "(C) a State commission or other entity that has authority to approve the siting of the facilities—
    - "(i) has not approved or denied an application seeking approval pursuant to applicable law by the date that is 1 year after the later of—
      - "(I) the date on which the application was filed; and
      - "(II) the date on which the relevant national interest electric transmission corridor was designated by the Secretary under subsection (a);
    - "(ii) has conditioned its approval in such a manner that the proposed construction or modification will not significantly reduce transmission congestion in interstate commerce or is not economically feasible; or "(iii) has denied an application seeking approval pursuant to applicable law;".
- (c) Rights-of-Way.—Section 216(e)(1) of the Federal Power Act (16 U.S.C. 824p(e)(1)) is amended by striking "facilities, the" and inserting "facilities and, in the determination of the Commission, the permit holder has made good faith efforts to engage with landowners and other stakeholders early in the applicable permitting process, the".
  - (d) Interstate Compacts.—Section 216(i) of the Federal Power Act (16 U.S.C. 824p(i)) is amended—
    - (1) in paragraph (2), by striking "may" and inserting "shall"; and
    - (2) in paragraph (4), by striking "the members" and all that follows through the period at the end and inserting the following: "the Secretary determines that the members of the compact are in disagreement after the later of—
      - "(A) the date that is 1 year after the date on which the relevant application for the facility was filed; and
      - "(B) the date that is 1 year after the date on which the relevant national interest electric transmission corridor was designated by the Secretary under subsection (a).".

### Associated Federal Power Act Text, showing tracked changes resulting from the language above

- (a) Designation of national interest electric transmission corridors
  - (1) Not later than 1 year after August 8, 2005, and every 3 years thereafter, the Secretary of Energy (referred to in this section as the "Secretary"), in consultation with affected States and Indian Tribes, shall conduct a study of electric transmission capacity constraints and congestion.
  - (2) After Not less frequently than every 3 years, the Secretary, after considering alternatives and recommendations from interested parties (including an opportunity for comment from affected States and Indian Tribes), the Secretary shall issue a report, based on the study under paragraph (1) or other information relating to electric transmission capacity constraints and congestion, which may designate as a national interest electric transmission corridor any geographic area that—

    (i) is experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers: or as a
    - (i) is experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers or as a national interest electric transmission carridor
    - (ii) is expected to experience such energy transmission capacity constraints or congestion.
  - (3) The Not less frequently than once every 3 years, the Secretary, in conducting the study under paragraph (1) and issuing the report under paragraph (2), shall conduct the study and issue the report in consultation consult with any appropriate regional entity referred to in section 8240 of this title.
  - (4) In determining whether to designate a national interest electric transmission corridor under paragraph (2), the Secretary may consider whether—

(A) the economic vitality and development of the corridor, or the end markets served by the corridor, may be constrained by lack of adequate or reasonably priced electricity;

(B)

- (i) economic growth in the corridor, or the end markets served by the corridor, may be jeopardized by reliance on limited sources of energy; and
- (ii)a diversification of supply is warranted;
- (C) the energy independence or energy security of the United States would be served by the designation;
- (D) the designation would be in the interest of national energy policy; and
- (E) the designation would enhance national defense and homeland security—:
- (F) the designation would-
  - (i) enhance the ability of facilities that generate or transmit renewable energy, low-emission energy, or emission-free energy to connect to the electric grid;
  - (ii) promote electrification of other sectors, including the transportation sector; or
  - (iii) facilitate other public policies to decarbonize the grid;
- (G) the designation-
  - (i) maximizes existing rights-of-way, including along highways, brownfields, and railways; and
  - (ii) avoids, to the maximum extent practicable, sensitive environmental areas and cultural heritage sites; and
- (H) the designation would result in a reduction in the cost to purchase electric energy for consumers.
- (b) Construction permit

Except as provided in subsection (i), the Commission may, after notice and an opportunity for hearing, issue one or more permits for the construction or modification of electric transmission facilities in a national interest electric transmission corridor designated by the Secretary under subsection (a) if the Commission finds that—

(1)

- (A) a State in which the transmission facilities are to be constructed or modified does not have authority to—
  - (i) approve the siting of the facilities; or
  - (ii) consider the interstate benefits or interregional benefits expected to be achieved by the proposed construction or modification of transmission facilities in the State;
- (B) the applicant for a permit is a transmitting utility under this chapter but does not qualify to apply for a permit or siting approval for the proposed project in a State because the applicant does not serve end-use customers in the State; or
- (C) a State commission or other entity that has authority to approve the siting of the facilities has-
  - (i) withheld approval for more than 1 year after the filing of an application seeking approval pursuant to applicable law or 1 year after the designation of the relevant national interest electric transmission corridor, whichever is later;
     or
  - (ii) conditioned its approval in such a manner that the proposed construction or modification will not significantly reduce transmission congestion in interstate commerce or is not economically feasible;
  - (i) has not approved or denied an application seeking approval pursuant to applicable law by the date that is 1 year after the later of—
    - (I) the date on which the application was filed; and
    - (II) the date on which the relevant national interest electric transmission corridor was designated by the Secretary under subsection (a);
  - (ii) has conditioned its approval in such a manner that the proposed construction or modification will not significantly reduce transmission congestion in interstate commerce or is not economically feasible; or
  - (iii) has denied an application seeking approval pursuant to applicable law;
- (2) the facilities to be authorized by the permit will be used for the transmission of electric energy in interstate commerce;
- (3) the proposed construction or modification is consistent with the public interest;
- (4) the proposed construction or modification will significantly reduce transmission congestion in interstate commerce and protects or benefits consumers;
- (5) the proposed construction or modification is consistent with sound national energy policy and will enhance energy independence; and
- (6) the proposed modification will maximize, to the extent reasonable and economical, the transmission capabilities of existing towers or structures.
- (c) Permit applications
  - (1) Permit applications under subsection (b) shall be made in writing to the Commission.
  - (2) The Commission shall issue rules specifying-
    - (A) the form of the application;
    - (B) the information to be contained in the application; and
    - (C) the manner of service of notice of the permit application on interested persons.

### (d) Comments

In any proceeding before the Commission under subsection (b), the Commission shall afford each State in which a transmission facility covered by the permit is or will be located, each affected Federal agency and Indian tribe, private property owners, and other interested persons, a reasonable opportunity to present their views and recommendations with respect to the need for and impact of a facility covered by the permit.

### (e) Rights-of-way

- (1) In the case of a permit under subsection (b) for electric transmission facilities to be located on property other than property owned by the United States or a State, if the permit holder cannot acquire by contract, or is unable to agree with the owner of the property to the compensation to be paid for, the necessary right-of-way to construct or modify the transmission facilities and, in the determination of the Commission, the permit holder has made good faith efforts to engage with landowners and other stakeholders early in the applicable permitting process, the permit holder may acquire the right-of-way by the exercise of the right of eminent domain in the district court of the United States for the district in which the property concerned is located, or in the appropriate court of the State in which the property is located.
- (2) Any right-of-way acquired under paragraph (1) shall be used exclusively for the construction or modification of electric transmission facilities within a reasonable period of time after the acquisition.
- (3) The practice and procedure in any action or proceeding under this subsection in the district court of the United States shall conform as nearly as practicable to the practice and procedure in a similar action or proceeding in the courts of the State in which the property is located.
- (4) Nothing in this subsection shall be construed to authorize the use of eminent domain to acquire a right-of-way for any purpose other than the construction, modification, operation, or maintenance of electric transmission facilities and related facilities. The right-of-way cannot be used for any other purpose, and the right-of-way shall terminate upon the termination of the use for which the right-of-way was acquired.

#### (f) Compensation

- (1) Any right-of-way acquired pursuant to subsection (e) shall be considered a taking of private property for which just compensation is due.
- (2) Just compensation shall be an amount equal to the fair market value (including applicable severance damages) of the property taken on the date of the exercise of eminent domain authority.

### (g) State law

Nothing in this section precludes any person from constructing or modifying any transmission facility in accordance with State law.

- (h) Coordination of Federal authorizations for transmission facilities
  - (1) In this subsection:
    - (A) The term "Federal authorization" means any authorization required under Federal law in order to site a transmission facility.
    - (B) The term "Federal authorization" includes such permits, special use authorizations, certifications, opinions, or other approvals as may be required under Federal law in order to site a transmission facility.
  - (2) The Department of Energy shall act as the lead agency for purposes of coordinating all applicable Federal authorizations and related environmental reviews of the facility.
  - (3) To the maximum extent practicable under applicable Federal law, the Secretary shall coordinate the Federal authorization and review process under this subsection with any Indian tribes, multistate entities, and State agencies that are responsible for conducting any separate permitting and environmental reviews of the facility, to ensure timely and efficient review and permit decisions.
  - (4)
- (A) As head of the lead agency, the Secretary, in consultation with agencies responsible for Federal authorizations and, as appropriate, with Indian tribes, multistate entities, and State agencies that are willing to coordinate their own separate permitting and environmental reviews with the Federal authorization and environmental reviews, shall establish prompt and binding intermediate milestones and ultimate deadlines for the review of, and Federal authorization decisions relating to, the proposed facility.
- (B) The Secretary shall ensure that, once an application has been submitted with such data as the Secretary considers necessary, all permit decisions and related environmental reviews under all applicable Federal laws shall be completed—
  - (i) within 1 year; or
  - (ii)if a requirement of another provision of Federal law does not permit compliance with clause (i), as soon thereafter as is practicable.
- (C) The Secretary shall provide an expeditious pre-application mechanism for prospective applicants to confer with the agencies involved to have each such agency determine and communicate to the prospective applicant not later than 60 days after the prospective applicant submits a request for such information concerning—
  - (i) the likelihood of approval for a potential facility; and

(ii)key issues of concern to the agencies and public.

(5)

- (A) As lead agency head, the Secretary, in consultation with the affected agencies, shall prepare a single environmental review document, which shall be used as the basis for all decisions on the proposed project under Federal law.
- (B) The Secretary and the heads of other agencies shall streamline the review and permitting of transmission within corridors designated under section 503 of the Federal Land Policy and Management Act [1] (43 U.S.C. 1763) by fully taking into account prior analyses and decisions relating to the corridors.
- (C) The document shall include consideration by the relevant agencies of any applicable criteria or other matters as required under applicable law.

(6)

- (A) If any agency has denied a Federal authorization required for a transmission facility, or has failed to act by the deadline established by the Secretary pursuant to this section for deciding whether to issue the authorization, the applicant or any State in which the facility would be located may file an appeal with the President, who shall, in consultation with the affected agency, review the denial or failure to take action on the pending application.
- (B) Based on the overall record and in consultation with the affected agency, the President may-
  - (i) issue the necessary authorization with any appropriate conditions; or

(ii)deny the application.

- (C) The President shall issue a decision not later than 90 days after the date of the filing of the appeal.
- (D) In making a decision under this paragraph, the President shall comply with applicable requirements of Federal law, including any requirements of—
  - (i) the National Forest Management Act of 1976 (16 U.S.C. 472a et seq.);
  - (ii) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);
  - (iii) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);
  - (iv)the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and
  - (v) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(7)

(A) Not later than 18 months after August 8, 2005, the Secretary shall issue any regulations necessary to implement this subsection.

(B)

- (i) Not later than 1 year after August 8, 2005, the Secretary and the heads of all Federal agencies with authority to issue Federal authorizations shall enter into a memorandum of understanding to ensure the timely and coordinated review and permitting of electricity transmission facilities.
- (ii)Interested Indian tribes, multistate entities, and State agencies may enter the memorandum of understanding.
- (C) The head of each Federal agency with authority to issue a Federal authorization shall designate a senior official responsible for, and dedicate sufficient other staff and resources to ensure, full implementation of the regulations and memorandum required under this paragraph.

(8)

- (A) Each Federal land use authorization for an electricity transmission facility shall be issued—
  - (i) for a duration, as determined by the Secretary, commensurate with the anticipated use of the facility; and (ii) with appropriate authority to manage the right-of-way for reliability and environmental protection.
- (B) On the expiration of the authorization (including an authorization issued before August 8, 2005), the authorization shall be reviewed for renewal taking fully into account reliance on such electricity infrastructure, recognizing the importance of the authorization for public health, safety, and economic welfare and as a legitimate use of Federal land.
- (9) In exercising the responsibilities under this section, the Secretary shall consult regularly with—
  - (A) the Federal Energy Regulatory Commission;
  - (B) electric reliability organizations (including related regional entities) approved by the Commission; and
  - (C) Transmission Organizations approved by the Commission.

### (i) Interstate compacts

- (1) The consent of Congress is given for three or more contiguous States to enter into an interstate compact, subject to approval by Congress, establishing regional transmission siting agencies to—
  - (A) facilitate siting of future electric energy transmission facilities within those States; and
  - (B) carry out the electric energy transmission siting responsibilities of those States.
- (2) The Secretary may shall provide technical assistance to regional transmission siting agencies established under this subsection.
- (3) The regional transmission siting agencies shall have the authority to review, certify, and permit siting of transmission facilities, including facilities in national interest electric transmission corridors (other than facilities on property owned by the United States).

- (4) The Commission shall have no authority to issue a permit for the construction or modification of an electric transmission facility within a State that is a party to a compact, unless the Secretary determines that the members of the compact are in disagreement and the Secretary makes, after notice and an opportunity for a hearing, the finding described in subsection (b)(1)(C) after the later of—
  - (A) the date that is I year after the date on which the relevant application for the facility was filed; and
  - (B) the date that is 1 year after the date on which the relevant national interest electric transmission corridor was designated by the Secretary under subsection (a).
- (j) Relationship to other laws
  - (1) Except as specifically provided, nothing in this section affects any requirement of an environmental law of the United States, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).
  - (2) Subsection (h)(6) shall not apply to any unit of the National Park System, the National Wildlife Refuge System, the National Willumination of the National Wildlife Refuge System, the National

#### (k) ERCOT

This section shall not apply within the area referred to in section 824k(k)(2)(A) of this title. (June 10, 1920, ch. 285, pt. II, § 216, as added Pub. L. 109–58, title XII, § 1221(a), Aug. 8, 2005, 119 Stat. 946.)

#### Section 1007. Transmission Facilitation Program

- (a) Definitions. In this section:
  - (1) CAPACITY CONTRACT.—The term "capacity contract" means a contract entered into by the Secretary and an eligible entity under subsection (f)(1)(A) for the right to the use of the transmission capacity of an eligible project.
    - (2) ELIGIBLE ENTITY.—The term "eligible entity" means a non-Federal entity seeking to carry out an eligible project.
    - (3) ELIGIBLE PROJECT. -
      - (A) IN GENERAL.—The term "eligible project" means a project for the construction or upgrading of 1 or more electric power transmission lines that—
        - (i) are not owned by the Federal Government;
        - (ii) are capable of transmitting electric energy of not less than—
          - (I) 1,000 megawatts; or
          - (II) 500 megawatts, if the project consists of upgrading an existing transmission line or constructing a new transmission line in an existing transmission, transportation, or telecommunications infrastructure corridor;
        - (iii) are not subject to all costs to construct the project being recovered through a Transmission Organization (as defined in section 3 of the Federal Power Act (16 U.S.C. 796)); and
        - (iv)(I) are new electric power transmission lines, including replacements of existing electric power transmission lines; or
        - (II) are significant upgrades that increase the transmission capacity of an existing electric power transmission line
    - (B) INCLUSION.—The term "eligible project" includes the construction or upgrading of related facilities,
    - (4) ENVIRONMENTAL REVIEW PROCESS.—The term "environmental review process" means—
      - (A) the process of preparing an environmental impact statement, an environmental assessment, a categorical exclusion, or any other document prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for an eligible project; and
      - (B) any other process relating to the preparation or completion of an environmental permit, approval, review, or study required for an eligible project under any other Federal law.
    - (5) FEDERAL LAND.—The term "Federal land" means—
      - (A) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)); and
        - (B) National Forest System land.
    - (6) FUND. —The term "Fund" means the Transmission Facilitation Fund established by subsection (e)(1).
    - (7) PROGRAM.—The term "program" means the Transmission Facilitation Program established by subsection (b).
    - (8) RELATED FACILITY. -
      - (A) IN GENERAL.—The term "related facility" means a facility related to an electric power transmission line described in paragraph (3)(A).
        - (B) EXCLUSIONS.—The term "related facility" does not include—
          - (i) facilities used primarily to generate electric energy; or
          - (ii) facilities used in the local distribution of electric energy.
  - (9) SECRETARY.—The term "Secretary" means the Secretary, acting through the Assistant Secretary for the Office of Electricity.

- (b) Establishment.—There is established a program, to be known as the "Transmission Facilitation Program", under which the Secretary shall facilitate the construction of non-Federal electric power transmission lines and related facilities in accordance with subsection (f).
  - (c) Administration.—The Secretary shall administer the program.
  - (d) Applications.—
    - (1) IN GENERAL.—To be eligible for assistance under this section, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.
    - (2) PROCEDURES.—The Secretary shall establish procedures for the solicitation and review of applications from eligible entities.
  - (e) Funding.—
    - (1) Transmission facilitation fund.—There is established in the Treasury a fund, to be known as the "Transmission Facilitation Fund", consisting of—
      - (A) any amounts appropriated to the Fund; and
      - (B) any amounts deposited in the Fund under paragraph (2).
      - (2) DEPOSITS.—The Secretary shall deposit in the Fund—
        - (A) all amounts received by the Secretary, including receipts, collections, and recoveries, from any source relating to expenses incurred by the Secretary in carrying out the program, including—
          - (i) costs recovered for a capacity contract; and
          - (ii) amounts received as repayment of a loan issued to an eligible entity under subsection (f)(1)(B);
          - (B) all amounts borrowed from the Treasury by the Secretary for the program under paragraph (3); and
          - (C) any amounts appropriated to the Secretary for the program.
      - (3) BORROWING AUTHORITY.—The Secretary may borrow from the Treasury \$2,500,000,000 to carry out the program.
    - (4) EXPENDITURES.—The amounts in the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, to carry out the program.
      - (5) Cost recovery.—
        - (A) IN GENERAL.—Except as provided in subparagraph (B), the cost of any facilitation activities carried out by the Secretary under subsection (f)(1) shall be collected, on a schedule to be determined by the Secretary—
          - (i) from eligible entities receiving the benefit of the applicable facilitation activity; or
          - (ii) with respect to a contracted transmission capacity under subsection (f)(1)(A)—
            - (I) through rates charged to third parties for the use of the contracted transmission capacity; and
            - (II) on termination of the applicable capacity contract under subsection (g)(6), from the applicable third party or eligible entity, in accordance with that subsection.
          - (B) EXCEPTION.
            - (i) IN GENERAL.—The Secretary may terminate a capacity contract under subsection (g)(6) without recovering the outstanding costs of facilitating the applicable eligible project if the Secretary determines that it is not feasible to recover those costs prior to terminating the capacity contract, as determined by the Secretary.
            - (ii) FORGIVENESS OF CERTAIN AMOUNTS.—If the Secretary terminates a capacity contract under clause (i), any amounts borrowed by the Secretary from the Treasury for the purpose of facilitating the applicable eligible project—
              - (I) shall be forgiven; and
              - (II) shall not count toward the limitation described in paragraph (3).
      - (6) REFINANCING.—The Secretary may refinance loans made to the Secretary under paragraph (3) within the Treasury.
    - (7) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out the program, including for any administrative expenses of carrying out the program that are not recovered under paragraph (5), \$10,000,000 for each of fiscal years 2022 through 2026.
  - (f) Facilitation of Eligible Projects.—
    - (1) IN GENERAL.—To facilitate eligible projects, the Secretary may—
      - (A) subject to subsections (g) and (j), enter into a capacity contract with respect to an eligible project prior to the date on which the eligible project is completed;
        - (B) subject to subsections (h) and (j), issue a loan to an eligible entity for the costs of carrying out an eligible project;
        - (C) provide technical assistance to an eligible entity with respect to an eligible project; and
      - (D) notwithstanding any other provision of law and subject to subsection (i), to the extent that an eligible project is required to undergo an environmental review process, including with respect to any rights-of-way across Federal land, establish the Department as the Federal lead agency for that environmental review process.
    - (2) REQUIREMENT.—The provision and receipt of assistance for an eligible project under paragraph (1) shall be subject to such terms and conditions as the Secretary determines to be appropriate to ensure the success of the program.
  - (g) Capacity Contracts.—

- (1) PURPOSE.—In entering into capacity contracts under subsection (f)(1)(A), the Secretary shall seek to enter into capacity contracts that will encourage other entities to enter into contracts for the transmission capacity of the eligible projects.
- (2) PAYMENT.—The amount paid by the Secretary to an eligible entity under a capacity contract for the right to the use of the transmission capacity of an eligible project shall be—
  - (A) the fair market value for the use of the transmission capacity, as determined by the Secretary, taking into account, as the Secretary determines to be necessary, the comparable value for the use of the transmission capacity of other electric power transmission lines; and
  - (B) on a schedule and in such divided amounts, including in a single amount, that the Secretary determines are likely to facilitate construction of the eligible project, taking into account standard industry practice and factors specific to each applicant, including, as applicable—
    - (i) potential review by a State regulatory entity of the revenue requirement of an electric utility; and
    - (ii) the financial model of an independent transmission developer.
  - (3) LIMITATIONS.—A capacity contract shall—
    - (A) be for a term of not more than 40 years; and
    - (B) be for not more than 50 percent of the total proposed transmission capacity of the applicable eligible project.
- (4) TERMS AND CONDITIONS.—A capacity contract shall include such detailed terms and conditions as the Secretary determines to be appropriate to protect the interests of the United States.
  - (5) TRANSMISSION MARKETING.—
    - (A) IN GENERAL.—If the Secretary has not terminated a capacity contract under paragraph (6) before the applicable eligible project enters into service, the Secretary may enter into 1 or more contracts with a third party to market the transmission capacity of the eligible project to which the Secretary holds rights under the capacity contract.
    - (B) RETURN.—The Secretary shall seek to ensure that any contract entered into under subparagraph (A) maximizes the financial return to the Federal Government.
    - (C) COMPETITIVE SOLICITATION.—The Secretary shall only select third parties for contracts under this paragraph through a competitive solicitation.
  - (6) TERMINATION.
    - (A) IN GENERAL.—The Secretary shall seek to terminate a capacity contract as soon as practicable after determining that sufficient transmission capacity of the eligible project has been secured by other entities to ensure the long-term financial viability of the eligible project, including through 1 or more transfers under subparagraph (B).
    - (B) TRANSFER.—On payment to the Secretary by a third party for transmission capacity to which the Secretary has rights under a capacity contract, the Secretary may transfer the rights to that transmission capacity to that third party.
    - (C) Relinquishment.—On payment to the Secretary by the applicable eligible entity for transmission capacity to which the Secretary has rights under a capacity contract, the Secretary may relinquish the rights to that transmission capacity to the eligible entity.
    - (D) REQUIREMENT.—A payment under subparagraph (B) or (C) shall be in an amount sufficient for the Secretary to recover any remaining costs incurred by the Secretary with respect to the quantity of transmission capacity affected by the transfer under subparagraph (B) or the relinquishment under subparagraph (C), as applicable.
- (7) OTHER FEDERAL CAPACITY POSITIONS.—The existence of a capacity contract does not preclude a Federal entity, including a Federal power marketing administration, from otherwise securing transmission capacity at any time from an eligible project, to the extent that the Federal entity is authorized to secure that transmission capacity.
- (8) FORM OF FINANCIAL ASSISTANCE. —Entering into a capacity contract under subsection (f)(1)(A) shall be considered a form of financial assistance covered by section 1508.1(q)(1)(vii) of title 40, Code of Federal Regulations [(or successor regulations/as in effect on the date of enactment of this Act)].
- (h) Interest Rate on Loans.—The rate of interest to be charged in connection with any loan made by the Secretary to an eligible entity under subsection (f)(1)(B) shall be fixed by the Secretary, taking into consideration market yields on outstanding marketable obligations of the United States of comparable maturities as of the date of the loan.
  - (i) Environmental Review Process.—
    - (1) JOINT LEAD AGENCIES.—Nothing in this section precludes another Federal agency from being a joint lead agency with the Department in accordance with regulations promulgated under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).
    - (2) EFFECT OF AUTHORITY.—Except as provided in subsection (g)(8), nothing in this section affects or limits the application of, or any obligation to comply with, any requirement of an environmental law of the United States, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).
    - (3) COST RECOVERY.—The head of any Federal agency may accept funds from an eligible entity to cover the costs of completing an environmental review process relating to the facilitation of an eligible project under this section.
- (j) Certification.—Prior to taking action to facilitate an eligible project under subparagraph (A) or (B) of subsection (f)(1), the Secretary shall certify that—
  - (1) the eligible project is in the public interest;

- (2) the eligible project is unlikely to be constructed in as timely a manner or with as much transmission capacity in the absence of facilitation under this section, including with respect to an eligible project for which a Federal investment tax credit may be allowed; and
  - (3) it is reasonable to expect that the proceeds from the eligible project will be adequate, as applicable—
    - (A) to recover the cost of a capacity contract entered into under subsection (f)(1)(A); or
    - (B) to repay a loan provided under subsection (f)(1)(B).
- (k) Other Authorities, Limitations, and Effects.—
  - (1) PARTICIPATION.—The Secretary may permit other entities to participate in the financing, construction, and ownership of eligible projects facilitated under this section.
  - (2) OPERATIONS AND MAINTENANCE.—Facilitation by the Secretary of an eligible project under this section does not create any obligation on the part of the Secretary to operate or maintain the eligible project.
  - (3) FEDERAL FACILITIES.—For purposes of cost recovery under subsection (e)(5) and repayment of a loan issued under subsection (f)(1)(B), each eligible project facilitated by the Secretary through the use of a capacity contract or the issuance of a loan under this section shall be treated as separate and distinct from—
    - (A) each other eligible project; and
    - (B) all other Federal power and transmission facilities.
  - (4) EFFECT ON ANCILLARY SERVICES AUTHORITY AND OBLIGATIONS.—Nothing in this section confers on the Secretary or any Federal power marketing administration any additional authority or obligation to provide ancillary services to users of transmission facilities constructed or upgraded under this section.
    - (5) EFFECT ON WESTERN AREA POWER ADMINISTRATION PROJECTS.—Nothing in this section affects—
      - (A) any pending project application before the Western Area Power Administration under section 301 of the Hoover Power Plant Act of 1984 (42 U.S.C. 16421a); or
        - (B) any agreement entered into by the Western Power Administration under that section.
  - (6) THIRD-PARTY FINANCE.—Nothing in this section precludes an eligible project facilitated under this section from being eligible as a project under section 1222 of the Energy Policy Act of 2005 (42 U.S.C. 16421).
    - (7) LIMITATION ON LOANS.—An eligible project may not be the subject of both—
      - (A) a loan under subsection (f)(1)(B); and
      - (B) a Federal loan under section 301 of the Hoover Power Plant Act of 1984 (42 U.S.C. 16421a).
  - (8) CONSIDERATIONS.—In evaluating eligible projects for possible facilitation under this section, the Secretary shall prioritize projects that, to the maximum extent practicable—
    - (A) use technology that enhances the capacity, efficiency, or reliability of an electric power transmission system, including hardware or software that enables dynamic line ratings, advanced power flow control, or grid topology optimization;
      - (B) will improve the resiliency and reliability of an electric power transmission system;
      - (C) facilitate interregional transmission projects that support strong and equitable economic growth; and
      - (D) contribute to national or subnational goals to lower electricity sector greenhouse gas emissions.

### Section 1008. Deployment of Technologies to Enhance Grid Flexibility

- (a) In General.—Section 1306 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17386) is amended—
  - (1) in subsection (b)—
    - (A) in the matter preceding paragraph (1), by striking "the date of enactment of this Act" and inserting "the date of enactment of the Energy Infrastructure Act";
      - (B) by redesignating paragraph (9) as paragraph (13); and
      - (C) by inserting after paragraph (8) the following:
  - "(9) In the case of data analytics that enable software to engage in Smart Grid functions, the documented purchase costs of the data analytics.
  - "(10) In the case of buildings, the documented expenses for devices and software that allow buildings to engage in Smart Grid functions.
  - "(11) In the case of utility communications, operational fiber and wireless broadband communications networks to enable data flow between distribution system components.
  - "(12) In the case of extreme weather or natural disasters, such as wildfires, the ability to redirect or shut off power to minimize blackouts and avoid further damage."; and
    - (2) in subsection (d)—
      - (A) by redesignating paragraph (9) as paragraph (13); and
      - (B) by inserting after paragraph (8) the following:
  - "(9) The ability to use data analytics and software-as-service to provide flexibility by improving the visibility of the electrical system to grid operators that can help quickly rebalance the electrical system with autonomous controls.
    - "(10) The ability to facilitate the aggregation or integration of distributed energy resources to serve as assets for the grid.

- "(11) The ability to provide energy storage to meet fluctuating electricity demand, provide voltage support, and integrate intermittent generation sources.
  - "(12) The ability to anticipate and mitigate impacts of extreme weather events or natural disasters on grid resiliency.".
- (b) Appropriations.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out the Smart Grid Investment Matching Grant Program established under section 1306(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17386(a)), out of any amounts in the Treasury not otherwise appropriated, \$3,000,000,000 for fiscal year 2022, to remain available through September 30, 2026.

Associated EISA Text, showing tracked changes resulting from the language above

### § 17386. Federal matching fund for smart grid investment costs

(a) Matching fund

The Secretary shall establish a Smart Grid Investment Matching Grant Program to provide grants of up to one-half (50 percent) of qualifying Smart Grid investments.

(b) Qualifying investments

Qualifying Smart Grid investments may include any of the following made on or after December 19, 2007 the date of enactment of this act:

- (1) In the case of appliances covered for purposes of establishing energy conservation standards under part B of title III of the Energy Policy and Conservation Act of 1975 (42 U.S.C. 6291 et seq.), the documented expenditures incurred by a manufacturer of such appliances associated with purchasing or designing, creating the ability to manufacture, and manufacturing and installing for one calendar year, internal devices that allow the appliance to engage in Smart Grid functions.
- (2) In the case of specialized electricity-using equipment, including motors and drivers, installed in industrial or commercial applications, the documented expenditures incurred by its owner or its manufacturer of installing devices or modifying that equipment to engage in Smart Grid functions.
- (3) In the case of transmission and distribution equipment fitted with monitoring and communications devices to enable smart grid functions, the documented expenditures incurred by the electric utility to purchase and install such monitoring and communications devices.
- (4) In the case of metering devices, sensors, control devices, and other devices integrated with and attached to an electric utility system or retail distributor or marketer of electricity that are capable of engaging in Smart Grid functions, the documented expenditures incurred by the electric utility, distributor, or marketer and its customers to purchase and install such devices.
- (5) In the case of software that enables devices or computers to engage in Smart Grid functions, the documented purchase costs of the software.
- (6) In the case of entities that operate or coordinate operations of regional electric grids, the documented expenditures for purchasing and installing such equipment that allows Smart Grid functions to operate and be combined or coordinated among multiple electric utilities and between that region and other regions.
- (7) In the case of persons or entities other than electric utilities owning and operating a distributed electricity generator, the documented expenditures of enabling that generator to be monitored, controlled, or otherwise integrated into grid operations and electricity flows on the grid utilizing Smart Grid functions.
- (8) In the case of electric or hybrid-electric vehicles, the documented expenses for devices that allow the vehicle to engage in Smart Grid functions (but not the costs of electricity storage for the vehicle).
- (9) In the case of data analytics that enable software to engage in Smart Grid functions, the documented purchase costs of the data analytics.
- (10) In the case of buildings, the documented expenses for devices and software that allow buildings to engage in Smart Grid functions.
- (11) In the case of utility communications, operational fiber and wireless broadband communications networks to enable data flow between distribution system components.
- (12) In the case of extreme weather or natural disasters, such as wildfires, the ability to redirect or shut off power to minimize blackouts and avoid further damage.
- (913) The documented expenditures related to purchasing and implementing Smart Grid functions in such other cases as the Secretary shall identify.
- (c) Investments not included

Qualifying Smart Grid investments do not include any of the following:

- (1) Investments or expenditures for Smart Grid technologies, devices, or equipment that utilize specific tax credits or deductions under the Internal Revenue Code, as amended.
- (2) Expenditures for electricity generation, transmission, or distribution infrastructure or equipment not directly related to enabling Smart Grid functions.
- (3) After the final date for State consideration of the Smart Grid Information Standard under section 2621(d)(17) [1] of title 16, an investment that is not in compliance with such standard.

- (4) After the development and publication by the Institute of protocols and model standards for interoperability of smart grid devices and technologies, an investment that fails to incorporate any of such protocols or model standards.
- (5) Expenditures for physical interconnection of generators or other devices to the grid except those that are directly related to enabling Smart Grid functions.
- (6) Expenditures for ongoing salaries, benefits, or personnel costs not incurred in the initial installation, training, or start up of smart grid functions.
- (7) Expenditures for travel, lodging, meals or other personal costs.
- (8) Ongoing or routine operation, billing, customer relations, security, and maintenance expenditures.
- (9) Such other expenditures that the Secretary determines not to be Qualifying Smart Grid Investments by reason of the lack of the ability to perform Smart Grid functions or lack of direct relationship to Smart Grid functions.

### (d) Smart grid functions

The term "smart grid functions" means any of the following:

- (1) The ability to develop, store, send and receive digital information concerning electricity use, costs, prices, time of use, nature of use, storage, or other information relevant to device, grid, or utility operations, to or from or by means of the electric utility system, through one or a combination of devices and technologies.
- (2) The ability to develop, store, send and receive digital information concerning electricity use, costs, prices, time of use, nature of use, storage, or other information relevant to device, grid, or utility operations to or from a computer or other control device.
- (3) The ability to measure or monitor electricity use as a function of time of day, power quality characteristics such as voltage level, current, cycles per second, or source or type of generation and to store, synthesize or report that information by digital means.
- (4) The ability to sense and localize disruptions or changes in power flows on the grid and communicate such information instantaneously and automatically for purposes of enabling automatic protective responses to sustain reliability and security of grid operations.
- (5) The ability to detect, prevent, communicate with regard to, respond to, or recover from system security threats, including cyber-security threats and terrorism, using digital information, media, and devices.
- (6) The ability of any appliance or machine to respond to such signals, measurements, or communications automatically or in a manner programmed by its owner or operator without independent human intervention.
- (7) The ability to use digital information to operate functionalities on the electric utility grid that were previously electromechanical or manual.
- (8) The ability to use digital controls to manage and modify electricity demand, enable congestion management, assist in voltage control, provide operating reserves, and provide frequency regulation.
- (9) Such other functions as the Secretary may identify as being necessary or useful to the operation of a Smart Grid.

#### (e) Procedures and rules

- (1) The Secretary shall, within 60 days after February 17, 2009, by means of a notice of intent and subsequent solicitation of grant proposals—
  - (A) establish procedures by which applicants can obtain grants of not more than one-half of their documented costs;
  - (B) require as a condition of receiving funding under this subsection that demonstration projects utilize open protocols and standards (including Internet-based protocols and standards) if available and appropriate;
  - (C) establish procedures to ensure that there is no duplication or multiple payment for the same investment or costs, that the grant goes to the party making the actual expenditures for the qualifying Smart Grid investments, and that the grants made have a significant effect in encouraging and facilitating the development of a smart grid;
  - (D) establish procedures to ensure there will be public records of grants made, recipients, and qualifying Smart Grid investments which have received grants; and
  - (E) establish procedures to provide advance payment of moneys up to the full amount of the grant award.
- (2) The Secretary shall have discretion and exercise reasonable judgment to deny grants for investments that do not qualify.

### (f) Authorization of appropriations

There are authorized to be appropriated to the Secretary such sums as are necessary for the administration of this section and the grants to be made pursuant to this section for fiscal years 2008 through 2012.

(Pub. L. 110–140, title XIII, § 1306, Dec. 19, 2007, 121 Stat. 1789; Pub. L. 111–5, div. A, title IV, § 405(5)–(8), Feb. 17, 2009, 123 Stat. 144.)

### Section 1104. Rural and Municipal Utility Advanced Cybersecurity Grant and Technical Assistance Program

### (a) Definitions.—In this section:

(1) ADVANCED CYBERSECURITY TECHNOLOGY.—The term "advanced cybersecurity technology" means any technology, operational capability, or service, including computer hardware, software, or a related asset, that enhances the security posture of electric utilities through improvements in the ability to protect against, detect, respond to, or recover from a cybersecurity threat (as defined in section 102 of the Cybersecurity Act of 2015 (6 U.S.C. 1501)).

- (2) BULK-POWER SYSTEM.—The term "bulk-power system" has the meaning given the term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).
  - (3) ELIGIBLE ENTITY.—The term "eligible entity" means—
    - (A) a rural electric cooperative;
    - (B) a utility owned by a political subdivision of a State, such as a municipally owned electric utility;
    - (C) a utility owned by any agency, authority, corporation, or instrumentality of 1 or more political subdivisions of a State:
    - (D) a not-for-profit entity that is in a partnership with not fewer than 6 entities described in subparagraph (A), (B), or (C); and
      - (E) an investor-owned electric utility that sells less than 4,000,000 megawatt hours of electricity per year.
- (4) PROGRAM.—The term "Program" means the Rural and Municipal Utility Advanced Cybersecurity Grant and Technical Assistance Program established under subsection (b).
- (b) Establishment.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Homeland Security, the Federal Energy Regulatory Commission, the North American Electric Reliability Corporation, and the Electricity Subsector Coordinating Council, shall establish a program, to be known as the "Rural and Municipal Utility Advanced Cybersecurity Grant and Technical Assistance Program", to provide grants and technical assistance to, and enter into cooperative agreements with, eligible entities to protect against, detect, respond to, and recover from cybersecurity threats.
  - (c) Objectives.—The objectives of the Program shall be—
    - (1) to deploy advanced cybersecurity technologies for electric utility systems; and
    - (2) to increase the participation of eligible entities in cybersecurity threat information sharing programs.
  - (d) Awards.
    - (1) IN GENERAL.—The Secretary—
      - (A) shall award grants and provide technical assistance under the Program to eligible entities on a competitive basis;
      - (B) shall develop criteria and a formula for awarding grants and providing technical assistance under the Program;
      - (C) may enter into cooperative agreements with eligible entities that can facilitate the objectives described in subsection (c); and
      - (D) shall establish a process to ensure that all eligible entities are informed about and can become aware of opportunities to receive grants or technical assistance under the Program.
    - (2) PRIORITY FOR GRANTS AND TECHNICAL ASSISTANCE.—In awarding grants and providing technical assistance under the Program, the Secretary shall give priority to an eligible entity that, as determined by the Secretary—
      - (A) has limited cybersecurity resources;
      - (B) owns assets critical to the reliability of the bulk-power system; or
      - (C) owns defense critical electric infrastructure (as defined in section 215A(a) of the Federal Power Act (16 U.S.C. 8240–1(a))).
- (e) Protection of Information.—Information provided to, or collected by, the Federal Government pursuant to this section the disclosure of which the Secretary reasonably foresees could be detrimental to the physical security or cybersecurity of any electric utility or the bulk-power system—
  - (1) shall be exempt from disclosure under section 552(b)(3) of title 5, United States Code; and
  - (2) shall not be made available by any Federal agency, State, political subdivision of a State, or Tribal authority pursuant to any Federal, State, political subdivision of a State, or Tribal law, respectively, requiring public disclosure of information or records.
- (f) Appropriations.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out this section, out of any amounts in the Treasury not otherwise appropriated, \$50,000,000 for each of fiscal years 2022 through 2026.

### Section 1105. Enhanced Grid Security

- (a) Definitions.—In this section:
  - (1) ELECTRIC UTILITY.—The term "electric utility" has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).
    - (2) E-ISAC.—The term "E-ISAC" means the Electricity Information Sharing and Analysis Center.
- (b) Cybersecurity for the Energy Sector Research, Development, and Demonstration Program.—
  - (1) IN GENERAL.—The Secretary, in consultation with the Secretary of Homeland Security and, as determined appropriate, other Federal agencies, the energy sector, the States, and other stakeholders, shall develop and carry out a program—
    - (A) to develop advanced cybersecurity applications and technologies for the energy sector—
      - (i) to identify and mitigate vulnerabilities, including—
        - (I) dependencies on other critical infrastructure; and
        - (II) impacts from weather and fuel supply; and
      - (ii) to advance the security of field devices and third-party control systems, including—
        - (I) systems for generation, transmission, distribution, end use, and market functions;

- (II) specific electric grid elements including advanced metering, demand response, distribution, generation, and electricity storage;
  - (III) forensic analysis of infected systems; and
  - (IV) secure communications;
- (B) to leverage electric grid architecture as a means to assess risks to the energy sector, including by implementing an all-hazards approach to communications infrastructure, control systems architecture, and power systems architecture;
  - (C) to perform pilot demonstration projects with the energy sector to gain experience with new technologies; and
  - (D) to develop workforce development curricula for energy sector-related cybersecurity.
- (2) APPROPRIATIONS.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out this subsection, out of any amounts in the Treasury not otherwise appropriated, \$50,000,000 for each of fiscal years 2022 through 2026.
- (c) Energy Sector Operational Support for Cyberresilience Program.—
  - (1) IN GENERAL.—The Secretary may develop and carry out a program—
    - (A) to enhance and periodically test—
      - (i) the emergency response capabilities of the Department; and
      - (ii) the coordination of the Department with other agencies, the National Laboratories, and private industry;
    - (B) to expand cooperation of the Department with the intelligence community for energy sector-related threat collection and analysis;
      - (C) to enhance the tools of the Department and E-ISAC for monitoring the status of the energy sector;
      - (D) to expand industry participation in E-ISAC; and
      - (E) to provide technical assistance to small electric utilities for purposes of assessing cybermaturity levels.
  - (2) APPROPRIATIONS.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out this subsection, out of any amounts in the Treasury not otherwise appropriated, \$10,000,000 for each of fiscal years 2022 through 2026.
- (d) Modeling and Assessing Energy Infrastructure Risk.—
  - (1) IN GENERAL.—The Secretary shall develop and carry out an advanced energy security program to secure energy networks, including—
    - (A) electric networks;
    - (B) natural gas networks; and
    - (C) oil exploration, transmission, and delivery networks.
  - (2) SECURITY AND RESILIENCY OBJECTIVE.—The objective of the program developed under paragraph (1) is to increase the functional preservation of electric grid operations or natural gas and oil operations in the face of natural and human-made threats and hazards, including electric magnetic pulse and geomagnetic disturbances.
    - (3) ELIGIBLE ACTIVITIES.—In carrying out the program developed under paragraph (1), the Secretary may—
      - (A) develop capabilities to identify vulnerabilities and critical components that pose major risks to grid security if destroyed or impaired;
        - (B) develop a maturity model for physical security and cybersecurity;
      - (C) conduct exercises and assessments to identify and mitigate vulnerabilities to the electric grid, including providing mitigation recommendations; and
        - (D) provide technical assistance to States and other entities for standards and risk analysis.
  - (4) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out this subsection, out of any amounts in the Treasury not otherwise appropriated, \$10,000,000 for each of fiscal years 2022 through 2026.

### Section 1003. Electric Grid Reliability and Resilience Research, Development, and Demonstration

- (a) Definitions.—In this section:
  - (1) FEDERAL FINANCIAL ASSISTANCE.—The term "Federal financial assistance" has the meaning given the term in section 200.1 of title 2, Code of Federal Regulations.
  - (2) INDIAN TRIBE.—The term "Indian Tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).
- (b) Energy Infrastructure Federal Financial Assistance Program.—
  - (1) DEFINITIONS.—In this subsection:
    - (A) ELIGIBLE ENTITY.—The term "eligible entity" means each of—
      - (i) a State;
      - (ii) a combination of 2 or more States;
      - (iii) an Indian Tribe;
      - (iv) a unit of local government; and
      - (v) a public utility commission.

- (B) PROGRAM.—The term "program" means the competitive Federal financial assistance program established under paragraph (2).
- (2) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish a program, to be known as the "Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency", to provide, on a competitive basis, Federal financial assistance to eligible entities to carry out the purposes described in paragraph (3).
  - (3) Purposes.—The purposes of the program are—
    - (A) to demonstrate innovative approaches to transmission, storage, and distribution infrastructure to harden and enhance resilience and reliability; and
    - (B) to demonstrate new approaches to enhance regional grid resilience, implemented through States by public and publicly regulated entities on a cost-shared basis.
- (4) APPLICATIONS.—To be eligible to receive Federal financial assistance under the program, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of—
  - (A) how the Federal financial assistance would be used;
  - (B) the expected beneficiaries, and
  - (C) in the case of a proposal from an eligible entity described in paragraph (1)(A)(ii), how the proposal would improve regional energy infrastructure.
- (5) SELECTION.—The Secretary shall select eligible entities to receive Federal financial assistance under the program on a competitive basis.
- (6) COST SHARE.—Section 988 of the Energy Policy Act of 2005 (42 U.S.C. 16352) shall apply to Federal financial assistance provided under the program.
- (7) APPROPRIATIONS.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out this subsection, out of any amounts in the Treasury not otherwise appropriated, \$1,000,000,000 for each of fiscal years 2022 through 2026.
- (c) Energy Improvement in Rural or Remote Areas.—
  - (1) DEFINITION OF RURAL OR REMOTE AREA.—In this subsection, the term "rural or remote area" means a city, town, or unincorporated area that has a population of not more than 10,000 inhabitants.
    - (2) REQUIRED ACTIVITIES.—The Secretary shall carry out activities to improve in rural or remote areas of the United States—
      - (A) the resilience, safety, reliability, and availability of energy; and
      - (B) environmental protection from adverse impacts of energy generation.
  - (3) RESEARCH AND INFORMATION SHARING.—The Secretary, the Secretary of the Interior, the Commandant of the Coast Guard, and the Secretary of State shall seek to enter into a partnership with the member states of the Arctic Council—
    - (A) to conduct research and share information on—
      - (i) the effects of oil spills; and
      - (ii) the effectiveness of measures to reduce the risk of oil spills; and
    - (B) to develop an international guideline for oil spill preparedness and response in the Arctic.
  - (4) FEDERAL FINANCIAL ASSISTANCE. —The Secretary, in consultation with the Secretary of Interior, may provide Federal financial assistance to rural or remote areas for the purpose of
    - (A) overall cost-effectiveness of energy generation, transmission, or distribution systems;
    - (B) siting or upgrading transmission and distribution lines;
    - (C) reducing greenhouse gas emissions;
    - (D) providing or modernizing electric generation facilities; and
    - (E) increasing energy efficiency.
  - (5) APPROPRIATIONS.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out this subsection, out of any amounts in the Treasury not otherwise appropriated, \$200,000,000 for each of fiscal years 2022 through 2026.
- (d) Energy Infrastructure Resilience Framework.—
  - (1) IN GENERAL.—The Secretary, in collaboration with the Secretary of Homeland Security, the Federal Energy Regulatory Commission, the North American Electric Reliability Corporation, and interested energy infrastructure stakeholders, shall develop common analytical frameworks, tools, metrics, and data to assess the resilience, reliability, safety, and security of energy infrastructure in the United States, including by developing and storing an inventory of easily transported high-voltage recovery transformers and other required equipment.
    - (2) ASSESSMENT AND REPORT.—
      - (A) ASSESSMENT.—The Secretary shall carry out an assessment of—
        - (i) with respect to the inventory of high-voltage recovery transformers, new transformers, and other equipment proposed to be developed and stored under paragraph (1)—
          - (I) the policies, technical specifications, and logistical and program structures necessary to mitigate the risks associated with the loss of high-voltage recovery transformers;

- (II) the technical specifications for high-voltage recovery transformers;
- (III) where inventory of high-voltage recovery transformers should be stored;
- (IV) the quantity of high-voltage recovery transformers necessary for the inventory;
- (V) how the stored inventory of high-voltage recovery transformers would be secured and maintained;
- (VI) how the high-voltage recovery transformers may be transported;
- (VII) opportunities for developing new flexible advanced transformer designs; and
- (VIII) whether new Federal regulations or cost-sharing requirements are necessary to carry out the storage of high-voltage recovery transformers; and
- (ii) any efforts carried out by industry as of the date of the assessment—
  - (I) to share transformers and equipment;
  - (II) to develop plans for next generation transformers; and
  - (III) to plan for surge and long-term manufacturing of, and long-term standardization of, transformer designs.
- (B) Report.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the assessment carried out under subparagraph (A).

#### Section 10001. Energy Storage Demonstration Projects

- (a) Energy Storage Demonstration Projects; Pilot Grant Program.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out activities under section 3201(c) of the Energy Act of 2020 (42 U.S.C. 17232(c)), out of any amounts in the Treasury not otherwise appropriated, \$71,000,000 for each of fiscal years 2021 through 2025.
- (b) Long-duration Demonstration Initiative and Joint Program.—In addition to amounts otherwise made available, there is appropriated to the Secretary to carry out activities under section 3201(d) of the Energy Act of 2020 (42 U.S.C. 17232(d)), out of any amounts in the Treasury not otherwise appropriated, \$30,000,000 for each of fiscal years 2021 through 2025.

Associated Energy Act of 2020 text

DIVISION Z—ENERGY ACT OF 2020

Subtitle C-Energy Storage

SEC. 3201. BETTER ENERGY STORAGE TECHNOLOGY.

- (c) ENERGY STORAGE DEMONSTRATION PROJECTS; PILOT GRANT PROGRAM.—
  - (1) DEMONSTRATION PROJECTS.—Not later than September 30, 2023, the Secretary shall, to the maximum extent practicable, enter into agreements to carry out 3 energy storage system demonstration projects, including at least 1 energy storage system demonstration project designed to further the development of technologies described in clause (v) or (vi) of subsection (b)(2)(A).
  - (2) ENERGY STORAGE PILOT GRANT PROGRAM.—
    - (A) DEFINITION OF ELIGIBLE ENTITY.—In this paragraph, the term "eligible entity" means—
      - (i) a State energy office (as defined in section 124(a) of the Energy Policy Act of 2005 (42 U.S.C. 15821(a)));
      - (ii) an Indian Tribe (as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103);
      - (iii) a Tribal organization (as defined in section 3765 of title 38, United States Code);
      - (iv) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));
      - (v) an electric utility, including—
        - (I) an electric cooperative;
        - (II) a political subdivision of a State, such as a municipally owned electric utility, or any agency, authority, corporation, or instrumentality of a State political subdivision; and
      - (III) an investor-owned utility; and
      - (vi) a private energy storage company.
    - (B) ESTABLISHMENT.—The Secretary shall establish a competitive grant program under which the Secretary shall award grants to eligible entities to carry out demonstration projects for pilot energy storage systems.
    - (C) SELECTION REQUIREMENTS.—In selecting eligible entities to receive a grant under subparagraph (B), the Secretary shall, to the maximum extent practicable—
      - (i) ensure regional diversity among eligible entities awarded grants, including ensuring participation of eligible entities that are rural States and States with high energy costs;
      - (ii) ensure that grants are awarded for demonstration projects that—
        - (I) expand on the existing technology demonstration programs of the Department;
        - (II) are designed to achieve 1 or more of the objectives described in subparagraph (D); and
        - (III) inject or withdraw energy from the bulk power system, electric distribution system, building energy system, or microgrid (grid-connected or islanded mode) where the project is located;
      - (iii) give consideration to proposals from eligible entities for securing energy storage through competitive procurement or contract for service; and
      - (iv) prioritize projects that leverage matching funds from non-Federal sources.

- (D) OBJECTIVES.—Each demonstration project carried out by a grant awarded under subparagraph (B) shall have 1 or more of the following objectives:
  - (i) To improve the security of critical infrastructure and emergency response systems.
  - (ii) To improve the reliability of transmission and distribution systems, particularly in rural areas, including high-energy cost rural areas.
  - (iii) To optimize transmission or distribution system operation and power quality to defer or avoid costs of replacing or upgrading electric grid infrastructure, including transformers and substations.
  - (iv) To supply energy at peak periods of demand on the electric grid or during periods of significant variation of electric grid supply.
  - (v) To reduce peak loads of homes and businesses. systems.
  - (vii) To provide ancillary services for grid stability and management.
  - (viii) To integrate renewable energy resource production.
  - (ix) To increase the feasibility of microgrids (grid-connected or islanded mode).
  - (x) To enable the use of stored energy in forms other than electricity to support the natural gas system and other industrial processes.
  - (xi) To integrate fast charging of electric vehicles.
  - (xii) To improve energy efficiency.
- (3) REPORTS.—Not less frequently than once every 3 years for the duration of the programs under paragraphs (1) and (2), the Secretary shall submit to Congress and make publicly available a report describing the performance of those programs.
- (4) NO PROJECT OWNERSHIP INTEREST.—The Federal Government shall not hold any equity or other ownership interest in any energy storage system that is part of a project under this subsection unless the holding is agreed to by each participant of the project.
- (d) LONG-DURATION DEMONSTRATION INITIATIVE AND JOINT PROGRAM.—
  - (1) DEFINITIONS.—In this subsection:
    - (A) INITIATIVE.—The term "Initiative" means the demonstration initiative established under paragraph (2).
    - (B) JOINT PROGRAM.—The term "Joint Program" means the joint program established under paragraph (4).
  - (2) ESTABLISHMENT OF INITIATIVE.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish a demonstration initiative composed of demonstration projects focused on the development of long-duration energy storage technologies.
  - (3) SELECTION OF PROJECTS.—To the maximum extent practicable, in selecting demonstration projects to participate in the Initiative, the Secretary shall—
    - (A) ensure a range of technology types;
    - (B) ensure regional diversity among projects; and
    - (C) consider bulk power level, distribution power level, behind-the-meter, microgrid (gridconnected or islanded mode), and off-grid applications.
  - (4) JOINT PROGRAM.—
    - (A) ESTABLISHMENT.—As part of the Initiative, the Secretary, in consultation with the Secretary of Defense, shall establish within the Department a joint program to carry out projects—
      - (i) to demonstrate promising long-duration energy storage technologies at different scales; and
      - (ii) to help new, innovative long-duration energy storage technologies become commercially viable.
    - (B) MEMORANDUM OF UNDERSTANDING.—Not later than 200 days after the date of enactment of this Act, the Secretary shall enter into a memorandum of understanding with the Secretary of Defense to administer the Joint Program.
    - (C) INFRASTRUCTURE.—In carrying out the Joint Program, the Secretary and the Secretary of Defense shall—
      - (i) use existing test-bed infrastructure at—
        - (I) Department facilities; and
        - (II) Department of Defense installations; and
      - (ii) develop new infrastructure for identified projects, if appropriate.
    - (D) GOALS AND METRICS.—The Secretary and the Secretary of Defense shall develop goals and metrics for technological progress under the Joint Program consistent with energy resilience and energy security policies.
    - (E) SELECTION OF PROJECTS.—
      - (i) IN GENERAL.—To the maximum extent practicable, in selecting projects to participate in the Joint Program, the Secretary and the Secretary of Defense shall—
        - (I) ensure that projects are carried out under conditions that represent a variety of environments with different physical conditions and market constraints; and
        - (II) ensure an appropriate balance of— (aa) larger, higher-cost projects; and (bb) smaller, lower-cost projects.
      - (ii) PRIORITY.—In carrying out the Joint Program, the Secretary and the Secretary of Defense shall give priority to demonstration projects that—

- (I) make available to the public project information that will accelerate deployment of long-duration energy storage technologies; and
- (II) will be carried out in the field.

Patricia Hoffman
Acting Assistant Secretary
Office of Electricity
Acting Assistant Secretary
Cybersecurity Energy Security and Emergency Response
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# (b)(6)

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(h)(6)

 From:
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 Sent:
 Friday, August 25, 2023 8:27 AM

To: Baskerville,Sonya L (BPA) - Al-WASH; Carmack,Corey P (BPA) - AlT-7; Connor,Joseph W

(BPA) - AIT-7; Dondy-Kaplan,Hannah A (BPA) - AIR-7; Foster,Marchelle M (BPA) - AI-7; Harwood,Holly C (BPA) - AIR-7; Jones,Sheron M (BPA) - AIN-WASH; Kaseweter,Alisa D (BPA) - AI-7; Manchester,Kathleen L (CONTR) - AIT-7; Seifert,Roger E (BPA) - AIN-WASH; Warner,Joshua P (BPA) - AIR-7; Williams,John J (BPA) - AIR-BOISE; Wilson,Kathryn L

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Subject: West Coast News 8-25-23 Dodgers Strong - We Will Rebuild

Attachments: West Coast News 8-25-23 Dodgers Strong - We Will Rebuild.docx

In Markets Governance, Competition at Work: Two concerns with governance in a California ISO-led market are the state's authority over the CAISO and its policies; and the CAISO's model of staff-led decision processes. This summer, the California ISO is trying a new approach to its decision making model by convening working groups to develop policies for greenhouse gas accounting and price formation.

The CAISO practice for stakeholder initiatives is to convene interested parties to receive straw proposals developed by CAISO staff and then submit comments. Through iterations of staff proposals and stakeholder comment, the proposals develop into final form for approval by the CAISO Board of Governors. (As a Transmission VP pointed out to me quite recently, it's similar to how we at BPA run our own public processes.)

In this respect, the CAISO is playing "catch-up" with the Southwest Power Pool, which uses working groups as standard practice. SPP touted their participant-driven process as a selling point for their proposed Markets Plus day-ahead market. The participants, who can include non-utility interested entities, meet to develop the market policies and then test consensus through voting. A small army of BPA subject matter experts has been deployed to Markets Plus policy design since spring.

The CAISO has clearly noticed. The CAISO is also responding to encouragement in last year's governance review process to make greater use of working groups. So the new GHG and price formation work groups represent a responsive effort by the CAISO to demonstrate a more participatory decision making approach.

**CAISO Files EDAM Tariff:** Leading in putting an extended day-ahead market (EDAM), the CAISO this week filed with the Federal Energy Regulatory Commission its <u>proposed tariff changes</u> to allow its EDAM to function across the West. The CAISO asked FERC to approve the changes by December 21.

California Clean Electricity Grows Over Last Decade, Fossil Fuels Phasing Out. The California Energy Commission last Friday released documentation of changes in energy generating resources over the last decade. California continues its transition to cleaner resources, and the CEC said in 2021, nearly 59 percent of retail electricity sales came from non-fossil sources, including large hydro and nuclear.

During the reporting period, solar generation in California increase nearly twenty times and wind generation grew by 63 percent. Natural gas has declined by 20 percent and coal is nearly phased out of California's power mix.

New Mexico Utility Commission Opens Proceeding on Organized Market Participation: I'm straying a bit east of my usual beat (and I'm happy to follow developments in person...), but as we are beginning our public process for dayahead market participation, the New Mexico Public Regulating Commission announced a new public proceeding to consider participation by New Mexico Utilities in organized markets. The Commission noted the discussions of market integration around the west, including for day-ahead markets operated by the California ISO and the Southwest Power

Pool. The scope of the proceeding addresses the full range of integrated system operations, including a full regional transmission organization. The Commission issued a series of questions for comment. It scheduled a public hearing for September 21.

**Dodger Blue Grass and High Tides:** As Tropical Storm Hilary hit Southern California, residents feared the worst – mudslides, high winds – and even an earthquake in Ojai just as torrential rains approached. But social media and local news captured the horrifying images of Dodger Stadium engulfed in flood waters. That would have made sense, being located in Chavez Ravine after all.

But fears were misplaced. The images were simply of sunlight reflected from a damp parking lot. And, if you stop to think about it, the stadium is actually built on a hill.

The next day, as calm returned (and, thankfully, earthquake and flood damage was minimal), the Dodgers responded with a real time photo of a sunny stadium and dry parking lot.



From: Kelsven, Phillip A (BPA) - PE-6

Sent: Thursday, October 27, 2022 12:20 PM

To: Klumpp, Elizabeth C (BPA) - AIR-WSGL; Hilliard Creecy, Jamae (BPA) - PE-6;

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Manary, Michelle L (BPA) - F-2; Baskerville, Sonya L (BPA) - AIN-WASH; Alders, Kyna L

(BPA) - K-7; Caldwell, Chad N (BPA) - TPCF-OLYMPIA

Cc: Burke,Amy A (BPA) - PEP-6; Doumbia,Julie A (BPA) - PEH-6; Belmont,Jonathon M (BPA) -

PEP-6

Subject: RE: federal energy funds coming to states for disbursement, etc.

Liz,

This is great information. We have assembled a team in Energy Efficiency to scope out a plan to expand our low income program and we are tracking the IRA as part of this effort. This team includes me, Amy Burke, and Julie Doumbia. While we believe that BPA will not be able or need to compete for IRA funds we want to set up our customer utilities to be able to compete for these funds. We can also provide technical expertise and help to bring stakeholders together. In the last rate period we only have 34 utilities that claimed low income projects, and the period before that it was 42 utilities. One of the goals we have is to provide resources to utilities who have not done Low Income projects to become familiar with how to do Low Income projects including engaging with CAP agencies and other community organizations who do and fund this work and also how to invoice and report these projects to BPA. There is a strong movement from utilities in the region and nationally to do more to serve households with high energy burdens, and not only due to CETA. I believe that BPA has an opportunity to show leadership here to help get more projects done and put our ratepayers dollars and resources to this cause.

We would appreciate the opportunity to engage with state officials from Washington and other states in the region to learn what role we can play to maximize regional benefit from IRA funding.

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From: Klumpp, Elizabeth C (BPA) - AIR-WSGL < ecklumpp@bpa.gov>

Sent: Wednesday, October 26, 2022 5:39 PM

To: Kelsven, Phillip A (BPA) - PE-6 <pakelsven@bpa.gov>; Hilliard Creecy, Jamae (BPA) - PE-6 <jlhilliard@bpa.gov>; Lewis, Margaret L (BPA) - PEP-6 <mllewis@bpa.gov>; Thompson, Kim T (BPA) - PS-6 <ktthompson@bpa.gov>; ADL\_TSE\_ONLY <adltseonly@bpa.gov>; ADL\_PSE\_ONLY <ADL\_PSE\_ONLY@BPASite1.bpa.gov>; ADL\_PSW\_ONLY <ADL\_PSW\_ONLY@BPASite1.bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 <mmcathcart@bpa.gov>; Manary, Michelle L (BPA) - F-2 <mlmanary@bpa.gov>; Baskerville, Sonya L (BPA) - AIN-WASH <slbaskerville@bpa.gov>; Alders, Kyna L (BPA) - K-7 <klalders@bpa.gov>; Caldwell, Chad N (BPA) - TPCF-OLYMPIA <cncaldwell@bpa.gov> Subject: federal energy funds coming to states for disbursement, etc.

I've gotten questions from rural communities in Wash. and from EE leads and others about the billions of federal dollars that are going to be available for things like grid resiliency, micro-grids, heat pump installations, hydrogen-hubs, etc. I'm sharing this vague overview as I'm hearing questions from some of you, too. I think there were two federal bills: Bipartisan Infrastructure Investment and Jobs Act, and the Inflation Reduction Act (IRA).

I'm not tracking the federal dollars, and BPA can't apply, so I'm not aware of an internal lead that is tracking this. If there is someone, let me know. Consequently, I contacted Wash. Dept. of Commerce and asked if they had any info they can share. I'm writing this now as I know Melanie Jackson and Chad Caldwell are meeting with parties on Olympic Peninsula next week – and parties on the Peninsula are prepping to compete for some of these funds – possibly with a resiliency micro-grid proposal.

The Energy Director called me to convey what he knows via a phone call. His lead staff on this topic just took a new job elsewhere. He's in touch with PNNL, who may be of assistance applying for funds. And additionally, Washington has its own funding that it's going to disburse on solar and storage systems (which will have 1-1 match requirement, match can come in form of technical assistance).

First, the process for distributing the billions of federal dollars currently sounds confusing – at least for Wash, likely for many. It's possible that DOE does or doesn't have it in one place. (I've included Michelle ©). The Energy Director may forward emails with more info.

- Some federal dollars will come to Washington via a formula. For example, \$67-75 million is directed to Wash. for grid resilience to spend over 5 years.
- 2. Washington is hoping more federal dollars will come to Washington via competitive solicitations.
- IRA has two programs to support heat pump installations. Sounds like DOE will need a year to get this up and running.
- States are getting an increase in funding for their SEP accounts, which I think of as generically funding staff
  or programs at state energy offices. SEP has been around for decades.
- 5. There are \$8 billion available nationally for hydrogen hubs. I've heard of parties in Wash.-Ore. organizing for this one. I think we've read in the press that multi-state parties are organizing to submit joint proposals for these funds. First level proposals concept paper are due in month. Then funds may be allocated to support more detailed plans, etc. Private match required.

At least PSE is prepared to submit an application before the end of December for some project, I can the govt. affairs person who knows what their application is, if you want to know.

Wash. Energy Office is encouraging applicants to gear up for submitting projects next year. Washington State would like to be strategic about seeking and distributing these funds, but it sounds like they've got some work to do.

I suggested that Commerce may want to have a one-hour web session to share information with interested parties. I don't think they have many/any details yet, but still, if I'm getting questions about this, then there are people who want to know what info is available. I suggested that it'd be helpful even if Wash. Commerce shared the categories of funding and likely timelines for proposals.

ACEEE Summary of Funds for Building Efficiency (and heat pumps, low-inc., etc. – from Phillip Kelsven.)

ACEEE Report

### Here's Resources from Grid Forward website:

**DOE Grid Deployment Office** releases RFI for programs targeted at hardening the electric grid collectively called the Grid Resilience and Innovation Partnerships Program (GRIP). Download the summary here >

DOE Funds Available for Grid Revitalization DOE Funds Available for Grid Revitalization - Grid Forward - Seattle event with Debra Smith and Michelle Manary giving remarks.

If someone has a more organized summary of available funding, please share it. Thanks!

Liz Klumpp

Washington Liaison | Bonneville Power Administration | m. (b)(6)

From:	Jackson II,Jerry L (TFE)(BPA) - TOOP-DITT-2
Sent:	Thursday, April 4, 2024 8:39 AM
To:	Cathcart, Michelle M (BPA) - PG-5
Subject:	FW: [EXTERNAL] FW: PRESS RELEASE: DOE Announces \$27 Million to Help 40 State, Local and Tribal Communities Lead America's Equitable and Resilient Clean Energy Future
Michelle,	
since December. Toda see the Secretary of E	ng well. I'm so excited that I just had to share. I've been leading the Energy Future Grants Team ay the Secretary of Energy did a public announcement of our awards at Georgia Tech. Pretty cool to nergy announcing something that you had your hands directly on. Even cooler to know the work you impact on deserving communities across the country.
(b)(6)	
Take care,	
Jerry	
Subject: [EXTERNAL]	(TFE)(BPA) - TOOP-DITT-2 <jljacksonii@bpa.gov> FW: PRESS RELEASE: DOE Announces \$27 Million to Help 40 State, Local and Tribal Communities able and Resilient Clean Energy Future</jljacksonii@bpa.gov>
	ss, Sofia (CONTR) < sofia.mancheno-gross@hq.doe.gov>
Sent: Thursday, April	4, 2024 8:22 AM <a href="mailto:rry.jackson@hq.doe.gov">rry.jackson@hq.doe.gov</a> ; Farber, Brianna
<pre>  drianna.farber@hq.o</pre>	
	ELEASE: DOE Announces \$27 Million to Help 40 State, Local and Tribal Communities Lead America's nt Clean Energy Future
Congrats EFG Team!	
	doe.gov <doenews@hq.doe.gov></doenews@hq.doe.gov>
Sent: Thursday, April	
	Sofia (CONTR) < sofia.mancheno-gross@hq.doe.gov>
그는 사이를 구성하는 이번에 하는 것이 되었다. 그렇게 되었다.	SE: DOE Announces \$27 Million to Help 40 State, Local and Tribal Communities Lead America's of Clean Energy Future
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Press Release For Immediate Release April 4, 2024

News Media Contact (202) 586-4940, doenews@hq.doe.gov

# U.S. DEPARTMENT OF ENERGY ANNOUNCES \$27 MILLION TO HELP 40 STATE, LOCAL AND TRIBAL COMMUNITIES LEAD AMERICA'S EQUITABLE AND RESILENT CLEAN ENERGY FUTURE

President Biden's Investing in America Agenda is Improving Critical Infrastructure and Removing Barriers to Clean Energy Deployment in Historically Underserved Communities

ATLANTA, GA—In support of President Biden's Investing in America agenda and the historic <u>Justice40 Initiative</u>, today the U.S. Department of Energy (DOE) announced \$27 million in financial and technical assistance awarded to 40 partner teams of states, local governments, and Tribes through the <u>Energy Future Grants (EFG) Program</u>. U.S. Secretary of Energy Jennifer M. Granholm made the announcement during a visit and tour of Georgia Institute of Technology in Atlanta, GA.

"A lasting clean energy transition starts with state, local, and Tribal governments in the driver's seat, taking the wheel in pursuit of their own unique clean energy strategies," said U.S. Secretary of Energy Jennifer M. Granholm. "With support from the Energy Future Grants Program, local communities can devise their own projects to solve challenges, create new jobs, and make their clean energy goals a reality."

Energy Future Grants provides financial and technical assistance to support multijurisdictional partnership efforts to advance innovative clean energy programs that will enhance energy affordability, access, and opportunities for communities. EFG fosters out-of-the-box thinking and collaboration to help develop solutions to encourage and facilitate successful clean energy projects benefiting disadvantaged communities. The 31 Local Governments, 7 States, and 2 Tribes receiving funding today, along with 253 subrecipients include additional government partners, community benefit organizations, non-profits, universities, Tribal entities, small businesses, and more. Selected partnerships will use funds for planning activities that include strengthening community resilience, transportation and building electrification, clean energy microgrid deployment, solar developments in disadvantaged communities (DACs), and robust local engagement for an equitable energy transition.

Specific projects receiving funding are:

- EmPOWER Georgia: A Tri-City Alliance for Scalable, Equitable, and Innovative Clean Energy Solution, City of Decatur, GA: Four cities in Georgia will seek to develop multijurisdictional, deployment-ready blueprints for three clean energy innovations that center community benefits and advance progress towards municipal clean energy goals that include energy savings for households in disadvantaged communities, job creation opportunities and workforce training in new clean energy enterprises, and increased energy resilience through local energy generation and grid stability in context of increasingly severe weather events. The project will explore community and labor agreements as part of their community engagement and has the support of project partners' expertise in workforce development programming. (Award amount: \$500,000)
- Plugged in for Good (PIFG) Energy Alliance, City of Las Cruces, NM: This project will utilize electrification and weatherization to reduce residential energy burden; promote clean energy cooling, heating, and water systems; ensure resident comfort and safety during extreme heat events; and develop local workforce cohorts that ensure 'high road' opportunities. This project involves comprehensive workforce education and training through registered apprenticeships and covering costs and paid time for professional development and continuing education leading to steady work retrofitting low and middle-income homes, supported by project partner expertise and workforce needs assessment. (Award amount: \$470,000)

- Building Community Resilience Through Regional Connections and Energy Investments, State of North Carolina Central Pines Regional Council, NC: The project will consist of a regional technical assessment and community planning process for a network of energy resilience hubs. During disasters and disruptions, these hubs would provide backup power generation to disadvantaged communities through solar and storage, vehicle-to-building, or other innovative technology. During normal times, they will act as central community access points for energy efficiency, green workforce, and sustainability resources. The project will pay living wages for all contractors and require that contractors provide supportive services as part of their community engagement process. (Award amount: \$500,000)
- Evaluating Municipal Processes for Efficient Clean Energy Permitting, Alaska Energy Authority: This project will improve governance and financial systems of 45 disadvantaged communities to identify and remove barriers to clean energy development within municipal code, permitting, or regulatory processes. The Alaska Energy Authority will coordinate with organized labor to address needs for local and targeted hiring goals, card-check neutrality, and possible provisions advancing programs to attract, train and retain new workers. (Award amount: \$496,725)
- Harris County Clean Energy Plan for Community Building, Harris County, TX: The project will identify communities and community facilities that will act as hubs for resiliency and clean energy in Harris County municipalities. The plan will develop selection criteria for public community buildings based on community profiles as well as the applicability of each technology to the candidate facilities. The project will leverage existing local workforce development and apprenticeship programs either by expanding or creating complementary programs to create clean energy job opportunities stemming from the resilience hubs. (Award amount: \$500,000)
- Eco-D Equitable Electrification Initiative, *City of Detroit, MI:* EcoDistricts, or Eco-Ds will focus on building electrification and solar development efforts in disadvantaged neighborhoods. The new EcoDistricts will be created in Justice40 census tracts. The project has strong partnerships with labor union and workforce development organizations that will be leveraged to create opportunities in registered apprenticeships, workforce development, and business development for residents. The project also will employ local contractors whenever possible, enable bulk contract options, and look into bulk purchasing programs to reduce clean energy technology costs for contractors. (Award amount: 500,000)
- Modeling for a Salmon-Friendly Energy Transition, Columbia River Inter-Tribal Fish Commission, OR, WA, ID: Led by a Tribal consortium, this project focuses on quantitative river and energy system models adapted to the Columbia River Basin to support both state and Tribal policy development that prioritizes the uses of demand side resources (DSRs). The project also aims to help protect and restore salmon populations in the Columbia River Basin, which will enhance member Tribes' economic and cultural sovereignty. (Award amount: \$500,000)
- Community-Based Weatherization / Electrification Together, City of River Falls, WI: This building sector project will create a universally scalable and adaptable approach for crafting localized, adaptable electrification programs across sectors in a collaborated effort uniting states, localities, and tribal communities in partnership with community-owned electric utilities and non-profit organizations. This project combines electrification with weatherization, which will lead to a decrease in utility costs and greenhouse gas emissions and increase adaptability to cold and extreme weather events. (Award amount: \$500,000)
- Water Investments for Sustainable Energy (WISE) Ohio, State of Ohio Sustainable Ohio Public Energy Council, OH: This project focuses on sustainable energy investments for Ohio's water utilities. The project will improve facility energy efficiency through building upgrades and operational procedures, offset energy burdens through onsite solar generation, and improve resiliency with battery backup systems. (Award amount: \$500,000)
- Just Resilience, State of New Jersey—New Jersey Dept. Of Environmental Protection: Using extreme heat mitigation as a central focus, Just Resilience will develop and implement a climate adaptation plan through Community Resilience Hubs that offer significant, measurable and replicable environmental, social and economic co-benefits to DACs and residents of Greater Passaic River Watershed. Workforce development and higher-wage pathways will be pursued. The project has a high emphasis on health concerns for disadvantaged communities and Justice 40 commitments, as it relates to extreme weather events. (Award amount: \$500,000)
- Reducing Energy Burden in Lowest-Barrier Affordable Housing, City of Orlando, FL: This building sector project will develop a plan for installing energy efficient and clean energy appliances in affordable housing meant for tenants who are formerly unhoused or at risk of being unhoused, partnering with state, county, and non-profit entities. Community outreach meetings will provide multi-lingual services along with childcare in an attempt to engage as much of the population as possible. The city of Orlando also has a long-standing track

- record for including minority/women-owned business enterprises. (Award amount: \$489,837)
- EV Equity Workforce Program (EVequity), Los Angeles County, CA: This project will work with key public
  and private sector partners to devise an electric vehicle (EV) infrastructure workforce training and placement
  program, drawing participants from high need communities and communities of color throughout the Los
  Angeles region, in an effort to bring equity and diversity to the field of electric vehicle infrastructure
  development. The project will have strong partnerships with local unions and community and technical
  colleges, respect collective bargaining and high wages and benefits principles, and provide supportive services
  for its training programs. (Award amount: \$500,000)

This funding marks the first round of competitive awards granted through the EFG Program since the program was established in 2023. 40 selectees will receive up to \$500,000 in Phase 1 for planning, technical assistance, and cohort-based support, and become eligible to compete for approximately \$1M in implementation funding in Phase 2. The program also contributes to the Biden-Harris Administration's <u>Justice40 Initiative</u> commitment to support eligible governments to direct 40% of the overall benefits of the EFG Program to flow to disadvantaged communities.

Other awards announced today include:

- City of Gainesville, FL (\$130,405)
- City of Clearwater, FL (\$500,000)
- City of San Diego, CA (\$500,000)
- Pueblo de San Ildefonso, NM (\$498,625)
- City of Yonkers, NY (\$498,668)
- State of Minnesota Minnesota Department of Health (\$498,600)
- City of District Heights, MD (\$500,000)
- City of Carbondale, IL (\$406,610)
- City of Oakland, CA (\$500,000)
- Brooklyn Borough, NY (\$500,000)
- State of Alaska Alaska Housing Finance Corporation, AK (\$500,000)
- City of Saint Paul, MN (\$500,000)
- City of Cincinnati, OH (\$499,930)
- State of Hawaii Hawaii State Energy Office (\$500,000)
- City of Madison, WI (\$500,000)
- Town of Andover, MA (\$360,740)
- County of Allegheny, PA (\$500,000)
- City of Richmond, VA (\$499,987)
- City of Baltimore, MD (\$500,000)
- City of Indianapolis, IN (\$500,000)
- City of Duluth, MN (\$500,000)
- Hennepin County, MN (\$500,000)
- City of North Miami, FL (\$500,000)
- City of Madison Heights, MN (\$500,000)
- State of Colorado Colorado Energy Office (\$500,000)
- Village of Broadview, IL (\$476,487)
- Town of Littleton, MA (\$500,000)
- City of Erie, PA (\$500,000)

EFG is partnering with ENERGYWERX, through a Partnership Intermediary Agreement (PIA), to offer awardees ample technical assistance to reduce identified barriers, support project development, and build capacity for awardees. The Energy Future Grants Program Technical Assistance Cohorts initiative is managed by ENERGYWERX in partnership with DOE, a collaboration made possible through an innovative Partnership Intermediary Agreement set up by DOE's Office of Technology Transitions. Technical assistance opportunities for awardees include in-person and virtual trainings, as well as peer-to-peer cohort sessions where grantees learn from clean energy experts and network with peer local governments, states, and Tribes pursuing similar projects. Additionally, EFG is partnering with the National Renewable Energy Lab (NREL) to host an initial Barriers Workshop for grantees.

Visit the DOE webpage to learn more about the EFG Program, how to apply, and resources available to eligible

grantees.

###

This email was sent to <a href="mailto:sofia.mancheno-gross@ee.doe.gov">sofia.mancheno-gross@ee.doe.gov</a>
U.S. Department of Energy, 1000 Independence Ave SW, Washington, DC 20585, USA

<u>Unsubscribe</u>

**From:** Marker, Douglas R (BPA) - AIR-7 **Sent:** Friday, December 9, 2022 8:24 AM

To: Baskerville, Sonya L (BPA) - AIN-WASH; Carmack, Corey P (BPA) - AIT-7; Dondy-

Kaplan, Hannah A (BPA) - AIR-7; Foster, Marchelle M (BPA) - AI-7; Harwood, Holly C (BPA)

- AIR-7; Ikakoula, Corrina A (BPA) - AIT-7; Jones, Sheron M (BPA) - AIN-WASH;

Kaseweter, Alisa D (BPA) - Al-7; Klumpp, Elizabeth C (BPA) - AIR-WSGL;

Manchester, Kathleen L (CONTR) - AIT-7; Nelson, Carrie E (BPA) - AIT-7; Seifert, Roger E (BPA) - AIN-WASH; Warner, Joshua P (BPA) - AIR-7; Williams, John J (BPA) - AIR-BOISE;

Wilson, Kathryn L (BPA) - AIR-7; Wright, Troy S (CONTR) - AIR-7

**Subject:** West Coast News 12-09-22 - Rainbows and Unicorns **Attachments:** West Coast News 12-09-22 - Rainbows and Unicorns.docx

#### **West Coast News**

Doug Marker

PacifiCorp Commits to CAISO Day-Ahead Market: Yesterday, PacifiCorp became the first utility to commit to the California Independent System Operator's (CAISO) Extended Day-Ahead Market (EDAM). PacifiCorp decision, representing operations in seven western states, is a significant boost for the effort of the CAISO to expand its market operations across the West. Last month, Powerex announced it is committing to the Southwest Power Pool's Markets Plus initiative, proposed as an alternative to a California-sponsored market.

**U.S. Makes California Offshore Wind Lease Sales:** The Interior Department announced this week five lease sales for offshore wind sites along the California coast. These are the first offshore wind leases on the Pacific Coast. Three of the sites are off the central California coast and two are off the coast of Humboldt County in northern California. The total of the five sales was \$757 million. The sales were to five different companies. The companies now have to submit development plans for environmental review and various permits, and maintain consultations with local communities and fishing interests. The review process could take six years. The five sites could total 4.5 gigawatts of wind generation.

Avoiding California Blackouts in September Heat Wave Involved Luck, Imports and Storage: The Western Power Trading Forum held a roundtable in Portland this week to review the lessons from September's heat event when California set a new record for electricity demand. Presenters and participants pointed to several important factors that kept California from having to cut service. California's peak loads came as demand in the Pacific Northwest and the Desert Southwest had declined. The transmission interties from the Northwest to California were fully available and were used to capacity, while fish spill operations on the Columbia and Snake rivers ended on August 31. While 2022 was an average water year, snowmelt was late and there was a good water supply for hydro generation. California has extended operations of several peaking gas plants and also brought nearly 4 gigawatts of battery storage to discharge as solar generation goes down in the evening.

Participants pointed to policy requirements and "structural" issues that are driving new demand, particularly in California's neighboring balancing authorities. Washington is implementing its new carbon policies. Pacific Northwest home air condition and teleworking is driving load growth even with consistent summer temperatures. Electric vehicle usage is growing. So California faces increased competition for imports to augment its own resources. Participants noted the developing Western Resource Adequacy Program (WRAP) and discussed the importance of "translating" between the WRAP design and the complex structure that the California Public Utilities Commission is developing for its resource adequacy program.

Imagine Getting this Response Through a TAC: A young girl the Los Angeles County Department of Animal Care and anticipatory inquiry. Madeline requested approval to keep a backyard – if she can find one. Director Marcia Mayeda week. Madeline can, in fact, have a permit to keep a unicorn she finds one. To be ready, the department provided her a unicorn, with conditions. The unicorn must be given sunlight, moonbeams, and rainbows. The unicorn must be favorite treats – watermelon – at least once each week. And, sparkles or glitter used on the unicorn must be



recently wrote to Control with an unicorn in her responded last in her backyard if with a license for regular access to fed one of its of course, any

biodegradable. With the approval came a license tag and a little stuffed unicorn until Madeline finds a real one.

From: Sent:

To:

Goodwin, Andrew L (CONTR) - BD-3 Wednesday, May 25, 2022 10:41 PM

Goodwin, Andrew L (CONTR) - BD-3; Ellison, Brian H (CONTR) - B-3; Chang, Elsa (BPA) - B-3; Klement, Anthony J (BPA) - PGSD-5; Simpson, Mark C (MFE) (BPA) - PTFN-5; Mezzatesta, Mariano (BPA) - PGST-5; Fahy, Benjamin J L (BPA) - PGST-5; Siewert, Christopher W (BPA) - PGSD-5; Pellicori, Damon A (BPA) - PGST-5; Hayes, Matthew C (BPA) - PGST-5; Brown, David R (BPA) - TOOC-DITT-2; Henning, Thomas R (CONTR) - TTBP-DITT-2; Sackett, Rian R (TFE) (BPA) - TOOC-DITT-2; McManus, Bart (BPA) - TOOC-DITT-2; Kirby, Elizabeth A (BPA) - TOOC-DITT-2; Pham, Peter (BPA) - TTSE-DITT-2; Hunziker, Cameron (BPA) - TOII-DITT-2; Kingsford, Brent E (BPA) - TORD-DITT-1; Goudy, Daniel E (TFE)(BPA) - TORD-DITT-1; Wolf, Justin R (TFE)(BPA) - TORD-DITT-1; Paradis, Dean D (TFE) (BPA) - TORD-DITT-1; McAllister,Bruce (TFE)(BPA) - TORD-DITT-1; bclowe@bpa.gov; Jackson,Holly K (TFE)(BPA) - TORO-DITT-1; Lewis, Mark A (CONTR) - TOII-DITT-2; Chambers, Joseph L (BPA) - TSRE-DITT-1; Lower, Selma (CONTR) - JLP-3; Keanini, Rasa I (BPA) - TSRE-DITT-1; Donald, Andrea M (CONTR); Dalia, Bernadette (BPA) - TSRE-DITT-1; Gallas, Christine E (BPA) - PTMA-5; Dernovsek, David K (BPA) - PTF-5; Edwards, Robert W (BPA) - PTK-5; Kroelinger, Ryan M (CONTR) - B-3; Gill Sanford, Zachary A (CONTR) - B-3; Schaal, Richard L (CONTR) - BE-3; Kochheiser, Todd W (BPA) - TOI-DITT-2; Bentz, Roger E (BPA) - B-3; Siemsen, Matthew A (MFE) (BPA) - PTFR-5; Symonds, Mark C (BPA) - B-3; Epifanov, Calin S (BPA) - JCD-6; Minden, Vincent L (BPA) -TTS-DITT-2; Davis, Sarah A (CONTR): Habluetzel, Nicki S (CONTR) - BD-3; Viskov, Jim S (BPA) - JC-6; Mace, Allison R (BPA) - PTM-5; Fredrickson, Rebecca E (BPA) - TSQ-TPP-2; Jenck, Joel N (MFE) (BPA) - PTFR-5; Germer, Matthew J (BPA) - PTMA-5; Haraguchi, Kelii H (BPA) - PTM-5; Winner, Scott W (BPA) - PGS-5; Standards of Conduct; Truax, Sarah R (BPA) - PTMP-5; Jones, Emily C (BPA) -PGSD-5; Randolph, Kimberly L (BPA) - PGSD-5; Messemer, Clarisse M (BPA) - PGST-5; Meyers, Andrew P (BPA) - PTF-5; Cole, Marcie V (MFE)(BPA) - PTFR-5; Dahiya, Sumit (MFE)(BPA) - PTFR-5; Day, Jody A (MFE)(BPA) - PTFR-5; Giglio, George M (MFE)(BPA) -PTFR-5; Hyman, Aretha A (MFE)(BPA) - PTFR-5; O'Drane, Dennis J (MFE)(BPA) - PTFR-5; Pimputkar, Pia S (MFE)(BPA) - PTFR-5; Robinson, Donald S (MFE) (BPA) - PTFR-5; smthomasparker@bpa.gov; Tkachuk, Paul G (MFE) (BPA) - PTFR-5; Lundberg, Cedric N (TFE)(BPA) - TORD-DITT-1; Hurlburt, Jennifer (BPA) - PGL-5; zgillsanford@utilicast.com; zSchaal, Richard; sdavis@utilicast.com; Hall, Stephen M (CONTR) - B-3; adonald@utilicast.com; rkroelinger@utilicast.com; Spain, Alex J (MFE) (BPA) - PTF-5; steve.hall@slalom.com; Gaddam,Madhukar R (CONTR) - TTSE-DITT-2; Hawkins,Robert E (BPA) - PGSP-5; Kirsch,David J (TFE)(BPA) TOOC-DITT-2; Cathcart, Michelle M (BPA) - TO-DITT-2; Briggs, Peter M (BPA) - TSRE-DITT-1; Guajardo, Wyndi N (BPA) - TSR-DITT-1; Moody, Karyn M (BPA) - TSRE-DITT-1; Judson, David L (BPA) - TSRE-DITT-1; Van Calcar, Pamela M (BPA) - PGS-5; Horttor, Michael D (BPA) - PTMA-5; Strand, Heidi M (CONTR) - PTF-5; Platter, M Phillip (MFE)(BPA) - PTFR-5; agoodwin@utilicast.com; Loepker,Timothy E (TFE)(BPA) - TORO-DITT-1; Nguyen,John G (BPA) - B-3; Williams,Montel N (BPA) -PTMA-5; Bermejo, Juergen M (BPA) - TOI-DITT-2; Nutile, Enzo R (BPA) - PGSD-5; Silver, David M (TFE) (BPA) - TOOC-DITT-2; Castro, Zina M (TFE) (BPA) - TORW-DITT-1; Geller, Gregory L (MFE) (BPA) - PTFR-5; Lusardi, Anthony N (BPA) - PGST-5 MQ - 5/25 Review of 5/24 Data

Subject:

Hi all, sorry for the late distribution - notes from today's issue sync and market quality conversations.

Regards,

### Andrew

Link to meeting notes: MQ - 5/25 Review of 5/24 Data

# MQ - 5/25 Review of 5/24 Data

Wednesday, May 25, 2022 10:18 PM

Meeting Date: 5/25/2022 12:30 PM

Location: Skype Meeting; bridge 5032304000,,

**Invitation Message** 

**Participants** 

## Notes from EIM Daily Issue Sync:

1. Holly Jackson - Odd Market Solution

Binding congestion price intervals observed - numbers in question? Is a CIDI ticket needed? <<RE Odd Market Solution.msg>>

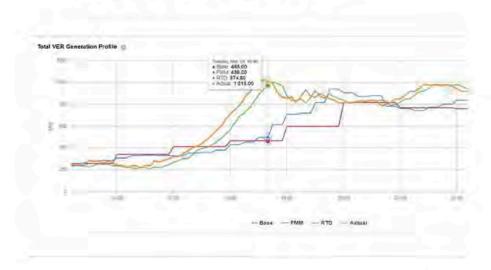
- 1. VER deviation from base-schedules during the day HE19
  - a. Appears to have just ramped up quickly during this interval. Start of the hour is closer
  - b. From Libby

[5/25/2022 10:15 AM] Kirby, Elizabeth A (BPA) - TOOC-DITT-2: they will overgen as much as they can until we stop them (OCBR) so if bids/ETSRs/ABC can support it, it'll keep going until the wind stops ramping

[5/25/2022 10:17 AM] Kirby, Elizabeth A (BPA) - TOOC-DITT-2: and FYI it doesnt look like we OCBR'd so there is our happy story

[5/25/2022 10:15 AM] Kirby, Elizabeth A (BPA) - TOOC-DITT-2:

first glance looks like just a normal wind ramp



- Shadow price From Tony Can you explain "Five Minute EIM Transfer/ETSR Shadow Price" What is Shadow Price, is this what we might have been charged? There was a big negative at 06:05 >
  - a. Note from Zach a while ago the blue line (EIM Transfer price) is generally positive when BPA fails flex ramp or capacity down and its net EIM import is constrained. If EIM Transfer price is negative, typically this means Flex Ramp Up or Capacity Up failed and net Export transfers are constrained
  - b. From Mariano If it is positive, the transfer is binding on the import end. If negative, it is binding on the export.
  - c. Shadow Price is how constraining a constraint is. The higher (+ or -), the more limited the constraint its
  - d. Have Mariano discuss this on 12:30 and see if Zach confirm.
- 2. Outage Cards From Bruce- Some are not making it to CAISO webOMS correctly.
- 3. Documentation for OCBR in EIM: Possibly RT Ops documented this
  - a. Bart indicated this is in the use case.
  - b. there is, I could also present about it if folks are curious
    - i. the document is a use case, so probably a little painful to read
  - c. Mark Simpson might know if there is another document on this.

Notes from 1230/1300 Internal & CAISO Market Quality Meetings:

5/25	5/25 review of 5/24 Market Quality Data
Infeasibilities –	5/24 - There were no 15 or 5 minute power balance infeasibilities
Market ABC Dispatches -	5/24 - There was no FMM ABC dispatch and no RTD 5 minutes dispatches
Non-Market ABC Dispatches -	There is ongoing non-market use of ABC resources by BPA (as regulating reserves) across all three ORA ABC basins
Balancing tests –	5/24 - There were no balancing excursions beyond the 1% threshold in either direction with all hours at or near zero MW imbalance
Bid Resource Sufficiency tests –	5/24 - there were no BRST failures and bid capacity was sufficient
Flex Ramp tests	5/24 - there were no FRST failures
APR Dispatches -	5/24 - all APR/bid activity was on the upper Columbia ORA. LCOL and LWRSNK were not used for market awards
Load forecasts -	The 5/24 load forecasts were fairly well grouped; at times there was a bit more noticeable gap (~200MW) between the t-75 and RTD forecast updates. From 6AM to noon the actuals were consistently lower than either forecast anticipated and in the evening hours slightly higher.
Load conformance	The load bias trend line ranged +58/-58 MW

### 1. VER uptick yesterday

i. DOTs vs Base Schedule ~400MW delta

But No OCBR was needed -->

Market was able to serve some of the DEC (saved us water movement)

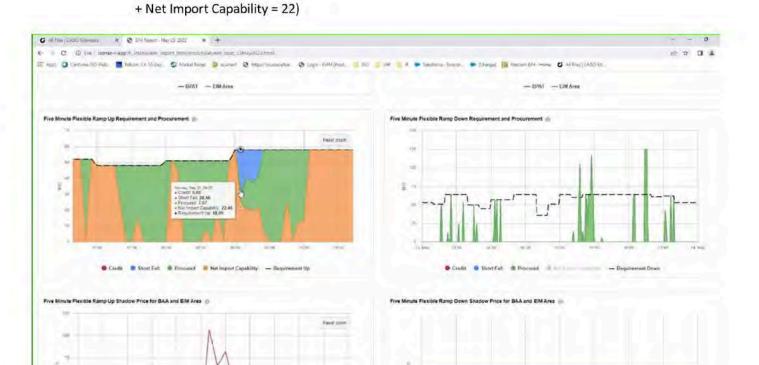
Still had excess DEC on the APRs available during the VER surge

a. Bart - topic to discuss this 1/2 hour if time...

# Notes from conversation with Haifeng:

May 23rd HE10

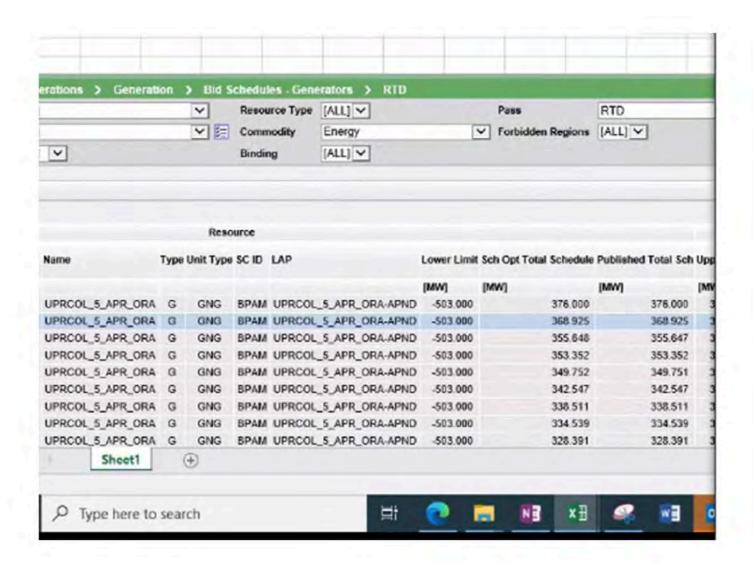
5 min flex up price
HE10, interval 2
Total FR Requirement was = 58MW
Sum of (
+ Shortfall = 28.46 MW
+ Procured = 7.07



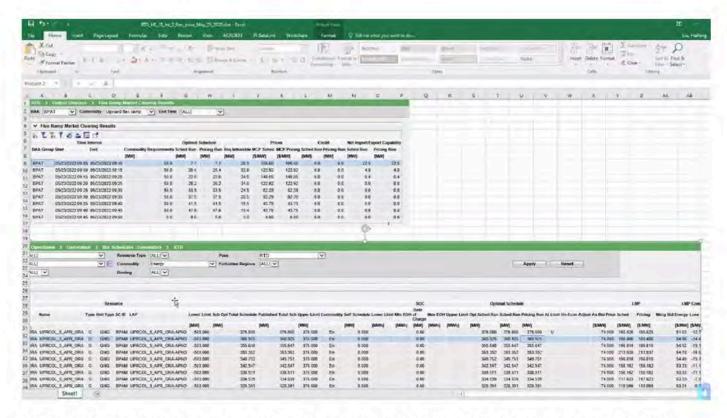
RTPD, binding interval is from :10 - :50

Flex ramp capacity products are procured to protect against uncertainty in the future 9:10 - 9:15

- a. 376 advisory
- b. Binding dispatch was 368
- c. Binding interval for 7.07 dispatch

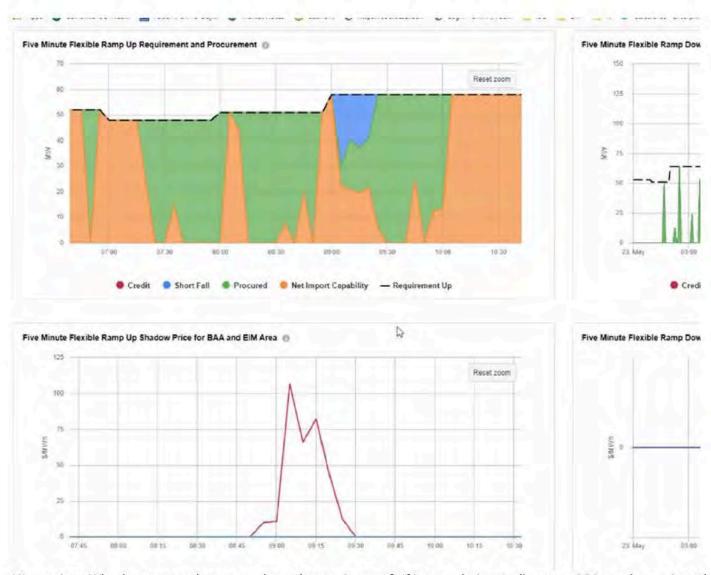






If the FRUP shadow price is zero, there is no opportunity cost and it does not make sense to evaluate the NIC/NEC

Definition change to the NIC report; it is actually the NIC portion used to meet uncertainty; if you procure from outside, then you must have NIC to provision that transfer. If the NIC is showing zero and the amount all the way up to the requirement is procured, indicates BPA itself provisioned the uncertainty (instead of importing)



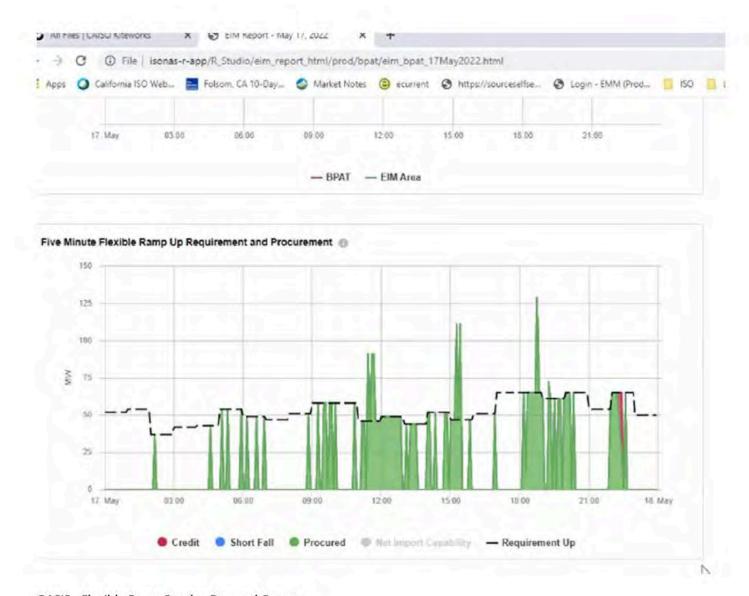
LK question - Why do we so rarely procure above the requirement? If it exceeds, it actually means BPA may be serving others with that excess



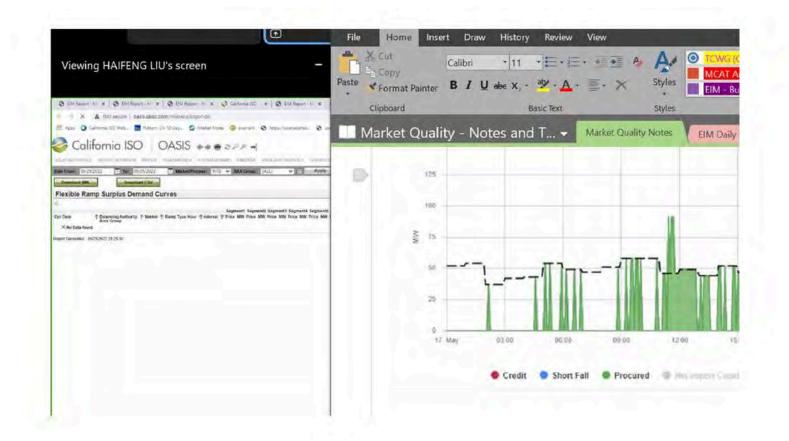
If there is excess procured - it could indicate your price of flex ramp was competitive (see May 17th for example (second screenshot down)

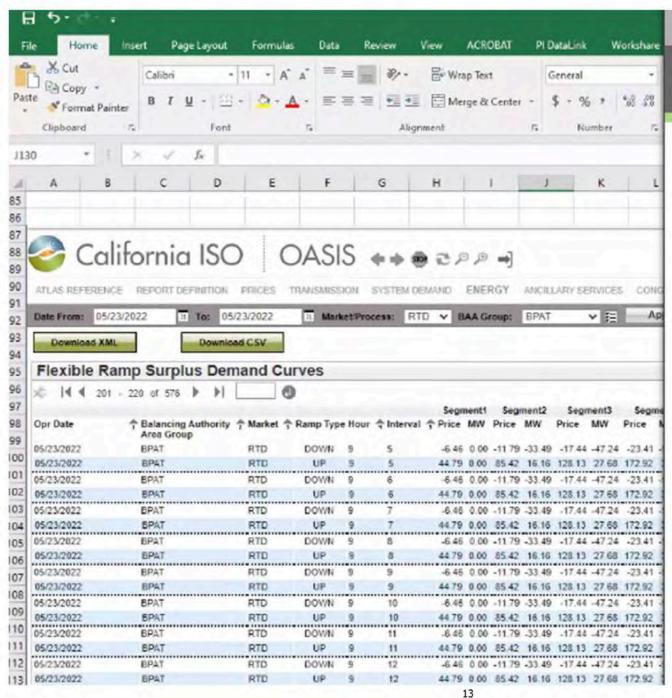


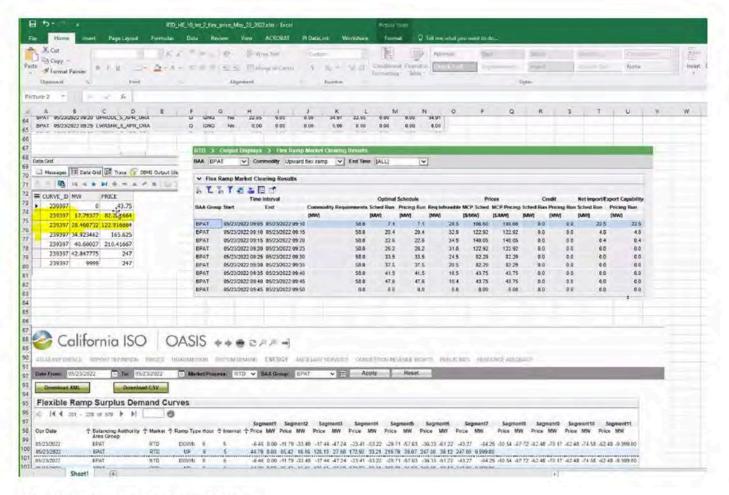




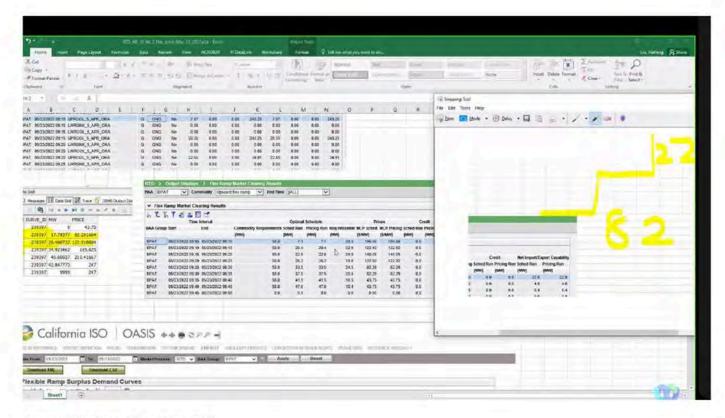
OASIS - Flexible Ramp Surplus Demand Curves...







OASIS Evaluating price and demand curve -



Created with Microsoft OneNote 2016.

From: Albright, Margaret I (BPA) - TOO-DITT-2
Sent: Tuesday, April 27, 2021 10:09 AM

To: Cathcart, Michelle M (BPA) - PG-5; Kochheiser, Todd W (BPA) - TOI-DITT-2

Cc: TOOC Wind/AGC Team; Donahoo, Ashley D (BPA) - TA-DITT-2

Subject: FW: BPA position on CAISO wheel through decision

Attachments: BPA letter on CAISO wheel throughs; Wheel-through and Load Priorities - (for

WECC).pptx

### For your awareness. Please forward to others with an interest.

From: Ashbaker, Steve <sashbaker@wecc.org> Sent: Tuesday, April 27, 2021 10:03 AM

To: Symonds, Mark C (BPA) - PTM-5 < mcsymonds@bpa.gov>

Cc: Albright, Margaret I (BPA) - TOO-DITT-2 < mialbright@bpa.gov>; Meyers, Andrew P (BPA) - PTF-5

<apmeyers@bpa.gov>; Brown, Layne <<a href="mailto:lbrown@wecc.org">lbrown@wecc.org</a>>

Subject: [EXTERNAL] RE: BPA position on CAISO wheel through decision

#### Mark

Nice to meet you and thanks for the information from you and Meg Looks like Layne and I both know who our valuable sources for getting information are on key issues in the WI Thanks again for the resources provided below

### Steve Ashbaker

Reliability Initiative Director Office – 801-883-6840 Cell – (b)(6)

sashbaker@wecc.org

From: Symonds, Mark C (BPA) - PTM-5 < mcsymonds@bpa.gov>

Sent: Tuesday, April 27, 2021 10:58 AM

To: Ashbaker, Steve <sashbaker@wecc.org>

Cc: Albright, Margaret <mialbright@bpa.gov>; Meyers, Andrew <apmeyers@bpa.gov>; Brown, Layne

<lbrown@wecc.org>

Subject: BPA position on CAISO wheel through decision

### EXTERNAL! Use caution and verify content!

### Steve,

Thank you for reaching out to Meg. She passed your question along to me and I am don't think we have had a chance to meet previously, so here is a virtual hello!

Andy Meyers and myself have also been addressing questions that your colleague, Layne Brown, has raised with us and who has been cc'd here. Earlier in the process we shared the following:
<see attached ppt>

The CAISO expects to submit their FERC filing on this topic on April 28<sup>th</sup> as their final proposal was approved by the CAISO Board on April 21<sup>st</sup>. The final proposal kept shifting, so it is a bit different from what is represented in this presentation, but the most important elements in here are the context – namely, a) CAISO does not have a forward open access transmission procurement framework in place; and b) Bonneville continues to advocate for equal priority for equal requirements between wheel-through transactions and imports to serve load in the CAISO BAA. These are the main points highlighted in the letter we submitted to the EIM Governing Body and Meg shared with you moments ago. Our letter addresses our position on the CAISO's proposed interim solution, as well as the need to develop a longer-term forward procurement framework that adheres to FERC open access principles and supports competitive wholesale trade in the West:

https://www.westerneim.com/Documents/Public-Comment-Letter-from-BPA-re-Summer-Readiness-Load-Export-Wheeling-Priorities-April-19-2021.pdf

Other entities submitted written comments to the EIM Governing Body, as well as the CAISO Board. I have linked one of them here (other are available), as these may also assist in your understanding and perspective. <a href="http://www.caiso.com/Documents/Public-comment-letter-SW-LSEs-re-decision-summer-readiness-initiative-April-20-2021.pdf">http://www.caiso.com/Documents/Public-comment-letter-SW-LSEs-re-decision-summer-readiness-initiative-April-20-2021.pdf</a>

We would also call attention to the CAISO's Board memo available here:

http://www.caiso.com/Documents/Decision-Market-Enhancements-Summer-2021-Readiness-load-export-wheeling-priorities-Memo-Apr-21-2021.pdf

And they also prepared a useful stakeholder matrix if you all wanted a one stop shop for high-level perspective on entities positions and the CAISO's response in their words:

http://www.caiso.com/Documents/Decision-Market-Enhancements-Summer-2021-Readiness-load-export-wheeling-priorities-Attach-A-Stakeholder-Matrix-Apr-21-2021.pdf

Please let us know if you all have any further questions, as we anticipate this issue will move quickly at FERC since CAISO is hoping to have their proposed interim solution in place for this summer.

Thank you, Mark

Mark Symonds Supervisor of Market Pricing and Policy Bulk Marketing, Power Services

Bonneville Power Administration 905 NE 11<sup>th</sup> Avenue Portland, OR 97232

503 230-3027 (direct) (b)(6) (cell) 503-230-3681 (fax)

mcsymonds@bpa.gov

**From:** Cook,Jeffrey W (BPA) - TP-DITT-2 **Sent:** Wednesday, January 29, 2020 10:26 AM

**To:** Shaheen,Richard L (BPA) - T-DITT-2; Ko,Tina G (BPA) - TS-DITT-2; Cathcart,Michelle M

(BPA) - TO-DITT-2; Chong Tim, Marcus H (BPA) - LT-7

Cc: Bustamante,Richard (BPA) - TPP-OPP-3; Johnson,Kelly G (BPA) - TPC-TPP-4; Kitali,Salah

H (BPA) - TP-DITT-2; Aggarwal,Ravi K (TFE)(BPA) - TPL-TPP-2; King,Robert D (BPA) - TP-TPP-2; Johnson,Danielle M (TFE)(BPA) - TOOS-DITT-1; Cook,Jeffrey W (BPA) - TP-DITT-2

Subject: Letter on Transmission Competition Process and Fossil Lake Solar

**Attachments:** FW: Letter on Transmission Competition Process and Fossil Lake Solar; RE: Letter on

Transmission Competition Process and Fossil Lake Solar; RE: Letter on Transmission Competition Process and Fossil Lake Solar; RE: Letter on Transmission Competition

Process and Fossil Lake Solar

So asked the team to do a little digging and time line/history of Obsidian's request to BPA. There are a lot of factors at play here so instead of trying to address it all I have attached several emails from Kelly, Ricky, Danielle, and Ravi that give a good insight into why they are in this current position. For next steps it would be worthwhile to consolidate this info and craft a response letter back to Obsidian to address their concerns. Will get with Tina and the AE to begin the response.

### Couple of summary highlights

Obsidian put in two GI requests back in 2//26/2010. But failed to act when offered E&P agreements. When they did sign a construction agreement they immediately put it on hold (2017) and have not taken any action on it. In addition Obsidian was in the 2019 Cluster Study but elected to not sign a PEA to move forward with their project. Thus several opportunities but they opted to delay.

Jeffrey W. Cook P.E.
VP Transmission Planning and Asset Management
Bonneville Power Administration
360-418-8981

From: Aggarwal, Ravi K (TFE) (BPA) - TPL-TPP-2

Sent: Wed Jan 29 09:48:50 2020

To: Johnson, Kelly G (BPA) - TPC-TPP-4; Cook, Jeffrey W (BPA) - TP-DITT-2; Chong Tim, Marcus H (BPA) - LT-7; Ko, Tina G (BPA) - TS-DITT-2; King, Robert D (BPA) - TP-TPP-2; Bustamante, Richard (BPA) - TPP-OPP-3; Cathcart, Michelle M (BPA) - TO-DITT-2

Cc: Heredia, Anita L (TFE)(BPA) - TPLE-TPP-2; Jones, Christopher M (BPA) - TPLC-TPP-2

Subject: RE: Letter on Transmission Competition Process and Fossil Lake Solar

Importance: Normal

Attachments: image001.jpg; image002.jpg; image003.jpg

I had Anita further investigate the TSRs studied in the 2019 Cluster Study. Following is what we found:

Obsidian's TSRs 85803176, 85842065, and 87583265 were studied in the 2019 Cluster study. Each of these TSRs were 10 MW totaling 30 MW. The studied TSRs were listed in the LTPQ at the time as Fossil Lake Solar, LLC (85803176) and Fremont Solar, LLC (85842065 and 87583265). The 2019 Cluster Study indicated that these TSRs required LaPine area upgrades and 3<sup>rd</sup>-Party Mitigation (PGE Salem Area). AREF 87583265 also required CCS (PGE & PAC) in addition to LaPine and 3<sup>rd</sup>-Party mitigation.

<u>Ultimately, the customers elected to not sign the PEA and are no longer in the queue</u>. See below for the TSR status in CBSA.

The current LTPQ shows that Fossil Lake and Fremont Solar re-submitted TSRs totaling 40 MW on 10/16/2019. These were not studied as part of the 2020 Cluster Study based on the timing of their submission of these TSRs and are not part of the current TSEP.

**Thanks** 

Regards,

Ravi

From: Johnson, Kelly G (BPA) - TPC-TPP-4 < kgjohnson@bpa.gov>

**Sent:** Tuesday, January 28, 2020 11:35 AM

**To:** Cook, Jeffrey W (BPA) - TP-DITT-2 <jwcook@bpa.gov>; Chong Tim, Marcus H (BPA) - LT-7 <mhchongtim@bpa.gov>; Ko, Tina G (BPA) - TS-DITT-2 <tgko@bpa.gov>; Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2 <rkaggarwal@bpa.gov>; King, Robert D (BPA) - TP-TPP-2 <rkaggarwal@bpa.gov>; Bustamante, Richard (BPA) - TPP-OPP-3 <rxbustamante@bpa.gov>

Subject: RE: Letter on Transmission Competition Process and Fossil Lake Solar

Adding Ricky and some additional info.

While Obsidian mention that New Sun is only building two projects, that is only what is visibly under construction. They have proceeded with us into scoping and design with several of their other requests. It remains to be seen how many proceed to construction but they have fully funded all of the facility study and E&P type agreements we have put in front of them to date.

Obsidians' three year limit on deferral of their construction contract (to interconnect) expires this spring. Per the tariff, they would be removed from the queue after that time (this April) if they don't take it off hold and proceed.

Kelly

From: Johnson, Kelly G (BPA) - TPC-TPP-4 Sent: Tuesday, January 28, 2020 11:14 AM

To: Cook, Jeffrey W (BPA) - TP-DITT-2 < iwcook@bpa.gov >; Chong Tim, Marcus H (BPA) - LT-7 < mhchongtim@bpa.gov >; Ko, Tina G (BPA) - TS-DITT-2 < igko@bpa.gov >; Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2 < rkaggarwal@bpa.gov >; King, Robert D (BPA) - TP-TPP-2 < rkaggarwal@bpa.gov >
Subject: RE: Letter on Transmission Competition Process and Fossil Lake Solar

To all,

I polled Cherilyn and she provided the summary below. I added a few clarifications here and there in parenthesis

Interconnection side:

G0409 & G0410 – put in the GI requests on 2/26/2010

Interconnection studies completed 11/15/2013

At the Facility Study review meeting, the AE (Eric Taylor) reminded the customer that GI service does not guarantee firm transmission service (there's a big caveat in all the reports to that effect too) and suggested they might want to get a TSR in the queue.

BPA offered an E&P in 2014, which the customer declined to execute. (E&P is optional for Gen requests so this is not cause for removal)

BPA noticed in late 2016 during a review of the queue that these two requests were sitting without any activity. (This was part of our queue administration and clearing efforts) Customer was offered the choice of executing a construction agreement or being removed from the GI queue.

Customer signed a construction agreement 3/15/2017 and immediately requested to put it on hold. Customer has met not even the first milestone (no payment has ever been made) and will be removed from our queue in April for failure to comply with the terms of the contract. (They can put them on hold for 3 years and that time is coming up)

1/6/2016 – NewSun submitted the first of their GI requests. They submitted the first of their TSR's later in 2016, even before the GI studies finished. They executed E&P's immediately after Facility Study to keep their projects

moving. NewSun's first solar project went online last December and they have a bunch more coming online this year.

Obsidian (owner of G0409 and G0410) had a nearly six year advantage over NewSun in terms of queue priority. The difference in the two developers' results seems to be primarily a result of the difference in the two developers' actions.

Kelly

From: Cook, Jeffrey W (BPA) - TP-DITT-2 < iwcook@bpa.gov>

Sent: Tuesday, January 28, 2020 7:57 AM

To: Chong Tim, Marcus H (BPA) - LT-7 < mhchongtim@bpa.gov>; Ko, Tina G (BPA) - TS-DITT-2 < tgko@bpa.gov>;

Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2 < rkaggarwal@bpa.gov>; King, Robert D (BPA) - TP-TPP-2

<a href="mailto:rdking@bpa.gov">rdking@bpa.gov">rdking@bpa.gov</a>; Johnson,Kelly G (BPA) - TPC-TPP-4 <a href="mailto:kgjohnson@bpa.gov">kgjohnson@bpa.gov</a>> Subject: FW: Letter on Transmission Competition Process and Fossil Lake Solar

I read through their letter last night and though I have heard of the Deferral Process I am not overly versed on it. I am guessing this is a business decision/process BPA has decided upon but would like to understand better and of course we need to respond to Mr. Brown.

Kelly and Ravi - Can you provide some background on their requests and the New Sun requests and how much is

in front of them in the queue. Basically a little history.

Marcus and Tina – We should discuss the Deferral Practice and make sure we are all versed on how BPA is applying it. I will have Deb setup some time for us.

Jeffrey W. Cook P.E.

VP Transmission Planning and Asset Management

Bonneville Power Administration

360-418-8981

From: Chong Tim, Marcus H (BPA) - LT-7 Sent: Monday, January 27, 2020 4:40 PM

To: Cook, Jeffrey W (BPA) - TP-DITT-2; Aggarwal, Ravi K (TFE)(BPA) - TPL-TPP-2

Cc: Ko, Tina G (BPA) - TS-DITT-2

Subject: FW: Letter on Transmission Competition Process and Fossil Lake Solar

FYI. This just came in.

Marcus H. Chong Tim

# BPA Office of General Counsel 503-230-4083 (Office)



From: Peter Brown pbrown@obsidianrenewables.com>

Sent: Monday, January 27, 2020 4:28 PM

To: Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov>

Cc: Chong Tim, Marcus H (BPA) - LT-7 < mhchongtim@bpa.gov >; Johnson, Danielle M (TFE)(BPA) - TOOS-DITT-1

<dmjohnson@bpa.gov>; Mainzer,Elliot E (BPA) - A-7 <eemainzer@bpa.gov>; David Brown

<a href="mailto:sidianrenewables.com"><a href="mailto:sidianrenewables

Subject: [EXTERNAL] Letter on Transmission Competition Process and Fossil Lake Solar

Dear Mr. Shaheen:

Attached please find a letter from Obsidian Renewables, LLC regarding our experience with attempting to obtain transmission rights for a solar project we are developing near Christmas Valley, Oregon.

The purpose of the letter is to bring to your attention ways in which we believe BPA's transmission competition process could be improved, for the mutual benefit of BPA and developers such as Obsidian. Our goal is to get on line sooner rather than later, and become a paying customer for BPA.

We sincerely appreciate your consideration of this letter, and I will be calling in the next few days to request a

follow-up meeting to discuss it further.

And of course, please feel free reach out to me sooner with any questions or thoughts.

Kind regards,

Peter Brown, Vice President

Obsidian Renewables, LLC

5 Centerpointe, Suite 250

Lake Oswego, OR 97035

Office: 503-542-8873

Cell: (b)(6)

From: Cook, Jeffrey W (BPA) - TP-DITT-2

Sent: Monday, March 23, 2020 11:54 AM

To: Lockman, Christopher L (BPA) - TSE-TPP-2; Ko, Tina G (BPA) - TS-DITT-2

Cc: Green, Laura E (TFE)(BPA) - TSE-TPP-2; Green, Ava W (BPA) - LT-7; Kutil, Sarah M (BPA) -

LT-7; Chong Tim, Marcus H (BPA) - LT-7; Taylor, Eric K (BPA) - TSQR-TPP-2;

Jones, Christopher M (BPA) - TPLC-TPP-2; Cathcart, Michelle M (BPA) - TO-DITT-2;

Johnson, Danielle M (TFE) (BPA) - TOOS-DITT-1

Subject: RE: Follow-up letter after February Meeting with BPA associates

Thanks Chris and please loop TPC in as well since Kelly and or Cherilyn probably has a lot of info to contribute as well since they worked with them directly on some of these items.

# (b)(5)

Jeffrey W. Cook P.E. VP Transmission Planning and Asset Management Bonneville Power Administration 360-418-8981

From: Lockman, Christopher L (BPA) - TSE-TPP-2 < cllockman@bpa.gov>

Sent: Monday, March 23, 2020 9:15 AM

To: Ko,Tina G (BPA) - TS-DITT-2 <tgko@bpa.gov>; Cook,Jeffrey W (BPA) - TP-DITT-2 <twook@bpa.gov>

Cc: Green, Laura E (TFE)(BPA) - TSE-TPP-2 < legreen@bpa.gov >; Green, Ava W (BPA) - LT-7 < awgreen@bpa.gov >;

Kutil,Sarah M (BPA) - LT-7 < <a href="mailto:smkutil@bpa.gov">smkutil@bpa.gov</a>; Chong Tim,Marcus H (BPA) - LT-7 < <a href="mailto:mhchongtim@bpa.gov">mhchongtim@bpa.gov</a>; Taylor,Eric K

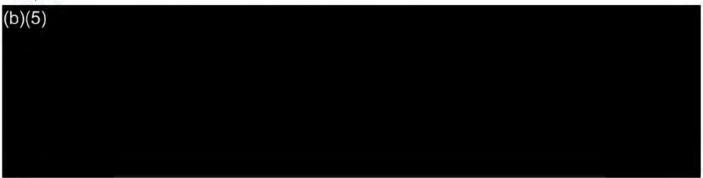
(BPA) - TSQR-TPP-2 <ektaylor@bpa.gov>; Jones, Christopher M (BPA) - TPLC-TPP-2 <cmjones@bpa.gov>;

Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov >; Johnson, Danielle M (TFE)(BPA) - TOOS-DITT-1

<dmjohnson@bpa.gov>

Subject: FW: Follow-up letter after February Meeting with BPA associates

Tina, Jeff -



We have our follow up internal meeting on April 7<sup>th</sup> to discuss next steps. I'll set up a few meetings with staff in the meantime to get their perspective on the letter and recommended actions we can take.

Thank you, Chris

#### Chris Lockman

Transmission Account Executive (TSE)
BONNEVILLE POWER ADMINISTRATION

cllockman@bpa.gov | P 360-619-6017 | C (b)(6)











From: Peter Brown <pbre>pbrown@obsidianrenewables.com>

Sent: Friday, March 20, 2020 3:57 PM

To: Shaheen, Richard L (BPA) - T-DITT-2 < rlshaheen@bpa.gov>

Cc: Richard Lorenz (rlorenz@cablehuston.com) <rlorenz@cablehuston.com>; David Brown

<a href="mailto:</a> <a href="

Subject: [EXTERNAL] Follow-up letter after February Meeting with BPA associates

Dear Mr. Shaheen:

Attached is a letter that is in response to the very productive meeting that was held with BPA associates in February, regarding the Competition Process and Fossil Lake Solar.

Please note that our Account Representative, Chris Lockman, who hosted the previous meeting, is also copied here. Chris, please share this letter with the appropriate people prior to our telephone conference on Monday.

Thank you once again for the opportunity to bring these ideas forward for consideration at BPA.

Kind regards,

Peter Brown, Vice President Obsidian Renewables, LLC 5 Centerpointe, Suite 250 Lake Oswego, OR 97035

Office: 503-542-8873

Cell: (b)

2

From: Ehli,Cathy L (BPA) - PT-5

**Sent:** Thursday, June 17, 2021 2:28 PM

To: Allen,Adrian S (BPA) - PTL-5; Baskerville,Sonya L (BPA) - DIN-WASH; Bentz,Roger E (BPA)

- B-3; Berdahl,Rebecca M (BPA) - TSQT-TPP-2; Bersaas,Melanie J (BPA) - TSQT-TPP-2; Chambers,Joseph L (BPA) - TSRE-DITT-1; Davis,Katie L (CONTR) - TSQT-TPP-2;

Davis, Thomas E (BPA) - LT-7; DeForest, Lon C (BPA) - PTM-5; Dhalai, Hamedah N (BPA) - PTKP-5; Dibble, Rachel L (BPA) - B-3; Eaton, Sara L (BPA) - PTM-5; Edwards, Robert W

(BPA) - PTK-5; Elizeh,Edison G (BPA) - TP-MODD; Federovitch,Eric C (BPA) - PTL-5; Fredrickson,Rebecca E (BPA) - TSQ-TPP-2; Graessley,Eric W (BPA) - PTM-5;

Griffen, Christian W (BPA) - LT-7; Haraguchi, Kelii H (BPA) - PTM-5; Hayes, Matthew C (BPA) - PGST-5; Henderson, Michael R (BPA) - CBC-7; Hill, Denise E (BPA) - TSQT-TPP-2; Hilliard Creecy, Jamae (BPA) - PE-6; Johnson, Robert C (BPA) - PTK-5; Kaseweter, Alisa D

(BPA) - DI-7; Kerns, Steven R (BPA) - B-3; King, Eric V (BPA) - TSBM-TPP-2; King, Robert D (BPA) - TP-TPP-2; Kitali, Salah H (BPA) - TP-DITT-2; Kochheiser, Todd W (BPA) - TOI-DITT-2; Linn, Young S (TFE) (BPA) - TSE-TPP-2; Lockman, Christopher L (BPA) - TSE-TPP-2;

Lut,Agnes (BPA) - E-4; Malin VTC(30); Malin,Debra J (BPA) - PTL-5; Mantifel,Russell (BPA) - PGL-5; Marker,Douglas R (BPA) - DIR-7; Messemer,Clarisse M (BPA) - PGST-5;

Mezzatesta, Mariano (BPA) - PGST-5; Miller, Todd E (BPA) - LP-7; Pace, Dean J (BPA) - PTKT-5; Palandri, Anthony (BPA) - CBC-7; Pedersen Mainzer, Margaret E (BPA) - PTL-5; Pettinger, Rebekah S (BPA) - LP-7; Petty, Robert J (BPA) - PGP-5; Pleger, Derrick L (BPA) -

PSST-6; Polsky,Cynthia H (BPA) - DT-3; Pompel,Leslie J (BPA) - PTC-5; Puyleart,Frank R (BPA) - TOOC-DITT-2; Rohe,Kristina E (BPA) - PTC-5; Salazar,Tracey L (BPA) - TSQT-TPP-2; Shea,Jessica C (BPA) - CBE-7; Sigurdson,Ryan M (BPA) - LT-7; Simpson,Troy D (TFE)(BPA) - TOI-DITT-2; Standards of Conduct; Symonds,Mark C (BPA) - PTM-5;

Tarver,Adrina B (BPA) - PTKP-5; Tran,Tu T (BPA) - CBC-7; Truong,Mai N (BPA) - B-3; Turner,Kristel L (BPA) - DKP-7; Weinstein,Jason C (BPA) - PSS-6; Wingert,Kevin M (BPA) -

DKP-7; Yokota, Daniel R (BPA) - PSST-6; Racicot, Lynda S (BPA) - CNH-7;

Asmussen, Aundra E (BPA) - NST-4; Graessley, Eric W (BPA) - PTM-5; Gallas, Christine E (BPA) - PTC-5; Jetmalani, Vishnu N (BPA) - K-3; Mozena, Kevin I (BPA) - PSST-6;

Cathcart, Michelle M (BPA) - TO-DITT-2; Ko, Tina G (BPA) - TS-DITT-2; ADL\_PTF\_ONLY; Ludwig, Stephanie L (MFE)(BPA) - PTFR-5; Cooper, Suzanne B (BPA) - P-6; Boen, Jason M

(BPA) - KSBP-4

Subject: CES Summary: California ISO (CAISO) DMM Q1 2021 Report on Market Issues and

Performance Meeting - 06-16-21

Attachments: header.htm; CAISO\_DMM\_Q1\_2021\_Report\_06162021.pdf

From: Dan Williams < dwilliams@ces-ltd.com> Sent: Thursday, June 17, 2021 11:39 AM

To: Burczak,Sarah E (BPA) - BD-3 <seburczak@bpa.gov>; Ehli,Cathy L (BPA) - PT-5 <clehli@bpa.gov>; CESdeliverables <CESdeliverables@bpa.gov>; Trolese,Laura C (CONTR) <lctrolese@bpa.gov>; Symonds,Mark C (BPA) - PTM-5 <mcsymonds@bpa.gov>; Rich Gillman <ragillman@bpa.gov>; Jetmalani,Vishnu N (BPA) - K-3 <vnjetmalani@bpa.gov> Subject: [EXTERNAL] California ISO (CAISO) DMM Q1 2021 Report on Market Issues and Performance Meeting - 06-16-21

All,

Please find attached a summary of the CAISO Department of Market Monitoring's First Quarter 2021 Report on Market Issues and Performance meeting held June 16, 2021. Please contact us if you have any questions or would like to set up a conference call to discuss.

#### Highlights

- On June 16, 2021, the CAISO Department of Market Monitoring (DMM) held a stakeholder meeting to present its first quarter (Q1) 2021 report on market issues and performance.
- The CAISO DMM noted that due to settlements timeline changes that went into effect at the beginning of the year, it no longer
  has access to the interim settlements data it used previously to compile its quarterly reports and therefore certain data points,
  such as average wholesale energy costs and offset costs, were not available for this report but will instead be reported later in
  the year when final settlements data is available for Q1.
- The CAISO DMM reported the following highlights of Q1 2021 market performance:
  - o Market prices were significantly higher than Q1 2020, driven by high natural gas prices and congestion in February;
  - Hydroelectric production decreased by 25 percent compared to Q1 2020, while non-hydroelectric renewable generation increased by 15 percent, driven by increased utility-scale solar;
  - o Day-ahead market outcomes were structurally competitive on a system level in all hours of the quarter;
  - Prices generally converged between the day-ahead market (DAM) and fifteen-minute market (FMM) but diverged from the five-minute market; and
  - Imbalance conformance adjustments in the hour-ahead market (i.e., hour-ahead scheduling process or "HASP") and FMM continued their pattern of increasing year-on-year, as did conformance in the five-minute market (i.e., real-time dispatch or "RTD"), though to a lesser extent.
  - o Average Ancillary Service requirements, particularly for Regulation, increased in Q1-2021 relative to Q1-2020.
- The CAISO DMM provided the following highlights of the Western Energy Imbalance Market (EIM) in Q1 2021:
  - Market prices in the Southwestern areas of the EIM also increased significantly in Q1 2021, driven by the same conditions that increased prices in the CAISO area;
  - Sufficiency test failures and power balance violations drove price increases as well, particularly in the Arizona Public Service, NV Energy, and Salt River Project areas; and
  - o Northwest prices however were regularly lower than the rest of the system due to limited transfer capability.
- The CAISO DMM report also highlighted the impacts and issues surrounding the CAISO's accelerated implementation of its Commitment Costs and Default Energy Bid Enhancements (CCDEBE) and FERC Order No. 831 compliance – Phase 1 functionality, which was driven by the high gas prices that materialized in February.

## **Meeting Materials**

Q4 2020 Market Issues and Performance Report

#### **Analysis**

The CAISO DMM's Q1 2021 report provided useful data points on market results and two recent market functionality implementations. It is unfortunate that that CAISO's changes in settlements timelines will delay the CAISO DMM's ability to report on certain pricing trends, however, the overall benefit to the market of those settlements timeline changes seem to outweigh the costs of having to wait some additional time to review market outcomes. It is encouraging to see the CAISO DMM continue to provide detailed reports on the impact of the CAISO's FRP enhancements, both those that have already been implemented and those which are slated to be implemented in mid-2022, though it remains unclear what the CAISO's reaction to these reports is and whether the CAISO sees a need to further refine the program and/or address apparent issues that will remain even after the final round of enhancements are implemented. This is an area where it may be useful for the CAISO Market Surveillance Committee to do some analysis that could inform whether there would be benefit in the CAISO extending the deliverability constraint for the FRP to the RTD timeframe, to the extent it is feasible to do so.

Sincerely,

Dan Williams

Director of Market Intelligence

(b)(6) dwilliams@ces-ltd.com



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From: Ehli,Cathy L (BPA) - PT-5

Sent: Wednesday, December 15, 2021 9:37 AM

**To:** Allen,Adrian S (BPA) - PTL-5; Baskerville,Sonya L (BPA) - AIN-WASH; Bentz,Roger E (BPA)

- B-3; Berdahl, Rebecca M (BPA) - TSQT-TPP-2; Bersaas, Melanie J (BPA) - TSQT-TPP-2;

Chambers, Joseph L (BPA) - TSRE-DITT-1; Davis, Katie L (CONTR) - TSQT-TPP-2;

Davis, Thomas E (BPA) - LT-7; DeForest, Lon C (BPA) - PTM-5; Dhalai, Hamedah N (BPA) - PTKP-5; Dibble, Rachel L (BPA) - B-3; Eaton, Sara L (BPA) - PTM-5; Edwards, Robert W

(BPA) - PTK-5; Elizeh,Edison G (BPA) - TP-MODD; Federovitch,Eric C (BPA) - PTL-5;

Fredrickson, Rebecca E (BPA) - TSQ-TPP-2; Graessley, Eric W (BPA) - PTM-5;

Griffen, Christian W (BPA) - LT-7; Haraguchi, Kelii H (BPA) - PTM-5; Hayes, Matthew C

(BPA) - PGST-5; Henderson, Michael R (BPA) - CBC-7; Hilliard Creecy, Jamae (BPA) - PE-6; Johnson, Robert C (BPA) - PTK-5; Kaseweter, Alisa D (BPA) - Al-7; King, Eric V (BPA) -

TSBM-TPP-2; King,Robert D (BPA) - TP-TPP-2; Kitali,Salah H (BPA) - TP-DITT-2;

Kochheiser, Todd W (BPA) - TOI-DITT-2; Linn, Young S (TFE)(BPA) - TSE-TPP-2;

Lockman, Christopher L (BPA) - TSE-TPP-2; Malin VTC(30); Malin, Debra J (BPA) - PTL-5;

Mantifel,Russell (BPA) - PGL-5; Marker,Douglas R (BPA) - AIR-7; Messemer,Clarisse M (BPA) - PGST-5; Mezzatesta,Mariano (BPA) - PGST-5; Miller,Todd E (BPA) - LP-7;

Pace, Dean J (BPA) - PTKT-5; Palandri, Anthony (BPA) - PTMA-5; Pedersen

Mainzer, Margaret E (BPA) - PTL-5; Pettinger, Rebekah S (BPA) - LP-7; Petty, Robert J (BPA) - PGP-5; Pleger, Derrick L (BPA) - PSST-6; Polsky, Cynthia H (BPA) - DST-3; Puyleart, Frank

R (BPA) - TOOC-DITT-2; Rohe,Kristina E (BPA) - PTC-5; Salazar,Tracey L (BPA) - TSQT-

TPP-2; Shea,Jessica C (BPA) - CBE-7; Sigurdson,Ryan M (BPA) - LT-7; Simpson,Troy D (TFE)(BPA) - TSE-TPP-2; Standards of Conduct; Symonds,Mark C (BPA) - PTM-5;

Tarver, Adrina B (BPA) - PTKP-5; Tran, Tu T (BPA) - CBC-7; Truong, Mai N (BPA) - B-3;

Turner,Kristel L (BPA) - DKP-7; Weinstein,Jason C (BPA) - PSS-6; Wingert,Kevin M (BPA) -

DKP-7; Yokota, Daniel R (BPA) - PSST-6; Racicot, Lynda S (BPA) - N-7; Asmussen, Aundra E (BPA) - NST-4; Graessley, Eric W (BPA) - PTM-5; Gallas, Christine E (BPA) - PTC-5;

Jetmalani, Vishnu N (BPA) - K-3; Mozena, Kevin I (BPA) - PSST-6; Cathcart, Michelle M

(BPA) - TO-DITT-2; Ko,Tina G (BPA) - TS-DITT-2; ADL\_PTF\_ONLY; Ludwig,Stephanie L (MFE)(BPA) - PTFN-5; Cooper,Suzanne B (BPA) - P-6; Boen,Jason M (BPA) - KSBP-4;

Mace, Allison R (BPA) - BD-3

Subject: CES Summary: California ISO (CAISO) DMM Q3-2021 Report on Market Issues and

Performance Meeting - 12-14-21

Attachments: CAISO\_DMM\_Q3\_2021\_Report\_12142021.pdf

From: Dan Williams < dwilliams@ces-ltd.com>
Sent: Wednesday, December 15, 2021 9:18 AM

To: Burczak,Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Ehli,Cathy L (BPA) - PT-5 <clehli@bpa.gov>; CESdeliverables <CESdeliverables@bpa.gov>; Trolese,Laura C (CONTR) <lctrolese@bpa.gov>; Symonds,Mark C (BPA) - PTM-5 <mcsymonds@bpa.gov>; Rich Gillman <ragillman@bpa.gov>; Jetmalani,Vishnu N (BPA) - K-3 <vnjetmalani@bpa.gov> Subject: [EXTERNAL] California ISO (CAISO) DMM Q3-2021 Report on Market Issues and Performance Meeting - 12-14-21

All,

1

Please find attached a summary of the CAISO Department of Market Monitoring Third-Quarter 2021 Report on Market Issues and Performance meeting held December 14, 2021. Please contact us if you have any questions or would like to set up a conference call to discuss.

# Highlights

- On December 14, 2021, the CAISO Department of Market Monitoring (DMM) held a stakeholder meeting to present its Third Quarter (Q3) 2021 Report on Market Issues and Performance.
- The CAISO DMM reported the following highlights of Q3 2021 market performance for the CAISO market and Western Energy Imbalance Market (EIM):
  - Market prices were significantly higher than Q3 2020 (35%), driven by high natural gas prices and low hydroelectric production;
  - Performance of the Day-Ahead and Real-Time Markets (DAM, RTM) were highly competitive despite several periods of extremely high region-wide loads and prices;
  - o CAISO load peaked at about 43,947 MW on September 8, which is well below any peak load reported in the last decade;
  - Generation outages increased by 20% relative to Q3 2020 and were higher than any third quarter in the previous five vears;
  - Bilateral market prices in adjacent regions were often significantly higher than the CAISO market prices, reflecting extremely tight supply conditions in these other regions, during high load periods;
  - Flexible Ramping Product (FRP) system level prices were zero for over 99% of intervals in the 15-Minute Market (FMM) and 99.9% of intervals in the 5-Minute Market (RTD) for both upward and downward capacity;
  - Imbalance conformance adjustments averaged 1,400 MW during peak net load ramp hours, continuing the increase in operator use of imbalance conformance that began in 2017; and
  - California was a net importer from the EIM, on average, in all but one hour of the quarter, including during hours in which there is typically abundant solar generation in state.
- The CAISO DMM report also highlighted special takeaways from the quarter:
  - Following the August 4 implementation of the CAISO's new export, load, and wheeling priority functionality, high priority wheels were not scheduled in the market on most days, with a maximum on any day in the quarter of 350 MW; and
  - Non-resource-specific imports accounted for about 3,500 MW of Resource Adequacy (RA) capacity during peak hours of 2021, down from over 4,500 MW in 2020, and during peak hours over half of RA capacity was classified as use-limited.

# **Meeting Materials**

CAISO DMM Q3-2021 Report on Market Issues and Performance

## Analysis

The CAISO DMM's Q3 2021 report again provided useful metrics on market results, placing them in context with results from prior quarters and years to show trends over time. The CAISO DMM has added multiple useful metrics to its reports in response to stakeholder requests and questions, each of which help explain some of the higher-level market trends that have been developing. The CAISO DMM reports, however, are generally informational only – it is up to the CAISO staff to work with stakeholders to explain whether certain metrics indicate a need for market design adjustments, or what they mean in terms of market efficiency and performance. As noted during the most recent Market Performance and Planning Forum call, there are multiple areas that deserve further analysis by the CAISO, including the performance of the Order 831 (offer cap and maximum import bid price) enhancements implemented earlier this year and the interplay between the growth in the magnitude of available EIM transfers and the efficiency and utility of the traditional CAISO intertie market, among others. As the CAISO pivots to working on new big-picture initiatives in early 2022, hopefully it is also able to facilitate discussions on recent market trends in these areas and elsewhere to help inform the direction of those initiatives and their proposed long-term solutions.

Sincerely,

Dan Williams

Director of Market Intelligence





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From: Ehli,Cathy L (BPA) - PT-5

Sent: Thursday, February 11, 2021 2:59 PM

**To:** Allen,Adrian S (BPA) - PTL-5; Baskerville,Sonya L (BPA) - DIN-WASH; Bentz,Roger E (BPA)

- B-3; Berdahl, Rebecca M (BPA) - TSQT-TPP-2; Bersaas, Melanie J (BPA) - TSQT-TPP-2;

Chambers, Joseph L (BPA) - TSRE-DITT-1; Davis, Katie L (CONTR) - TSQT-TPP-2;

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Griffen, Christian W (BPA) - LT-7; Haraguchi, Kelii H (BPA) - PTM-5; Hayes, Matthew C (BPA) - PGST-5; Henderson, Michael R (BPA) - CBC-7; Hill, Denise E (BPA) - TSQT-TPP-2;

Hilliard Creecy, Jamae (BPA) - PTK-5; Johnson, Robert C (BPA) - PTK-5; Kaseweter, Alisa D

(BPA) - DI-7; Kerns, Steven R (BPA) - B-3; King, Eric V (BPA) - TSBM-TPP-2; King, Robert D (BPA) - TP-TPP-2; Kitali, Salah H (BPA) - TP-DITT-2; Kochheiser, Todd W (BPA) - TOI-

DITT-2; Linn, Young S (TFE)(BPA) - TSE-TPP-2; Lockman, Christopher L (BPA) - TSE-TPP-2;

Lut, Agnes (BPA) - E-4; Malin VTC(30); Malin, Debra J (BPA) - PTL-5; Mantifel, Russell (BPA)

- PGL-5; Marker, Douglas R (BPA) - DIR-7; Messemer, Clarisse M (BPA) - PGST-5;

Mezzatesta, Mariano (BPA) - PGST-5; Miller, Todd E (BPA) - LP-7; Pace, Dean J (BPA) -

PTKT-5; Palandri,Anthony (BPA) - CBC-7; Pedersen Mainzer,Margaret E (BPA) - PTL-5; Pettinger,Rebekah S (BPA) - LP-7; Petty,Robert J (BPA) - PGP-5; Pleger,Derrick L (BPA) -

PSST-6; Polsky,Cynthia H (BPA) - DT-3; Pompel,Leslie J (BPA) - PTC-5; Puyleart,Frank R

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DKP-7; Yokota, Daniel R (BPA) - PSST-6; Racicot, Lynda S (BPA) - CNH-7;

Cathcart, Michelle M (BPA) - TO-DITT-2; Ko, Tina G (BPA) - TS-DITT-2; ADL\_PTF\_ONLY;

Ludwig, Stephanie L (MFE)(BPA) - PTFR-5

Subject: CES Summary: California ISO (CAISO) Draft 2020-21 Transmission Plan Meeting -

02-09-2021

Attachments: header.htm; CAISO\_Draft\_2020-2021\_Transmission\_Plan\_Meeting\_02092021.pdf

From: Dan Williams <dwilliams@ces-ltd.com> Sent: Wednesday, February 10, 2021 8:34 PM

To: Burczak,Sarah E (BPA) - BD-3 <seburczak@bpa.gov>; Ehli,Cathy L (BPA) - PT-5 <clehli@bpa.gov>; CESdeliverables

<CESdeliverables@bpa.gov>; Trolese,Laura C (CONTR) < lctrolese@bpa.gov>; Symonds,Mark C (BPA) - PTM-5

<mcsymonds@bpa.gov>; Gillman,Richard A (BPA) - TSE-TPP-2 <ragillman@bpa.gov>; Jetmalani,Vishnu N (BPA) - K-3

<vnjetmalani@bpa.gov>

Subject: [EXTERNAL] California ISO (CAISO) Draft 2020-21 Transmission Plan Meeting - 02-09-2021

Please find attached a summary of the CAISO's 2020-2021 Transmission Planning Process Draft Transmission Plan meeting held February 9, 2021. Please contact us if you have any questions or would like to set up a conference call to discuss.

Highlights

- The CAISO held its regularly scheduled February Transmission Planning Process (TPP) meeting to provide updates on and discuss its 2020-2021 draft transmission plan (Draft Plan).
- The Draft Plan publication concludes the TPP Phase 2 sequential technical studies with the following key findings:
  - o Three transmission projects with an estimated cost of less than \$5M are needed to maintain transmission system reliability;
  - Two previously approved projects in the Pacific Gas and Electric (PG&E) area will remain on hold going forward as the need
    for both projects can be met by appropriately located battery resources that are otherwise needed for system capacity
    purposes according to the California Public Utility Commission (CPUC)-provided resource portfolios;
  - No policy- or economic-driven transmission projects were considered or recommended for approval in this planning cycle;
  - O No transmission projects in this transmission plan include facilities eligible for competitive solicitation.
- The CAISO presented findings from its informational studies completed as part of the 2020-21 TPP cycle, as follows:
  - o Regarding Frequency Response capabilities, the CAISO concluded that the Western Electric Coordinating Council (WECC) region is likely to continue to meet its frequency response requirements, and that the CAISO is likely to be able to self-provide its frequency response requirements provided that new inverter based resources (IBR) sited in the CAISO area have frequency response and that 10% headroom is maintained on them;
  - The CAISO is continuing to improve its modeling data in coordination with the WECC dynamic modeling database and going forward will look to include validation of models based on real-time contingencies and studies with modeling of behind the meter (BTM) generation;
  - While no new upgrades were developed to assist in Public Safety Power Shutoff (PSPS) program management, the CAISO will
    continue to coordinate with PG&E to evaluate mitigation options to exclude identified critical facilities from future PSPS
    events.
    - Note: the CAISO will look to coordinate with San Diego Gas and Electric (SDG&E) and Southern California Edison (SCE) on similar assessments in the next planning cycle.
- The CAISO requests that stakeholders submit comments on the draft plan to <u>regionaltransmssion@caiso.com</u> by February 23, 2021.
- The CAISO plans to present its draft plan to the CAISO Board of Governors (Board) for approval in March 2021.

#### **Meeting Materials**

Presentation
Draft Transmission Plan
2020-2021 Transmission Planning Process Webpage

#### **Analysis**

The CAISO's Draft Plan represents an immense amount of work on the behalf of CAISO staff and provides a great deal of data for stakeholders to sort through, most of which could only be covered at a high level in the meeting, leaving stakeholders to dig into the parts of the Draft Plan they are most interested in on their own and to follow up with CAISO staff where needed. There are multiple interesting parts of the Draft Plan worth considering, however it was the impact of considering battery procurement at the direction of the CPUC on reliability-based projects and the communication from the CAISO to the CPUC of study results concerning deliverability that seemed to garner the most questions and engagement during the meeting. In most of these areas, the CAISO appeared guarded in its answers, not wanting to overstep its bounds of responsibility between what it can recommend vs. what the CPUC ultimately has to make decisions around and direct. Hopefully by the time the final plan is released and discussed with the Board, more of the details will be filled in and staff will feel more comfortable having a fully open discussion of what needs to happen to maximize reliable outcomes under various scenarios, and at least cost.

Sincerely,

Dan Williams

Director of Market Intelligence (b)(6)

dwilliams@ces-ltd.com



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From: Ehli,Cathy L (BPA) - PT-5

Sent: Monday, December 20, 2021 3:31 PM

**To:** Allen,Adrian S (BPA) - PTL-5; Baskerville,Sonya L (BPA) - AIN-WASH; Bentz,Roger E (BPA)

- B-3; Berdahl,Rebecca M (BPA) - TSQT-TPP-2; Bersaas,Melanie J (BPA) - TSQT-TPP-2;

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PTKP-5; Dibble,Rachel L (BPA) - B-3; Eaton,Sara L (BPA) - PTM-5; Edwards,Robert W (BPA) - PTK-5; Elizeh,Edison G (BPA) - TP-MODD; Federovitch,Eric C (BPA) - PTL-5;

Fradrickson Dobosco E (PDA) TSO TDD 2: Crossley Eric M (PDA) DTM E:

Fredrickson, Rebecca E (BPA) - TSQ-TPP-2; Graessley, Eric W (BPA) - PTM-5;

Griffen, Christian W (BPA) - LT-7; Haraguchi, Kelii H (BPA) - PTM-5; Hayes, Matthew C (BPA) - PGST-5; Henderson, Michael R (BPA) - CBC-7; Hilliard Creecy, Jamae (BPA) - PE-6;

Johnson, Robert C (BPA) - PTK-5; Kaseweter, Alisa D (BPA) - AI-7; King, Eric V (BPA) -

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(BPA) - PGST-5; Mezzatesta, Mariano (BPA) - PGST-5; Miller, Todd E (BPA) - LP-7;

Pace, Dean J (BPA) - PTKT-5; Palandri, Anthony (BPA) - PTMA-5; Pedersen

Mainzer, Margaret E (BPA) - PTL-5; Pettinger, Rebekah S (BPA) - LP-7; Petty, Robert J (BPA) - PGP-5; Pleger, Derrick L (BPA) - PSST-6; Polsky, Cynthia H (BPA) - DST-3; Puyleart, Frank

R (BPA) - TOOC-DITT-2; Rohe,Kristina E (BPA) - PTC-5; Salazar,Tracey L (BPA) - TSQT-

TPP-2; Shea,Jessica C (BPA) - CBE-7; Sigurdson,Ryan M (BPA) - LT-7; Simpson,Troy D

(TFE)(BPA) - TSE-TPP-2; Standards of Conduct; Symonds, Mark C (BPA) - PTM-5;

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Jetmalani, Vishnu N (BPA) - K-3; Mozena, Kevin I (BPA) - PSST-6; Cathcart, Michelle M

(BPA) - TO-DITT-2; Ko,Tina G (BPA) - TS-DITT-2; ADL\_PTF\_ONLY; Ludwig,Stephanie L (MFE)(BPA) - PTFN-5; Cooper,Suzanne B (BPA) - P-6; Boen,Jason M (BPA) - KSBP-4;

Mace, Allison R (BPA) - BD-3

**Subject:** CES Summary: California ISO (CAISO) December Board of Governors General Session

Meeting - 12-17-2021

Attachments: CAISO\_December\_2021\_Board\_of\_Governors\_Meeting\_12172021.pdf

From: Chris Devon <cdevon@ces-ltd.com>
Sent: Monday, December 20, 2021 3:04 PM

To: Burczak, Sarah E (BPA) - PS-6 <seburczak@bpa.gov>; Ehli, Cathy L (BPA) - PT-5 <clehli@bpa.gov>; CESdeliverables <CESdeliverables@bpa.gov>; Trolese, Laura C (CONTR) <lctrolese@bpa.gov>; Symonds, Mark C (BPA) - PTM-5 <mcsymonds@bpa.gov>; Rich Gillman <ragillman@bpa.gov>; Jetmalani, Vishnu N (BPA) - K-3 <vnjetmalani@bpa.gov> Subject: [EXTERNAL] California ISO (CAISO) December Board of Governors General Session Meeting - 12-17-2021

All,

Please find attached a summary of the CAISO's December 2021 Board of Governors general-session meeting held December 17, 2021. Please contact us if you have any questions or would like to set up a conference call to discuss.

#### **Highlights**

- On December 17, 2021, the CAISO Board of Governors (Board) held a general-session meeting, at which it approved the CAISO's
  Contracts Management Enhancements initiative proposal, settlements system upgrade project budget, and the 2022 CAISO
  budget, as well as electing Governor Ashutosh (Ash) Bhagwat as its Chair and Governor Mary Leslie as its Vice Chair for 2022.
- The Board received an update from CAISO CEO Elliot Mainzer, on his CEO Report, that highlighted accomplishments for 2021, specifically around the CAISO's reliable operations through challenging grid conditions, coordination and collaboration with regional partners, and accelerated growth of storage deployment and integration, noting several additional highlights as follows:
  - o 2021 was a pivotal year for battery storage in California and the CAISO is set to finish the year with about 2,500 MW of battery storage installed on its grid, up from about 250 MW in summer 2020, which is the highest concentration of lithium-ion battery storage in the world, and although there were some operational and supply chain challenges along the way, in general, this new resource performed very well, especially during net peak operating periods;
  - o A historic moment occurred on a Saturday afternoon in late April when 94.5% of the energy on the grid came from renewables, setting a new record for California, on April 24, 2021, at 2:28 pm, surpassing the previous record of 92.5%; and
  - The CAISO is fully committed to positioning the Extended Day-Ahead Market (EDAM) concept as the next major step in West-wide market integration amidst a dynamic and competitive environment for market services, noting that the CAISO is mobilizing for a very intensive and focused EDAM stakeholder process to complete its market design changes by the end of 2022, implementation testing and participant readiness across 2023, and having a first "class" of EDAM market participants ready for onboarding in early 2024.
- CEO Mainzer also relayed that the CAISO has pushed back its return-to-building timeline from January 18 to March 14, 2022, due primarily to supply chain concerns, and plans to resume in-person stakeholder activity around mid-April.
- The Energy Imbalance Market (EIM) Governing Body (GB) Chair Anita Decker provided the Board its report, noting it last met on October 20, 2021, at which it received updates from the Body of State Regulators (BOSR), the Regional Issues Forum (RIF), and an update on the outcomes of the GB market expert survey and related next steps.
- The Board received informational reports available at the link below.

#### **Meeting Materials**

Board memos and presentations

Sincerely,

Chris Devon

Director, Market Intelligence - West

**Customized Energy Solutions** 

Mobile: (b)(6)

Email: cdevon@ces-ltd.com



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From: Ehli,Cathy L (BPA) - PT-5

**Sent:** Monday, October 19, 2020 11:39 AM

**To:** Allen,Adrian S (BPA) - PTL-5; Baskerville,Sonya L (BPA) - DIN-WASH; Bentz,Roger E (BPA)

- B-3; Berdahl,Rebecca M (BPA) - TSQT-TPP-2; Bersaas,Melanie J (BPA) - TSQT-TPP-2;

Chambers, Joseph L (BPA) - TSRE-DITT-1; Davis, Katie L (CONTR) - TSQT-TPP-2;

Davis,Thomas E (BPA) - B-3; DeForest,Lon C (BPA) - PTM-5; Dhalai,Hamedah N (BPA) - PTKP-5; Dibble,Rachel L (BPA) - B-3; Eaton,Sara L (BPA) - PTM-5; Edwards,Robert W (BPA) - PTKP-5; Elizeh,Edison G (BPA) - TP-MODD; Federovitch,Eric C (BPA) - PTM-5;

Fredrickson, Rebecca E (BPA) - TSQ-TPP-2; Gillman, Richard A (TFE)(BPA) - TSE-TPP-2;

Graessley,Eric W (BPA) - PTM-5; Griffen,Christian W (BPA) - LT-7; Haraguchi,Kelii H (BPA)

- PTM-5; Hayes,Matthew C (BPA) - PGST-5; Henderson,Michael R (BPA) - CBC-7; Hill,Denise E (BPA) - TSQT-TPP-2; Hilliard Creecy,Jamae (BPA) - PT-5; Johnson,Robert C (BPA) - PTK-5; Kaseweter,Alisa D (BPA) - DI-7; Kerns,Steven R (BPA) - B-3; King,Eric V

(BPA) - TSBM-TPP-2; King,Robert D (BPA) - TP-TPP-2; Kitali,Salah H (BPA) - TP-DITT-2;

Kochheiser, Todd W (BPA) - TOI-DITT-2; Linn, Young S (TFE)(BPA) - TSE-TPP-2; Lockman, Christopher L (BPA) - TSE-TPP-2; Lut, Agnes (BPA) - E-4; Malin VTC(30);

Malin, Debra J (BPA) - PTL-5; Mantifel, Russell (BPA) - PGL-5; Marker, Douglas R (BPA) - DIR-7; Messemer, Clarisse M (BPA) - PGST-5; Mezzatesta, Mariano (BPA) - PGST-5;

Miller, Todd E (BPA) - LP-7; Pace, Dean J (BPA) - PTKT-5; Palandri, Anthony (BPA) - CBC-7;

Pedersen Mainzer, Margaret E (BPA) - PTL-5; Pettinger, Rebekah S (BPA) - LP-7;

Petty,Robert J (BPA) - PGP-5; Pleger,Derrick L (BPA) - PSST-6; Polsky,Cynthia H (BPA) -

DT-3; Pompel,Leslie J (BPA) - PTC-5; Puyleart,Frank R (BPA) - TOOC-DITT-2;

Rohe,Kristina E (BPA) - PTC-5; Salazar,Tracey L (BPA) - TSQT-TPP-2; Shea,Jessica C (BPA) - CBE-7; Sigurdson,Ryan M (BPA) - LT-7; Simpson,Troy D (BPA) - TOI-DITT-2; Standards of Conduct; Symonds,Mark C (BPA) - B-3; Tarver,Adrina B (BPA) - PTKP-5; Tran,Tu T

(BPA) - CBC-7; Truong,Mai N (BPA) - B-3; Turner,Kristel L (BPA) - DKP-7; Weinstein,Jason C (BPA) - PSS-6; Wingert,Kevin M (BPA) - DKP-7; Yokota,Daniel R (BPA) - PSST-6; Racicot,Lynda S (BPA) - CNH-7; Asmussen,Aundra E (BPA) - NST-4; Graessley,Eric W (BPA) - PTM-5; Gallas,Christine E (BPA) - PTC-5; Jetmalani,Vishnu N (BPA) - K-3;

Mozena, Kevin I (BPA) - PSST-6; Cathcart, Michelle M (BPA) - TO-DITT-2; Ko, Tina G (BPA) -

TS-DITT-2; ADL\_PTF\_ONLY; Ludwig, Stephanie L (MFE)(BPA) - PTFR-5

Subject: CES Summary: California ISO (CAISO) DMM Report on Q1-Q2 2020 Market Issues and

Performance Meeting - 10-15-2020

Attachments: header.htm; CAISO\_DMM\_Q1-2\_2020\_Report\_10152020.pdf

From: Dan Williams

Sent: Monday, October 19, 2020 11:34 AM

To: Burczak, Sarah E (BPA) - BD-3; Ehli, Cathy L (BPA) - PT-5; CESdeliverables; Trolese, Laura C (CONTR); Symonds, Mark C

(BPA) - B-3; Gillman, Richard A (TFE)(BPA) - TSE-TPP-2; Jetmalani, Vishnu N (BPA) - K-3

Subject: [EXTERNAL] California ISO (CAISO) DMM Report on Q1-Q2 2020 Market Issues and Performance Meeting - 10-

15-2020

Please find attached a summary of the CAISO Department of Market Monitoring First- and Second-Quarter 2020 Report on Market Issues and Performance review meeting held October 15, 2020. Please contact us if you have any questions or would like to set up a conference call to discuss.

#### Highlights

- On October 15, 2020, the CAISO Department of Market Monitoring (DMM) held a stakeholder meeting to present its first
  and second quarter (Q1, Q2) 2020 reports on market issues and performance.
- The CAISO DMM stated that challenges related to the work from home order and the August and September heatwave events lead to a delay in the reports' publication.
- The reports and the CAISO DMM presentation cover similar high-level metrics to those included in prior iterations; however, the CAISO DMM emphasized the following:
  - Total estimated wholesale energy costs fell on lower gas prices and lower loads, the latter of which was due in part
    to the stay-home orders and changes in consumer demand owing to the Covid-19 pandemic, and also increased
    behind-the-meter solar generation and energy efficiency measures.
  - O Average day-ahead market (DAM) prices in Q2 2020 were below real-time prices.
  - Ancillary Services (AS) costs increased in Q1 2020 but decreased in Q2 2020.
  - Bid Cost Recovery (BCR) payments were comparably low for the two quarters, as was Exceptional Dispatch (ED) volume, however imbalance conformance continued prior trends by reaching new highs in the hour ahead scheduling process (HASP) and fifteen-minute market (FMM) horizons.
  - O Congestion Revenue Rights (CRR) auction payments exceeded revenues in both quarters.
  - Energy Imbalance Market (EIM) performance mirrored prior results, with the Northwest area prices being frequently lower than the rest of the system due to limited transfer rights being made available to the market and with Arizona Public Service Company (APS) and NV Energy experiencing the majority of Resource Sufficiency Evaluation (RSE) test failures, leading to power balance violations that increased overall prices for the two areas.
- The DMM report also highlighted a number of special issues, making observations and recommendations concerning the impact of Covid-19 on day-ahead energy prices, the downward dispatch of renewable resources, and the competitiveness of the CAISO's DAM, according to recently developed simulations.

#### **Meeting Materials**

Presentation
Q1 2020 Market Issues and Performance Report
Q2 2020 Market Issues and Performance Report

# Analysis

With one hour provided to cover 46 slides that summarized 245 pages of content between the Q1 and Q2 reports, the CAISO DMM had no chance to do justice to the depth of its analysis performed over the past few months. The CAISO DMM's analysis of market competitiveness, for example, could easily be part of an hour-long discussion itself – and that would be time well-spent given that the CAISO is being pushed to move forward with a controversial system market power mitigation (SMPM) proposal that does not appear to be needed based on the CAISO DMM's analysis, or at least may not be critically important to deliver when the CAISO has other implementation and policy efforts that appear more pressing. This just one example among many where there is opportunity for the CAISO to provide its DMM and stakeholders more opportunity to engage with each other – CRR modeling, FRP performance, the impact of voluntary limitations placed on EIM transfers, and many other areas are ripe for further detailed discussion that is grounded in the in-depth analysis performed. The CAISO DMM did suggest that it is open to feedback and questions on its report though, so if stakeholders would like to see these reports and meetings become more used and useful, there is an opportunity to make that request.

Sincerely,

Dan Williams

Director of Market Intelligence





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From: Sent:

To:

Ehli, Cathy L (BPA) - PT-5

Tuesday, May 28, 2019 11:54 AM

Allen, Adrian S (BPA) - PTL-5; Baskerville, Sonya L (BPA) - DIN-WASH; Bentz, Roger E (BPA) B-3; Berdahl, Rebecca M (BPA) - TSBR-TPP-2; Bersaas, Melanie J (BPA) - TSBR-TPP-2; Chambers, Joseph L (BPA) - PTC-5; Cooper, Suzanne B (BPA) - PT-5; Davis, Katie L (CONTR) - TSBR-TPP-2; Davis, Thomas E (BPA) - B-3; DeForest, Lon C (BPA) - PTM-5; Dernovsek, David K (BPA) - PTF-5; Dhalai, Hamedah N (BPA) - PTKP-5; Dibble, Rachel L (BPA) - TSQ-TPP-2; Eaton, Sara L (BPA) - PTM-5; Edwards, Robert W (BPA) - PTKP-5; Ehli, Cathy L (BPA) - PT-5; Elizeh, Edison G (BPA) - TP-MODD; Federovitch, Eric C (BPA) -PTM-5; Fredrickson, Rebecca E (BPA) - TSQR-TPP-2; Gillman, Richard A (TFE) (BPA) - TSQ-TPP-2; Graessley, Eric W (BPA) - PTM-5; Griffen, Christian W (BPA) - LT-7; Haraguchi, Kelii H (BPA) - PTM-5; Hayes, Matthew C (BPA) - PGST-5; Henderson, Michael R (BPA) - CBC-7; Hill, Denise E (BPA) - TOOC-DITT-2; Hilliard Creecy, Jamae (BPA) - PTK-5; Johnson, Robert C (BPA) - PTK-5; Kaseweter, Alisa D (BPA) - DI-7; Kerns, Steven R (BPA) - B-3; King, Eric V (BPA) - TSQM-TPP-2; King, Robert D (BPA) - TP-TPP-2; Kitali, Salah H (BPA) - TOI-DITT-2; Kochheiser, Todd W (BPA) - TOI-DITT-2; Linn, Young S (TFE) (BPA) - TSE-TPP-2; Lockman, Christopher L (BPA) - PSST-6; Lut, Agnes (BPA) - B-3; Malin VTC(30); Malin, Debra J (BPA) - PTL-5; Mantifel, Russell (BPA) - B-3; Marker, Douglas R (BPA) -DIR-7; Messemer, Clarisse M (BPA) - PGST-5; Meyers, Andrew P (BPA) - PTF-5; Mezzatesta, Mariano (BPA) - PGST-5; Miller, Todd E (BPA) - LP-7; Pace, Dean J (BPA) -PTKT-5; Palandri, Anthony (BPA) - CBC-7; Pedersen Mainzer, Margaret E (BPA) - PTL-5; Pettinger, Rebekah S (BPA) - LP-7; Petty, Robert J (BPA) - PGP-5; Pleger, Derrick L (BPA) -PSST-6; Polsky,Cynthia H (BPA) - PGST-5; Pompel,Leslie J (BPA) - PTC-5; Puyleart,Frank R (BPA) - TOOC-DITT-2; Rohe, Kristina E (BPA) - PTC-5; Salazar, Tracey L (BPA) - TSBR-TPP-2; Shea, Jessica C (BPA) - CBE-7; Sigurdson, Ryan M (BPA) - LT-7; Simpson, Troy D (BPA) - TOI-DITT-2; Spain, Alex J (MFE)(BPA) - PTF-5; Standards of Conduct; Symonds, Mark C (BPA) - B-3; Tarver, Adrina B (BPA) - PTKP-5; Tran, Tu T (BPA) - PGPR-5; Truong, Mai N (BPA) - PGSP-5; Turner, Kristel L (BPA) - DKP-7; Vander Laan, Dirk A (BPA) -PTL-5; Weinstein, Jason C (BPA) - PSS-6; Wingert, Kevin M (BPA) - DKP-7; Yokota, Daniel R (BPA) - PSST-6; Racicot,Lynda S (BPA) - CBC-7; Asmussen,Aundra E (BPA) - NST-4; Graessley, Eric W (BPA) - PTM-5; Gallas, Christine E (BPA) - PTC-5; Jetmalani, Vishnu N (BPA) - KSC-4; Mozena, Kevin I (BPA) - PSST-6; Cathcart, Michelle M (BPA) - TO-DITT-2;

Subject:

CES Summary: California ISO (CAISO) DMM 2018 Annual Report on Market Issues and

Performance Meeting 5-23-19

Attachments:

CAISO\_DMM\_Annual\_Report\_2018\_05232019.pdf

Ko, Tina G (BPA) - TS-DITT-2; Hulett, Jimmy D (BPA) - LT-7

From: Dan Williams [mailto:dwilliams@ces-ltd.com]

Sent: Friday, May 24, 2019 5:47 PM

To: Ehli, Cathy L (BPA) - PT-5; CESdeliverables; Symonds, Mark C (BPA) - B-3; Gillman, Richard A (TFE)(BPA) - TSQ-TPP-2;

Jetmalani, Vishnu N (BPA) - KSC-4

Subject: [EXTERNAL] California ISO (CAISO) DMM 2018 Annual Report on Market Issues and Performance Meeting 5-23-19

All-

1

Please find attached a summary of the CAISO Department of Market Monitoring's 2018 Annual Report on Market Issues and Performance, as published May 15, 2019, and discussed at the meeting held May 23, 2019. Please contact us if you have any questions or would like to set up a conference call to discuss.

## **Highlights**

- The CAISO DMM issued its 2018 Annual Report on Market Issues and Performance on May 15, 2019, and held a conference call
  to discuss the report on May 23, 2019.
- Highlights of the report and call include:
  - o The CAISO market and energy imbalance market (EIM) continued to perform efficiently and competitively overall.
  - o In the CAISO, total wholesale electric costs increased to \$10.8 billion or about \$50/MWh.
  - Day-ahead market (DAM) prices, which reached historic highs on a few days, were often driven by gas prices in the nextday gas market for SoCal Citygate, where gas prices increased significantly.
  - Prices in the DAM were consistently higher than real-time market (RTM) prices in most hours due in part to additional RTM supply from under-scheduled renewables and other balancing areas, manual adjustments to load, and additional energy from out-of-market dispatches.
  - Payouts to holders of auctioned congestion revenue rights (CRRs) exceeded the auction revenues by over \$131 million in 2018.
  - Ancillary service (AS) costs increased to \$189 million and bid cost recovery (BCR) payments in the CAISO increased to the highest value since 2011, totaling \$153 million, or about 1.4 percent of total energy costs.
  - The frequency and impact of automated local market power bid mitigation provisions increased notably in 2018 but remained relatively low overall.
  - The CAISO DMM concludes the CAISO's energy markets were generally competitive in 2018. However, analysis indicates
    that prices were significantly in excess of competitive levels in some hours when the net load that must be met by gasfired units is highest.
- The CAISO DMM offered a number of recommendations on current and proposed CAISO policy and market issues, as is summarized below.

# **Meeting Material**

Presentation Annual Report

# Analysis

Heading in to the balance of 2019, the DMM report provides good information and context for a few of the ongoing policy initiatives, including, among others, the system market power analysis, the price performance analysis, and the RA enhancements initiative. The DMM report also highlights trends and interrelationships that warrant close watch, including the relationship between net-load curve ramping (operational) requirements, load biasing, price formation (especially in the FMM), and the viability of the FRP, all of which of course could inform the day-ahead market enhancements discussion, especially the day-ahead FRP design.

Sincerely,

Dan Williams
Director of Market Intelligence

(b)(6)

dwilliams@ces-ltd.com

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From: Winner, Scott W (BPA) - PGS-5
Sent: Friday, March 6, 2020 3:34 PM

To: Van Calcar, Pamela M (BPA) - PGS-5; Spain,Alex J (MFE)(BPA) - PTF-5; Cooper,Suzanne B

(BPA) - PT-5; Cathcart, Michelle M (BPA) - TO-DITT-2; Viskov, Jim S (BPA) - JC-6; Siewert, Christopher W (BPA) - TORD-DITT-1; Sanford, Chris T (TFE) (BPA) - TOR-DITT-1 bellison (bellison@utilicast.com); Bentz, Roger E (BPA) - B-3; Bolas, Angela E (BPA) - PGSD-5; Chang, Elsa (BPA) - PGST-5; Christman, Locke A (BPA) - PGSD-5; Cobb, Eva J (CONTR) - TTBP-MODD; crichter (crichter@utilicast.com); Dernovsek, David K (BPA) -

(CONTR) - TTBP-MODD; crichter (crichter@utilicast.com); Dernovsek, David K (BPA) - PTF-5; Dorcheus, Curtis W (BPA) - TTBG-MODD; Edwards, Bryan C (BPA) - BA-3; Edwards, Robert W (BPA) - PTKP-5; Epifanov, Calin S (BPA) - JCD-6; Fahy, Benjamin J L (BPA) - PD-5; Goodwin, Andrew L (CONTR) - BD-3; Hansen, Bradley T (TFE) (BPA) - TOCM-MEAD; Hansen, Lisa M (BPA) - BD-3; Haraguchi, Kelii H (BPA) - PTM-5; Harward, William J (CONTR) - JLP-3; Hunziker, Cameron (BPA) - TOII-DITT-2; Jackson, Holly K (TFE) (BPA) -

TORO-DITT-1; Jones, Emily C (BPA) - PGSD-5; Judson, David L (CONTR) - BD-3; Jungling, Darren L (BPA) - JBC-B1; Kingsford, Brent E (TFE)(BPA) - TORD-DITT-1; Kirsch, David J (TFE)(BPA) - TOOC-DITT-2; Kler, Kirsten M (BPA) - NNP-B1;

Kochheiser,Todd W (BPA) - TOI-DITT-2; Lana,Aaron D (BPA) - PGSD-5; Loveland,Traci A (CONTR) - BD-3; Mai,Brian P (CONTR) - TTBP-MODD; Matthews,Minh L (BPA) - JLP-3; McManus,Bart (BPA) - TOOC-DITT-2; Miller,Anna-Lisa B (BPA) - B-3; Minden,Vincent L (BPA) - TTSD-DITT-2; Newlon,Scott M (BPA) - PTK-5; Oden,Kim L (BPA) - NSSF-4; Polizos,Tina L (BPA) - JNR-2; Randolph,Kimberly L (BPA) - PGSD-5; Rick Schaal (rschaal@utilicast.com); rkroelinger@utilicast.com; Sackett,Rian R (TFE)(BPA) - TOOC-

DITT-2; Simpson, Mark C (BPA) - PGSD-5; Simpson, Troy D (BPA) - TOI-DITT-2;

Stroeber,Linda R (CONTR) - JLP-3; Turner,Jamey SW (BPA) - BD-3; Valentine,Don H (BPA) - JLP-3; Winner,Scott W (BPA) - PGS-5; Womack,Kristopher J (TFE)(BPA) - TOOC-DITT-2; Yim,Joon S (BPA) - PGSD-5; zgillsanford@utilicast.com; Zornick,Russ (BPA) - TTSD-

DITT-2

Subject:Bid and Base Scheduling: Week end reportAttachments:PGS EIM Process changes (v2.1).docx

# 2020 03 Mar 06 - Weekly Progress Report

# **Team's Immediate Tasks:**

- Contracting: Software documentation development for GEM, Information Security, Cyber Security, PMO, and Contracting
- Power: investigate and articulate data that currently does not exist that will be needed for EIM Bid and Base Scheduling
- Transmission: sort POR/POD points into ETSR categories and draft ETSR names and descriptions.
- IT: Take the "Day in the Life" to the next level of detail; sort B&BS elements into data packages and start working on when data packages will need to be uploaded / sent.

## Noteworthy from this week:

- Project was presented to the GEM (thanks Elsa!) and the GEM voted to formally move the project out
  of "Define" and into "Integrate".
  - o This will enable the project to more formally engage with the contracting process.
- This week we had software demos from MCG, PCI and OATI
  - o The PCI demo included 40 cross agency BPA viewers
- Sponsors have requested "Issues Tacking" to be added to this weekly report.

Cc:

# Noteworthy for next week:

- CAISO/BPA quarterly meeting, Elsa will represent Bid and Base Scheduling
- Continue to work on team's immediate tasks
- Submit Non-Competitive Justification request
- Start Statement of Work, Scott is going to model this after the Wind Power Forecasting vendor contracts
- Scott will (virtually) be in Salt Lake next week for WECC meetings; Tuesday and Wednesday

# Issues tracking

Below are issues that have been identified by *Bid and Base Scheduling*. The team will be putting together a schedule and assignments for addressing the issues over the next few months. Some may be assigned to other projects.

- Manual Dispatch: How will within hour BA energy changes from Contingency Reserve deployments (INC) and RAS (DEC) be accounted for with EIM settlements?
- Manual Dispatch: How with the Western EIM be notified of Contingency and RAS events?
- Redispatch: How will energy neutral BA generation redispatch initiated by either Power or Transmission be accounted for with EIM settlements?
- RAS Arming: Will non-participating resources be armed for RAS?
- Uninstructed Energy Imbalance: How will Uninstructed Energy Imbalance be tracked by project?
- Uninstructed Energy Imbalance: How will BPA coordinate with Federal Partners to minimize EIM charges due to Station Control Error.
- Generation Distribution Factors (GDF): How will GDF be created in the planning horizon?
- Generation Distribution Factors (GDF): How will GDF be updated in Real-time?
- Generation Distribution Factors (GDF): How will GDF get to AGC and the EIM?
- Available Capacity: Currently INC and DEC is model at the system level. In the future how will that be parsed into Contingency reserves, Regulation and Bid Capacity by Node?
- · User communication: how will the project engage with users?

Kind regards,

Scott Winner
Bonneville Power Administration
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Portland, OR 97208
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swwinner@bpa.gov

From: Baskerville, Sonya L (BPA) - DIN-WASH
Sent: Thursday, June 13, 2019 1:40 PM

To: Chong Tim, Marcus H (BPA) - LT-7; Johnson, Tim A (BPA) - LP-7; Symonds, Mark C (BPA) -

B-3; Marker, Douglas R (BPA) - DIR-7; Miller, Todd E (BPA) - LP-7; Aggarwal, Ravi K (TFE)

(BPA) - TPL-TPP-2; Elizeh, Edison G (BPA) - TP-MODD; Ehli, Cathy L (BPA) - PT-5;

Jetmalani, Vishnu N (BPA) - KSC-4; Linn, Young S (TFE) (BPA) - TSE-TPP-2;

Cathcart, Michelle M (BPA) - TO-DITT-2

Subject: FW: APPA GRWG et al.: Summary of Energy Subcommittee FERC Oversight Hearing

FYI: Share within BPA with others who may be interested.

From: Clay Bryan [mailto:cbryan@PUBLICPOWER.ORG]

**Sent:** Thursday, June 13, 2019 11:44 AM **To:** GRWG-L@LISTSERV.PUBLICPOWER.ORG

Subject: APPA GRWG et al.: Summary of Energy Subcommittee FERC Oversight Hearing

June 13, 2019

TO: Government Relations Working Group

**RTO Markets Listsery** 

FROM: Elise Caplan / ecaplan@publicpower.org / 202-467-2974

SUBJECT: Summary of Energy Subcommittee FERC Oversight Hearing

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Yesterday, the House Energy & Commerce Committee's Subcommittee on Energy held a hearing entitled, "Oversight of FERC: Ensuring Its Actions Benefit Consumers and the Environment." A recording of this hearing can be found <a href="here">here.</a>. Representative Billy Long (R-MO), who is not on the subcommittee, was granted permission to sit in on the hearing.

# **Opening Statements**

Subcommittee Chairman Bobby Rush (D-IL) reiterated both his opposition to any Federal Energy Regulatory Commission (FERC or Commission) actions to support coal or nuclear plants, and his support for the states' ability to choose a portfolio of resources that benefit their constituents. He stated that Illinois is promoting nuclear and renewable power as reliable carbon-free resources and does not "want to see FERC standing in the way of that progress."

Chairman Rush also expressed support for FERC's Order 841 (on the participation of electric storage resources in wholesale electricity markets) and stated that it is time for FERC to issue a final rule on distributed energy resource (DER) participation. Mr. Rush said that the states should be able to integrate more renewables through transmission and that consumers' voices should be heard within Regional Transmission Organization (RTO) governance.

Ranking Member Fred Upton (R-MI) delivered broad opening remarks (posted on his website <a href="here">here</a>), noting the increasing challenges to building new natural gas pipelines and transmission facilities, stating that "we have started to see this process strained by States that are not performing their federally-delegated responsibilities in timely fashion." Mr. Upton also emphasized physical and cyber security for both the electric grid and the pipeline network, noting that the "regulatory framework for pipelines may have gaps that should be examined."

Energy & Commerce Committee Chairman Frank Pallone (D-NJ) stated that greenhouse gas emissions need to be fully considered within the natural gas pipeline approvals. He also stated that wholesale markets have promoted competition, reduced prices, and provided environmental benefits; applauds the Commission's work on Order 841; and looks forward to hearing more about DERs. Mr. Pallone recommended a review of Order 1000 implementation, particularly consideration of non-transmission alternatives, noting his concern with the RTO assessment of transmission needs, which has resulted in unnecessary projects in New Jersey. He recommended greater scrutiny of capacity markets, stating that the "whole state of affairs is a mess." His remarks are available here.

Representative Joe Kennedy (D-MA) emphasized the importance of RTO governance and the importance of good governance for RTO accountability.

Energy & Commerce Committee Ranking Member Greg Walden (R-OR) expressed support for United States' exports of natural gas, the development of new technologies, such as carbon capture, and the importance of hydropower, noting the committee's work on small scale hydropower licensing. Mr. Walden emphasized the need for adequate transmission capacity and expressed concerns about natural gas pipeline constraints in New England and the impact on consumers. He also noted his interest in the security of the grid.

Below is a brief summary of the opening statements from the four FERC Commissioners, along with links to their written statements.

<u>Chairman Neil Chatterjee</u> focused on the Commission's efforts on electric storage, cyber and physical security, and reform of the Public Utility Regulatory Policies Act (PURPA).

Commissioner Cheryl A. LaFleur addressed three issues: resource selection and the tension between the capacity markets and state actions to retain or support certain new resources; how to price resources and the move away from volume-based pricing to pricing services, such as scarcity, ramping, new types of reserves and essential reliability services; and infrastructure. Commissioner LaFleur noted that the introduction of competitive transmission has been slower and more difficult than anticipated.

Commissioner Richard Glick emphasized the importance of clean energy, stating that although FERC is not a climate regulator, its actions have substantial implications for climate change. He stated that the time has come for the Commission to eliminate barriers to DERs, and that the Commission but has ignored its statutory mandates in the permitting of natural gas pipelines. (Commissioner Glick's written testimony has a more detailed discussion of hydropower permitting.)

Commissioner Bernard L. McNamee discussed liquefied natural gas (LNG) and FERC's role in helping the United States become a net exporter of natural gas; the Commission's approval of new pipelines; Commission actions to implement Tax Cuts and Jobs Act of 2017 and ensure those cuts are reflected in natural gas pipeline rates; the benefits and concerns about the wholesale markets; and his partial dissent in Order 841.

# **Questions and Answers**

Below are the highlights of the key issues discussed:

Chairman Rush, Chairman Pallone, and Representative Kennedy all raised concerns about governance in the RTOs, with Mr. Pallone asking if it was time to revisit Order 719 (which among numerous other issues,

addressed improvements to RTO governance.) Representative Kennedy stated that the RTOs are governed by industry stakeholders, many of whom have incentives to earn greater revenues through higher prices in the markets.

Commissioner LaFleur agreed that it may be time to reexamine Order 719, noting that no group should have an outsized role in the stakeholder process.

Commissioner Glick noted that Congress had years ago authorized an Office of Public Participation at FERC and said it would be helpful if it was funded. Commissioner Chatterjee also commended Representative Jan Schakowsky (D-IL) for introducing a bill earlier this year to establish an Office of Public Participation and Consumer Advocacy at FERC (H.R. 5348).

Several members, including Representatives Scott Peters (D-CA), Paul Tonko (D-NY), and Jerry McNerney (D-CA) asked about FERC actions to address climate change. Chairman Chatterjee held up Order 841 as an example. Commissioner Glick said that FERC does not regulate emissions but that there are many actions it can take to address climate change, including allowing for greater participation in the markets by new technologies and accounting for greenhouse gas emissions in the approval natural gas pipeline and LNG facilities.

Although not an action that FERC could take, Commissioner LaFleur recommended a federal carbon standard which could apply to all regions and also be used to evaluate pipelines.

Mr. Peters and Representative Marc Veasey (D-TX) asked about FERC action on the resilience docket, and Chairman Chatterjee stated that they do not provide specific timelines for action. Their next steps are to engage the RTOs and the states, but stated that FERC "will not put their thumb on the scale for a specific resource."

In response to a question from Representative Bob Latta (R-OH) about transmission, Chairman Chatterjee discussed the two Notices of Inquiry (NOIs) on transmission, stating that one purpose of the incentives NOI is to examine what types of transmission are needed for the grid of the future, stating his uncertainty about whether the current approach of approving incentives based on project risk is the smartest approach.

Mr. Pallone stated that they need to provide incentives for non-transmission alternatives, and Commissioner Glick agreed that those alternatives need to be considered.

Representative Cathy McMorris Rodgers (R-WA) spoke about the importance of hydropower and expressed concern about the absence of any significant reform to the relicensing of existing facilities. Chairman Chatterjee stated that FERC is fully aware that another wave of relicensing is coming, that no one is shut down if not relicensed, and that FERC has taken a flexible approach to relicensing. He also agreed that hydropower is a reliable clean source of energy and can play a role in reducing carbon emissions.

Representative Mike Doyle (D-PA) asked about FERC action in the PJM capacity market docket. Commissioner Chatterjee stated that he could not provide details. Commissioner LaFleur stated that she is deeply troubled by the delay and that she is "using powers of nagging" to try to get the Commission to act. Commissioner Glick said that it is incumbent upon FERC to make a decision. He is not sure how the next capacity auction can go forward unless there is some action from FERC.

Representative Pete Olsen (R-TX) discussed the importance of LNG approvals. Chatterjee noted that he, McNamee, and LaFleur came together in a compromise on greenhouse gas emissions that enabled LNG projects to move forward.

Representative Walden asked about the status of FERC action on the regulations it was directed to promulgate under the America's Water Infrastructure Act of 2018. Initially, Commissioner Chatterjee stated that they working on it, but Commissioner LaFleur explained that they did vote out the <u>final rule</u> in the April Commission meeting within days of the deadline.

In response to a question from Mr. Walden about barriers to new technologies, Commissioner LaFleur stated that one difficulty is building long-line transmission between regions for renewables, and a major factor is the state control of siting. It would be very helpful for Congress to restore backstop siting authority.

Mr. Tonko encouraged the Commissioners to ensure that the storage rule is implemented as intended and Representative Peter Welch (D-VT) stated that the RTO compliance filings contain barriers to storage participation. Both asked when the DER rule will be finalized, given that there is a sufficient record. Commissioner Chatterjee said that he promised Commissioner Glick that he would not allow the DER rule to languish. He stated that there are some complex legal questions that they are wrestling with but agrees that they have a sufficient record.

Representative Tim Walberg (R-MI) focused on PURPA reform. He introduced legislation (H.R. 1502, the PURPA Modernization Act, that APPA supports) but stated that there are issues that can be addressed without statutory changes, including addressing the gaming of the one-mile rule, lowering the threshold for non-competitive entry, and issuing guidance for more accurate avoided cost calculations. Commissioner Chatterjee agreed that FERC could take those steps

Representative John Sarbanes (D-MD) expressed strong concerns about the difficulties Maryland is facing with its attempts to place conditions on the relicensing of Exelon's Conowingo Dam, as is allowed under the Clean Water Act. This is pending before the Commission.

Representatives Latta, Morgan Griffith (R-VA) and Ann Kuster (D-NH) expressed concerns about limited landowners' rights and natural gas pipeline projects.

 From:
 Case,Cynthia D (CONTR) - DIR-7

 Sent:
 Friday, August 7, 2020 3:05 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, August 7, 2020

Attachments: 080720.pdf

Hello all,

Attached is the Regional Relations report for Friday, August 7, 2020. Have a wonderful weekend.

# Public Interest Organizations Josh Warner

#### Advocates Praise Administrator's Tenure

In a flurry of support for our departing Administrator, a number of public interest organizations have very high praise for Elliot's time at the helm of BPA and excitement about his next move to the CAISO. In a <u>blog post</u> from NRDC's Ralph Cavanagh he is laudatory of the work Elliot and BPA have done. "BPA has soared as a catalyst for decarbonizing the Pacific Northwest region and advancing core values of environmental stewardship." Other folks reflect that positive sentiment as well. There is praise for Elliot's work on the NW Wind Integration Action Plan and other renewables related work. This is a long quote from Giulia Good Stefani from NRDC, but I think is worth the entire sentiment.

Elliot distinguished himself as an administrator by rooting his ambition for BPA and a sustainable Pacific Northwest in a genuine compassion for people. He openly committed himself to fostering a culture of respect, integrity, and open-mindedness. This won him a unique level of trust from industry and environmentalists alike. In an age that is increasingly marked by underinformed convictions and polarization, Elliot maintained humility and curiosity, rolled up his sleeves, and brought people together. We could all learn from his work to encourage unlikely allies, because more often than not the durable solution to a hard problem is built together, not won.

# Idaho News John Williams

## Critics of Planned Idaho Nuclear Power Project Urge Utah Cities to Pull Out Before It's Too Late

"Utah Taxpayers Association warns it believes proposal is too costly, not transparent" By Amy Joi O'Donoghue. Desert News

The Utah Taxpayers Association and a former member of the U.S. Nuclear Regulatory Commission are urging cities that have signed on to a planned nuclear power plant in Idaho to get out while they can before costs become too great.

NuScale's Small Modular Reactor is planned for construction at the Idaho National Laboratory near Idaho Falls and would provide 720 megawatts of power, or enough energy for 720,000 homes.

The Carbon Free Power Project is promoted as the next generation design for nuclear power, featuring 12 distinct modules, with the first scheduled to come online in 2029 with the 11 others following the next year.

The project is a collaborative effort involving the U.S. Department of Energy, NuScale and the Utah Associated Municipal Power Systems, a political subdivision of the state of Utah. That group is made up of cities and special service districts in six states and was established to provide power, transmission and other electrical-related services on a nonprofit basis.

"If members determine there is too much risk the project will not go forward," said spokesman LaVarr Webb. "That is why many, many steps have been taken to de-risk the project and why it is going forward in phases. ... It is also important to remember this will represent only a portion of their energy portfolio."

Webb said there are several off-ramps in those phases for cities to exit, one of which is coming up Sept. 14. That deadline prompted the taxpayers association to urge cities to get out now before they get trapped into paying millions for a technology it says is unproven.

"Small modular reactor power is just not cost competitive," said Rusty Cannon, vice president of the taxpayer group, adding participating cities and districts should hold a public vote to withdraw from the project.

Cannon, in a teleconference Tuesday, pointed to Bountiful's costs as an example — which after May 2023 will increase to roughly \$1.4 million.

Based on its percentage of participation and current levels of subscription to the power, Bountiful's costs would be a little more than \$21 million to be paid over 40 years through electricity rates. The plant is expected to last a minimum of 60 years and possibly 80 years.

Cannon said 30% of the power to be generated has been committed or subscribed by participants at this time.

"We just don't think this is a good idea."

## Nevada Question 6, Renewable Energy Standards Initiative

With all the COVID-19 stuff and protests, there is an election coming up. In Nevada there's Question 6 which I have reported on for the last two years.

Background: Question 6 (2020) would add language to the Nevada Constitution requiring the state's (RPS) to increase to 50 percent by 2030. An RPS is a mandate that electric utilities acquire a minimum amount of electricity from renewable energy sources. The constitutional amendment would increase the RPS to 50 percent by 2030. The amendment would also define renewable energy to include sources such as solar, geothermal, wind, biomass, and hydroelectric. Specifically, it would require an increased RPS each year until reaching 50 percent in 2030.

Recall, this measure needs to pass twice (In Nevada, initiated constitutional amendments need to be approved in two even-numbered election years). It passed in 2018 with 59 percent of the vote and it's on its way in 2020 to being passed based on conversations with constituents. As reported in Idaho reports last year, the Legislature did pass Senate Bill 358 (SB 358), which is designed to require electric utilities to acquire 50 percent of their electricity from renewable resources by 2030. So basically, the state Legislature jump started the RPS procedures in front of Question 6. Nevertheless, Question 6 would set the RPS into the state constitution, making it difficult for politicians to change.

BPA is working with WERC and NREA on criterial before the PUCN to clarify how public power will meet the Portfolio Energy Credits (PEC) that follow the RPS guidelines.

# Fall Chinook Season Opens August 18

Fall Chinook fishing on the Salmon, Snake and Clearwater rivers in Idaho opens August 18, following action by the Idaho Fish and Game Commission. It opens September 17 on the North Fork Clearwater River.

The Salmon River stretch runs from the river's mouth upstream to the Twin Bridges boat ramp. The season on the Salmon River ends October 31, or earlier if fish managers give notice of closure. People can fish for fall Chinook seven days a week on the Salmon River.

Fish and Game fisheries managers expect 18,150 adult fish to return to Lower Granite Dam this year, compared to 16,508 that returned in 2019. This year, 11,560 are expected to be hatchery Chinook and 6,590 fish are expected to be of natural origin.

For the second straight year, anglers have the opportunity to harvest some Chinook salmon with intact adipose fins, according to Brian Pearson with the Idaho Department of Fish and Game. Fall Chinook are unique and are managed separately from other Chinook runs in Idaho, Pearson said. The majority of hatchery fall Chinook are not marked with a clipped adipose fin. Fisheries managers estimate about 1,400 adipose intact and 1,700 adipose clipped adult Chinook will be available for harvest in Idaho. Half of the allocated fish are destined for the Clearwater River and the other half is split between the Salmon and Snake rivers. (The Challis Messenger)

# PacifiCorp's Transmission Project to Move Power between Wyoming and Utah

The Carbon County Planning and Zoning Commission voted unanimously Monday to recommend approval of a permit to construct a 416-mile long transmission line. The state's largest utility company, PacifiCorp, has proposed building a segment of its high-voltage Gateway South transmission line to deliver power between a substation near Medicine Bow in southeastern Wyoming to a substation in Mona, Utah. The company needs to secure a conditional use permit from Carbon County, in addition to other regulatory bodies, before it can proceed.

# Oregon News Julie Peacock

# **DOGAMI Defunds Portions of its Resiliency Work**

The <u>Oregon Department of Geology and Mineral Industries has effectively</u> ended some of its resiliency work by laying off engineer Yumei Wang last month, the Oregonian reported Monday. Wang was the state foremost expert on the Cascadia Subduction Zone earthquake and the state preparations. She had worked with Bonneville in the past on coordinating resilience planning.

The agency was a primary author of the <u>Oregon Resilience Plan</u> which outlined the risks of the Cascadia Subduction Zone earthquake while the latter. Included in the report were Bonneville's findings from its comprehensive seismic vulnerability study and long-term mitigation plan.

The budgetary shortfalls are due to both COVID-19 and uncertainty in fees it collects. In the last two budgetary cycles the agency has requested more funds from the Legislature after exceeding its allocation.

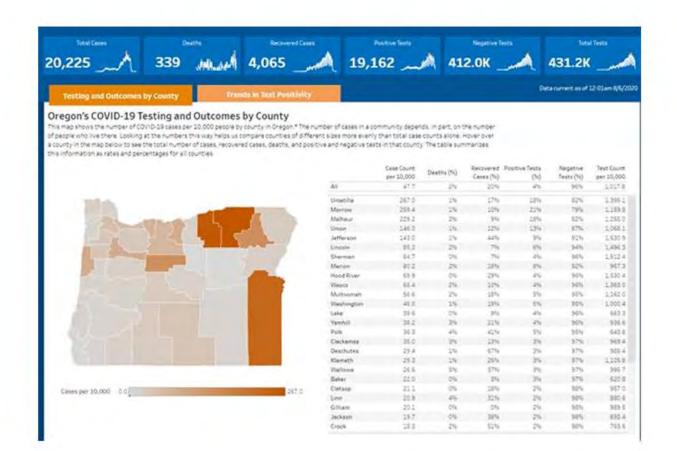
On Monday, Oregon begins a Special Legislative Session to rebalance its budget in light of COVID-19 revenue impacts.

## **Groups Sue over Climate Executive Order**

Last week a coalition of industry groups <u>filed a lawsuit</u> to overturn the Governor's Executive Order on Climate Change. The lawsuit argues that policymaking is the authority of the Legislature, rather than the Governor. The <u>Executive Order</u> requires state agencies under the Governor's authority to implement a wide variety of programs to reduce and regulate greenhouse gas emissions.

# COVID-19 Update

- Governor Brown updated the counties on the COVID-19 Watch List on Thursday removing Lake County due to the reduction in the spread of COVID-19. Counties on the watch list include Baker, Hood River, Jefferson, Malheur, Marion, Multnomah, Umatilla, and Wasco.
- This week Eugene Public Schools updated their return to schools plan to require all students to begin classes
  online until at least Dec. 7. Originally the school district had indicated students could choose whether to begin
  online or hybrid in-person/online model.



# West Coast News Doug Marker

# Positive California Reaction to CAISO Hiring of Elliot Mainzer

The news of Elliot's hiring to be the next President of the California ISO is being met enthusiastically by policy leaders in California. Longtime California environmental strategist Ralph Cavanagh <u>praised</u> Elliot's leadership on renewables integration during his tenure at BPA. Former CPUC President Michael Picker added his endorsement in online reporting of the hire. Gary Ackerman, the founder of the Western Power Trading Forum wrote this morning, "It is a boon for the entire Western Grid to have a skilled and knowledgeable person familiar with the different aspects of the subregions guide the CAISO."

The CAISO has maintained a low profile, but one of competence, in recent years of turmoil in the California electric industry. Its role in operating most of the state's grid is not well known to most of the public, which knows their large retail utilities better. But the CAISO, especially under the leadership of its retiring President Steve Berberich, is generally praised for guiding California's transition to clean generating resources and developing the needed transmission resources.

# **EIM Governance Straw Proposal Released for Comment**

Last Friday the EIM Governance Review Committee (GRC) released its straw proposal for revising the governance of the Western Energy Imbalance Market (EIM) and potentially the expansion of the EIM to include day-ahead services. Suzanne Cooper serves as one of the 14 members of the GRC who chosen from around the West to propose governance revisions. In the straw proposal, the GRC proposes adapting the current Regional Issues Forum to serve as a stakeholder advisory body to the EIM Governing Body. The EIM Governing Body itself would have a strengthened role for EIM rules. Comments on the straw proposal are due on August 28 and the GRC expects to complete its work early in 2021.

# CPUC Executive Director Says She's Being Fired for Whistleblowing

A California Public Utilities Commission that needs relief from drama got more this week when commissioners placed their executive director on administrative leave. A lawyer representing Alice Stebbins, who's been in the job for two years, sent a letter asserting that Stebbins is being removed from her job in retaliation for her efforts to collect more than \$200 million in fees owed to the agency. Since Stebbins was hired in 2018, the CPUC has a new President, Marybel Batjer, who was named by Governor Gavin Newsom to address complaints that the CPUC was lax in enforcing electric utility fire safety requirements and has been too close to the utilities it regulates. Stebbins' attorney, meanwhile, charged that Stebbins is being punished for her own efforts to bring utilities into compliance. The CPUC held a voting meeting yesterday but did not comment on Stebbins' situation.

#### All They Need is a Hookah-Smoking Caterpillar



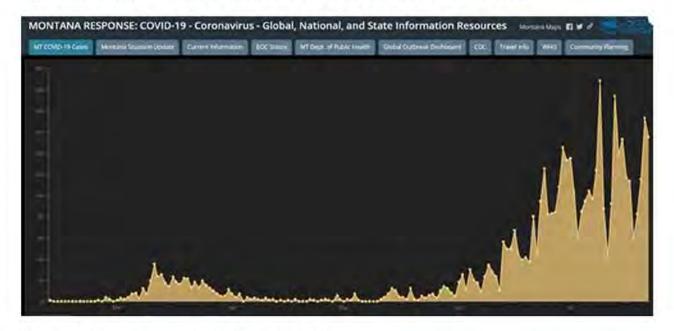
Around the world are mysterious human-created monuments that defy interpretation. Think of the heads on Easter Island. The pyramids of Egypt. And, echoing the circle of rocks in southwestern England, are the rabbits of Newport Beach. "Bunnyhenge" as it's known, is a circle of 16 white rabbits, mutely staring at each other on the lawn outside City Hall. Though now beloved, the circle of bunnies originally provoked controversy when they were installed nearly 20 years ago. One outraged city council member campaigned to "blow up the bunnies!" But they remain today, seeming in contemplation of life's deeper meaning.

# Montana News Mark Reller

#### Montana COVID

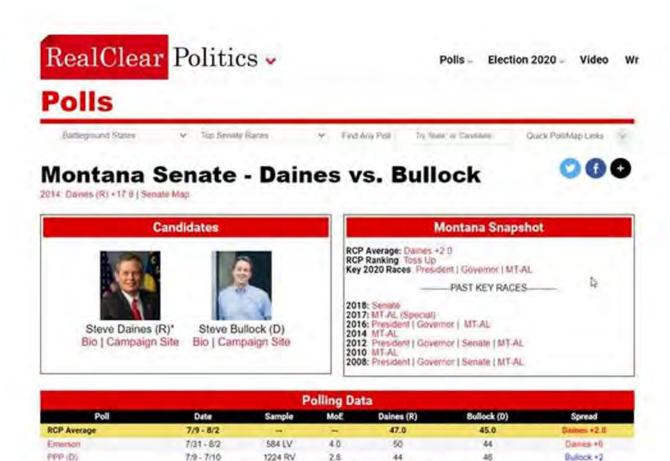
Flathead County (home to Flathead Electric Cooperative and BPA's district transmission shop) in Montana is now in the unenviable position of being #3 in the state for active COVID 19 cases. It now has 180 active cases and is third behind two eastern counties Bighorn at 255 and Yellowstone at 533. The statewide progression of new cases is illustrated in the graphic below and was taken from the <a href="https://www.Covid19.mt.gov">https://www.Covid19.mt.gov</a> web page. Overall the state has 1565 active cases. Over the past week new cases per day averaged just over 116. Testing in Montana is now approaching 2000 tests per day.

Active hospitalizations continue to increase and now stand at 84. Deaths are now at 70.



#### Daines vs. Bullock, Trump vs. Biden, Gianforte vs. Cooney

The Montana Senatorial race is still a toss-up with the polling results in the territory of margin of error of 4 percent, and with 5 percent undecided. The latest polling was between July 31 and Aug 2, 2020. Montana democrats are reporting that 62 percent plan to vote by mail, while Montana republicans report 57 percent plan to vote in person. Trump still leads in Montana capturing 53 percent in the poll with Biden at 42 percent and 5 percent undecided. Gianforte leads in the governor's race with 50 percent and Lt. Gov. Cooney has 41 percent with 7 percent undecided.



# Forest Service News Holly Harwood

## **Exemplary Coordination with Forest Service**

I want to recognize the efforts that Boots Zeller BPA's Bell TLM Foreman and Craig Fackrell the local Natural Resource Specialist did recently in coordinating with the U.S. Forest Service. This kind of coordination is what is helping BPA build and maintain a much improved relationship with the U.S. Forest Service.

All Montane Senate - Daines vs. Bullock Polling Data

On July 31<sup>st</sup> a dead off-right-of-way tree fell on the Colville-Republic line and a fire started on the Colville National Forest. Boot's team removed the tree from the line and restored service and this week Craig mobilized BPA's contact cutting crew to the area. They removed 33 additional trees that had been heavily damaged by the fire and posed an imminent threat to the line. As acknowledged by the local Forest Service staff, Boots and Craig did a great job maintaining open communication with the Forest Service from the beginning of the incident. Keep up the good work TF.

# Washington News Liz Klumpp

# Washington's Primary Election Results; Its Mail-by-Election Date Doesn't Seem So Silly Now

Washington's all mail-in ballot process, which has been in place about nine years, requires voters to mail ballots by the date of the election. This can be frustrating as election results are often unknown on the day of the election as ballots keep arriving in the mail. Now, in the midst of a pandemic and possible USPS slow-downs, it is looking like a very functional system. Here are a few preliminary results from the August 4 election. Washington has a top-two election policy. That means the top two candidates proceed to the general election, even if they are from the same party. There are still over 600,000 ballots statewide to be counted.

In the ten congressional races, the incumbents have more than 50 percent of the vote with two exceptions. Rep. Derek Kilmer (D –  $6^{th}$  district) currently has 48 percent of the vote with a progressive democratic challenger getting 12 percent; Kilmer's opponent is likely to be republican Elizabeth Kreiselmaier who has 37 percent of the primary votes. Rep. (and pediatrician) Schrier (D –  $10^{th}$  district) has 44 percent of the votes and has two republican challengers still vying to be her opponent in the general election.

The one open congressional race is in the 10<sup>th</sup> district due to Denny Heck's retirement from congress. Former Tacoma Mayor Marilyn Strickland leads with 21 percent of votes, followed by State Rep. Beth Doglio with 15 percent, and former State Rep. Kristine Reeves with 13 percent. All three women are democrats.

Gov. Inslee leads in the gubernatorial primary with 51 percent of the vote, followed by Loren Culp with 17 percent of votes.

Thank you,

Cynthia Case
Regional Relations Administrative Assistant, DIR-7
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VanderHouwen

From: Case,Cynthia D (CONTR) - DIR-7

Sent: Friday, November 6, 2020 2:22 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, November 6, 2020

Attachments: 110620.pdf

Hello all,

Attached is the Regional Relations report for Friday, November 6, 2020. Have wonderful weekend.

# Public Interest Organizations Josh Warner

# Opinion on a Potential Four State Process

In an <u>opinion piece</u> in the *The Oregonian*, Lucinda George Simpson, a descendant of the Chief Joseph Wallowa band of Nimiipuu (Nez Perce) and Giulia Good Stefani, a senior attorney with NRDC, wrote about the desire to have a regional conversation about salmon recovery. They are encouraged by the prospects of a dialogue led by the four Northwest states among regional sovereigns, including tribes, and federal agencies. The piece begins by saying, "...the federal government, which has spent billions trying to restore salmon runs, is essentially signaling surrender. Even though it recently concluded that removing four dams on the lower Snake River would have the greatest benefit for salmon survival, it is refusing to do so and offering an inadequate solution in its place,"

The opinion continues by commending the four Northwest governors for, "stepping into the leadership gap" with a process that, "is a promising first step toward addressing one of the country's most complex ecological, economic, and social justice challenges." While the authors want the removal of the lower Snake River dams to be on the table – an action they promote – they continue by saying, "[w]e understand that is a tough conversation because many communities depend on the electricity and agricultural services that the river, in its current state, provides. But we cannot build the future we need unless we keep all options – and all voices – at the table."

# Idaho News John Williams

#### Idaho Election Results: No Changes

Senator Jim Risch held off a challenge from Democrat Paulette Jordan in his bid for a third six-year term in the U.S. Senate. Risch ended with 537,456 total votes, or 62.58 percent, and Jordan with 285,824 votes, or 33.28 percent. Risch, 77, is a trial lawyer who was a longtime state senator, lieutenant governor, and briefly governor, before first being elected to the U.S. Senate in 2009. He currently chairs the Senate Foreign Relations Committee. He proudly touts his record as one of the most conservative members of the U.S. Senate, and has become a strong ally of President Trump. Jordan, 40, is a former two-term state representative and Coeur d'Alene Tribal Council member and was the Democratic nominee for governor in 2018. She went after Risch as "the embodiment of everything that's wrong with the culture of Washington, D.C.," and promised a more inclusive approach that she said is the legacy of her Native American ancestors. "I will certainly be back again," Jordan declared on election night.

Incumbent GOP Representative Russ Fulcher easily earned his second two-year term over his challengers Rudy Soto and Joe Evans in the heavily Republican district. Fulcher had 310,737 votes, or 67.78 percent, to Soto's 131,268 votes, or 28.63 percent, while Evans had 16,435 votes, or 3.58 percent. Fulcher, 58, is a former five-term state senator who has worked for high tech firms and was raised on a Meridian dairy farm. He unsuccessfully challenged then-Governor Butch Otter in the 2014 GOP primary. In his initial term in the U.S. House, Fulcher has aligned himself with the conservative

Freedom Caucus, and has been a staunch supporter of President Donald Trump. He's a former board member of the Idaho Freedom Foundation. Soto, 34, is a Nampa native, enrolled member of the Shoshone-Bannock Tribes and son of a Mexican immigrant. He served in the U.S. Army National Guard and worked as a congressional staffer in Washington, D.C. and as legislative director for the National Indian Gaming Association.

Incumbent Representative Mike Simpson (R-Idaho) defeated challenger Aaron Swisher, winning a 12th term representing Idaho's Second Congressional District in the US House. Simpson won with 64.06 percent of the vote to Swisher's 31.72 percent. Simpson, who serves on the House Appropriations Committee as well as a key subcommittee involving energy, has brought millions of federal dollars to the state for the Idaho National Laboratory, one of the nation's primary nuclear research labs.

Simpson is also known for cobbling together support among environmentalists, ranchers and local governments in 2015 to create three wilderness areas in central Idaho that combined protect some 463 square miles. With that support, the Sawtooth National Recreation Area and Jerry Peak Wilderness Additions Act passed both the House and Senate and was signed into law by President Barack Obama. Simpson trained as a dentist and joined the family business in eastern Idaho before turning to politics. Swisher, an economist who describes himself as having a blue-collar background, it was his second unsuccessful attempt to unseat Simpson, having also lost in 2018.

State: The makeup of Idaho's Legislature turned even redder after Tuesday's election, with Republicans picking up two more seats in the House, extending their majority to 58 seats to the Democrats' 12. Idahoans voted in record-high numbers this election. In a tweet Wednesday, the Idaho Secretary of State's Office wrote that at least 867,250 Idahoans voted in Tuesday's election, more than 84 percent of the state's registered voters. (Idaho Press Tribune Staff)

#### Nevada Question 6

As of Thursday morning, the Yes votes were leading on Question 6 with 56.36 percent of the vote, which would mandate the state generate 50 percent of its energy from renewable resources by 2030 if passed. The Legislature passed a similar requirement last year, but the passage of the question would add it to the Constitution. (Akers, Mick. Las Vegas Review-Journal)

Question 6, the Nevada Renewable Energy Standards Initiative, was on the ballot in Nevada as an initiated constitutional amendment on November 3, 2020. It was approved.

A "yes" vote supports amending the state Constitution to require electric utilities to acquire 50 percent of their electricity from renewable resources by 2030.

A "no" vote opposes amending the state Constitution, thus maintaining the statutory requirements that require electric utilities to acquire 50 percent of their electricity from renewable resources by 2030.

In Nevada, initiated constitutional amendments need to be approved in two consecutive even-numbered election years. In 2018, this ballot initiative was approved as Question 6, and therefore needed to be approved again in 2020 to amend the Nevada Constitution.

Question 6 (2020) added language to the Nevada Constitution requiring the state's (RPS) to increase to 50 percent by 2030. An RPS is a mandate that electric utilities acquire a minimum amount of electricity from renewable energy sources. The constitutional amendment increased the RPS to 50 percent by 2030. The amendment also defined renewable energy to include sources such as solar, geothermal, wind, biomass, and hydroelectric. Specifically, it required an increased RPS each year until reaching 50 percent in 2030.

On April 22, 2019, Governor Steve Sisolak (D) signed Senate Bill 358 (SB 358), which was designed to require the same RPS percentage by 2030 as the amendment on the ballot. (Ballotpedia)

As I reported two weeks ago, WREC CEO Clay Fitch sent an op-ed to several larger newspapers asking voters to vote "NO" on question 6. Reason: energy legislation doesn't belong in the Constitution. Fitch also mentioned that what works best in Las Vegas does not work best in Reno and Carson City. When it comes to providing energy, one-size-fits-all is not an effective solution.

# Oregon News Julie Peacock

### **Oregon Elections**

Former state Senator Cliff Bentz has won the Congressional seat vacated by Representative Greg Walden. After winning the spring primary it was anticipated that Bentz would likely secure the seat and he won with 60 percent of the vote. Bentz is an attorney from Ontario who served in the Oregon House from 2008-2018 where he sat on the House Energy and Environment Committee; and in the Oregon Senate from 2018-2020. (He took over former state Sen. Ted Ferroli's seat when he was appointed to the Northwest Power and Conservation Council.) He also was the main negotiator of Cap and Trade for the Republicans serving on multiple carbon committees. His role in Cap and Trade brought him national notoriety due to the Republican walk-out, but also critics from his willingness to negotiate Cap and Trade prior to the walkout. During his campaign he focused on water and agricultural issues.

The Oregon Senate Democrats did not win enough seats to prevent future walkouts from Senate Republicans. Thursday the final race results were decided when Senator Tim Knopp of Bend won reelection. This maintained the 18-12 supermajority for the democrats, but did not give them the 2/3rds they needed to prevent future shutdowns of the Legislature. Democrats also maintained super majority in the House. With similar numbers to the previous Legislature it remains to be seen what Legislation might be introduced during next year's long Legislative Session which is anticipated to begin remotely.

Democrats pulled back the only statewide office to be held by a Republican, Oregon Secretary of State this week. The position had been filled by an appointee since the death of Dennis Richardson who died while in office last year. The SOS position, once held by current Governor Kate Brown manages audits and also elections. Winning the seat is Shemia Fagan, a state Senator from Portland. This position is particularly important because in the circumstance the governor were to resign the SOS takes over until a special election can be held. (In the case of current Gov. Kate Brown who took over for former Gov. John Kitzhaber in 2015.

#### COVID-19

Oregon shattered its daily COVID-19 record with 805 new positive or presumed cases Thursday with a positivity rate of 12.5 percent the highest for Oregon. Oregon is working to revise its reopening plan. Last week the Oregon Health Authority said if the state continues on its current path it could reach hospital capacity by mid-December. Region 1 in the state, which is made up of the metro counties, currently has 146 non-ICU beds available out of 1,943; and 66 ICU beds available out of 365.

# West Coast News Doug Marker

# California Elections Stay Consistent

Apart from once again delivering a significant margin for the Democratic presidential candidate, California's election had limited surprises. There were no significant statewide races, but it looks like three Democrat-held Congressional seats in conservative areas could flip back to Republican. A Biden-Harris victory in the Presidential race will mean that Governor Gavin Newsom will choose Senator Kamala Harris' replacement. Competition for that vacancy is already intense.

### California CCAs Seek Long-Duration Storage

A group of California community choice aggregators (CCAs) are seeking offers for storage projects promising at least 50 megawatts of sustained output over at least eight hours. Such storage capability would be significant because current

lithium battery storage can only discharge power for about four hours. Having capacity lasting eight hours would fill in supplies from late afternoon until late night as solar generation tails off and loads follow hours later. The CCA proposal requires that the projects be able to be online by 2026. California's need for reliable electricity in evening hours becomes more acute in 2026 after the final shutdown of the Diablo Canyon nuclear plant.

### New Direction for California's Emissions Policy Leadership?

The longest tenured person in California's energy policy leadership is someone we don't hear much about in the Pacific Northwest. Mary Nichols is a legend in California and has been chair of the state's Air Resources Board for 13 years. This is her second time in the job, having served in the role between 1979 and 1983 in former Governor Jerry Brown's earlier terms as Governor. Nichols has championed California's cap-and-trade carbon emissions market and that is where her departure could cause renewed tension. Environmental justice advocates complain that cap-and-trade allows polluters to pay to continue polluting in disadvantaged communities. Nichols brokered the extension of the cap-and-trade market, which included directing a portion of auction proceeds to benefit those communities. But her departure will put pressure on Governor Newsom to appoint a new chair who will focus on more direct control of pollutants, notwithstanding purchases of offsets for carbon.

### Can't the Professor Sort Everything Out?

Next-door neighbor squabbles are common enough, but you've got to give one in Laguna Beach points for creativity. To sum up the origin, one rich guy installed a Dale Chihuly glass sculpture on his oceanfront lawn, blocking ocean view of next-door neighbor rich guy. A few dark nights passed and then pieces of the sculpture were found broken off as if rocks had been thrown. So first rich guy installs protective netting above the property line, causing second rich guy to file a complaint with the city about code violations. After the city ordered the netting to come down, the first rich guy installed outdoor speakers and began playing the theme from 1960's TV comedy "Gilligan's Island" at full volume at random hours of the night. And now both neighbors are in the southern California news while everyone who reads about it goes through the rest of their day humming, "a three hours cruise.." Sorry about that.

# Montana News Mark Reller

# Change in Leadership

While the National Election is still playing out the Montana Election has clarified what direction the State will take over the next four years. Governor Elect Greg Gianforte, a stanch Trump supporter and acolyte will bring new leadership to Montana. Unlike in previous 16 years in Montana, the Governor and both state houses will be controlled by the same party. The Montana electorate also supported the re-election of President Trump by a 16 point margin. Senator Steve Daines retained his seat in the Senate easily overcoming the Democratic challenger Steve Bullock in the most heavily funded U.S. Senate race in State history at over \$160 million in aggregate. Republican Matt Rosendale will be Montana's new lone U.S. Representative.

Gianforte's "Come-Back Plan" outlines his vision for Montana. His to-do list reads as follows:

- Increase value added for Agriculture. This includes increase local beef processing. He will have a head start on
  this task, as former Governor Brian Schweitzer's brother Walter, just announced that Montana State University
  Northern campus is implementing a full curriculum on meat processing from hands on butchering to facilities
  management.
- <u>Expand Manufacturing</u>. This includes increased education for the trades and recruitment of new manufactures
  into the state. (This presumably would bring increased electrical loads).
- Grow the Technology sector. Increasing broadband capacity will be fundamental to this goal.
- <u>Develop Natural Resources</u>. Gianforte specifically highlights increased minerals, coal, oil, gas and timber as
  resources to develop. To aid this effort new leadership will be instituted at state agencies including Department
  of Environmental Quality, Department of Natural Resources and Conservation, Fish Wildlife and Parks, and
  Department of Health & Human Services. (These are State Agencies where BPA has direct interface).
- Boost Tourism. His plan will play off COVID-19 concerns and promote the wide-open spaces in Montana that are naturally socially distanced.

- Tax Code Reform. This will include changes to the "anti-competitive" tax code.
- <u>Roll-back & Repeal Regulations</u>. A top to bottom regulator review is planned. This was also done by current
  Governor Bullock during his first administration. Permitting requirements will be streamlined. A 2 for 1 approach
  to new regulations will be implemented that eliminates two regulations for each new regulation.
- <u>Encourage Entrepreneurship</u>. New training and education programs will be implemented to help start new small businesses.
- <u>Improve Infrastructure</u>. Only broadband infrastructure is mentioned in the plan. Past statements by Gianforte illustrate a strong support of the Keystone XL pipeline.
- Recruit New Businesses. This will be enabled by changes to the tax code and regulatory environment.
- Tribal Partnerships. This will focus on new job creation.
- More Healthcare Choices. The plan has a focus on lower health care costs, lower insurance costs, reduced prices
  for prescription drugs, and expanded telemedicine.
- · Stop Sanctuary Cities. These will be prohibited in Montana.
- <u>Protect Public Lands</u>. This will preclude sale of public lands but stress changes to the management of public lands.
- Defend Freedom of Speech, Religion, and Gun Rights.

Gianforte's management position on COVID-19 relies on "personal responsibility". Based on his past statements it is unlikely he will curtail business activity, mandate masks or require significant social distancing.

The Montana Legislature retained, if not slightly increased, its Republican dominance. In anticipation of the possibility of a Republican Governor, leadership has been working on their wish-list. The <u>list</u> includes resurrection of several bills passed in previous sessions, but vetoed by Democratic Governors. The Legislature will be preparing new bills that address the following topics:

- Cut taxes in the top MT. income brackets.
- Redirect bed-taxes (Montana's only sales tax) to cut property taxes
- Restrict the power of local health boards and the Governor to enforce COVID-19 and other health mandates.
- <u>Eliminate Ability for FWP to use hunting license revenue to acquire fee title lands.</u> (This could have implications
  on the Hungry Horse and Libby Hydropower Mitigation Plans and the ability of the State to contribute matching
  funds to projects.)
- <u>Tax Renewable Energy</u>. The proposal is for \$1 per MWh. (Proposal is written as \$1 per MW, but projects a \$2M /yr revenue stream, which suggests tax is on MW hours.)
- Classify Existing Hydropower As A Renewable Energy
- Repeal the ban on Nuclear Energy
- Implement Proof of ID for Voting
- Eliminate Same Day Voter Registration
- Enable School Choice
- Allow Statewide Conceal Carry and ban Red Flag Laws
- Allow Campus Free Speech
- Limit COVID-19 Liability for Businesses
- <u>Change the current weight of Interim Committee Membership</u>. This would require changing the current 50/50 approach to party membership on committees to a weighted membership based on the proportion of Rs & Ds. in the House and Senate.

I would expect NorthWestern Energy to reintroduce another Colstrip ownership pre-approval bill at the opening of the 2021 Legislative session. In the 2019 session, such a bill passed the legislature but was vetoed by the Governor. Even without NorthWestern's instigation, the Legislature will entertain bills to promote and retain the assets at Colstrip for as long as possible. This could include resurrection of bills punitive to out-of-state owners who entertain "premature" closure.

### Elsewhere in State Government

Not only did the Governor's Office change hands and the Legislatures retain a Republican flavor, but other state offices were cemented as Republican by wide margins as well. Secretary of State, Attorney General, State Auditor, Superintendent of Public Instruction, and three open seats on the Public Service Commission all easily went to or were retained by Republican affiliations. The Montana membership of the Northwest Power and Conservation Council will change upon transfer of power to the new Governor. No prospective candidates have been announced at this time. All Montana Election results can be found at the link here.

# COVID-19 Update

The State continues to experience record daily counts of new confirmed <u>cases</u>. This week they exceeded over 1000 new cases on multiple days. Yesterday's data showed at positive test rate of just over 37 percent (2,736 tests – 1013 positives). Deaths are now over 400 and hospital capacity continues to be a concern with 414 currently hospitalized. I have heard locally (but have been unable to confirm) that the Governor may announce reenactment of COVID-19 restrictions, including possible stay at home orders, broad mask mandates and limited group interactions.

# Washington News Liz Klumpp

# **Washington Releases Draft State Energy Strategy**

The Department of Commerce, per legislation, created a 27-member advisory committee and hired many consultants to help the agency produce a 2021 State Energy Strategy. This week the state released its draft strategy. This is an academic exercise unless or until the state implements recommendations through statute, code standards, or regulations, which are still to come. The Strategy is to electrify many fossil fuel energy uses, reduce the need for travel, dramatically increase the efficient use of energy and expect electric loads to double in order to achieve the state's greenhouse gas reduction goals. As you can imagine, expanding transmission and distribution systems are foundational to Washington achieving these goals. I find it interesting that some of these measures do not achieve GHG reductions across the West, but rather just in Washington. For those interested, I've excerpted language from the draft Strategy on the electricity specific recommendations on page 34. I'll follow up and ask a few transmission leads whether we share any perspectives with state leads. The state will deliver the Strategy to the legislature around the end of December.

Draft State Energy Strategy 3.4. Electricity Sector-Specific Results Key conclusions from the modeling regarding the electricity sector are:

- Increasing electricity demand through electrification and expanding the electricity system to serve those
  demands with clean electricity is a cost effective decarbonization strategy. Comparing the Electrification
  Scenario to the Transport Fuels and Gas in Buildings Scenarios shows that the greater levels of electrification in
  the Electrification Scenario results in cost savings.
- Washington imports 43 percent of its clean energy from inland wind-rich states (Montana and Wyoming) in the
  Electrification Scenario in 2050. The increased energy flows across multiple states and balancing areas will
  require investment in new transmission and the efficient use of imports as a balancing resource. Efficient
  dispatch, akin to a single balancing authority for western grid operations, is assumed in the model.
- Transmission expansion across the West is a key part of lowering costs in the model results. Expanding transmission, however, is a long, difficult process with many hurdles to overcome. Early planning and determination of feasible projects and project costs should begin now to prepare for transmission in the future. Updated feasible path expansions and associated costs can be used in future State Energy Strategies to reevaluate the economics. Though the Washington State 2021 Energy Strategy additional costs resulting from no transmission expansion into Washington in the Constrained Resource Scenario are relatively small (\$0.5B/yr by 2050), expansion in the rest of the Western States still occurs in that scenario.
- Washington has limited build of in-state renewable resources in all decarbonization scenarios until 2040. Prior
  to that, it is more cost effective to import clean energy from cheaper out of state sources. Between 2040 and
  2050, Washington adds solar and offshore wind (12 GW and 4 GW, respectively, in the Electrification Scenario).
- Synthetic fuels produced through electrolysis will play a major role in decarbonizing the Washington economy, increasing electricity demand, and providing long-term balancing capabilities for the electricity grid.

• Absent technology breakthroughs in zero-carbon alternatives, the Northwest builds 11 GW of gas plants, 3 GW of which are in Washington, for reliability by 2050. Gas generators in Washington burn de minimus quantities of gas after 2030 because of the need to reduce emissions and the large balancing capabilities of both the hydro system and electrolysis built for fuels production by 2030. However, these gas generators provide capacity during infrequent reliability events. CETA requires 100% clean electricity delivered to loads by 2045 in Washington. By 2045, all gas burned during these events is clean gas.

### 3.4.1. Implications for State Energy Policy

- Scale, over a longer time period, requires infrastructure investments supporting a doubling of electric load in Washington. Resource availability across the West will drive Washington from being a net exporter of electricity to importing a significant fraction of resources (43 percent in the Electrification Scenario).
- Rapidly electrifying end uses, wherever possible, will drive down the need for clean fuels production and reduce the investment in the infrastructure needed to produce them. This will drive expansion of the electricity sector.
- Planning for transmission expansion at the distribution and transmission levels is key to enabling this shift in the power sector. Distribution planning will support the shift to electric vehicles and electrified end uses in buildings. Pursuing transmission expansion of interties now allows Washington to maintain the option of importing additional low-cost renewables in future. While the savings from expanding Washington's interties are relatively low (\$0.5B/yr by 2050), planning to expand interties ensures Washington retains multiple decarbonization pathway options. By doing so the state reduces the risk that future challenges to implementation in any one pathway jeopardize achieving Washington's emission limits.
- The model determines resource adequacy as if the West were a single balancing area. While not a replacement for detailed resource adequacy studies, the model shows greater coordination and energy flows will require resource adequacy determination on a regional rather than local basis. Resource adequacy modeling will also have to evolve to incorporate energy constrained, as well as capacity constrained, conditions to ensure reliability during periods of low energy availability. This includes treatment of large industrial flexible loads as resources for reliability.
- Furthermore, transmission expansion and greater interregional energy flows taking advantage of geographic
  and renewable resource diversity, and interregional balancing using large new flexible loads found in the
  modeling results will only be possible with better regional coordination. The benefits of regional integration will
  increase in the future as the emissions limits become tighter and electricity loads grow through electrification
  and electrolysis.
- The modeling results determine in-state investments in new resources. However, the model does not have a representation of the distribution system and the potential benefits from deferral of investment in distribution infrastructure from locating resources close to load. Renewable potential assessments will determine how instate resources should be sited to maximize net benefits including indirect benefits such as equity, job growth and environmental protection.

### Washington Election Results: Washington State and Federal Incumbents Win

Nine of Washington's ten congressional races involved incumbents – all won. Incumbents mostly won by big margins; the tighter races were Representative Kim Schrier (former pediatrician and D) retaining her seat in the 8<sup>th</sup> with 52 percent of the vote and Representative Herrera Beutler (R) retaining her seat serving SW Washington winning 56 percent. Congressional District ten (Puyallup, JBLM, Olympia, eastern Tacoma) was an open race with two Democratic female candidates in the general election. Former Tacoma Mayor Marilyn Strickland won the 10<sup>th</sup> District seat by 14 percentage points. Strickland was born in Seoul, Korea and will be the first Black member of Congress from Washington and the first Korean American congresswoman anywhere in the U.S.

Governor Inslee (D) won a third term, currently with 58 percent of the vote. The closest statewide race was won by incumbent Secretary of State Kim Wyman (R) with 53 percent of the vote beating former state senator from Seattle Gael Tarleton (D).

There are two legislative races in the state senate that await final vote counting. Two democratic candidates are vying for the 5<sup>th</sup> District seat and are 18 votes apart and in the 28<sup>th</sup> District, the Republican and Democrat are 70 votes apart.

Thank you,

Cynthia Case
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From: Case,Cynthia D (CONTR) - DIR-7

Sent: Friday, September 25, 2020 3:15 PM

To: ADL\_DI\_ALL; Executive Team; Executive Associates; ADL\_DK\_ALL

Subject: Regional Relations report for Friday, September 25, 2020

Autobacca Regional Relations report for Friday, Sep

Attachments: 092520.pdf

Hello all,

Attached is the Regional Relations report for Friday, September 25, 2020. Have a nice weekend.

# Public Interest Organizations Josh Warner

### **Public Interest Quarterly**

The Public Interest Quarterly meeting with the Administrator and representatives of public interest organizations took place virtually this week. This was John Hairston's first chance to interact with this group as the Acting Administrator. Representatives from a number of organizations including, the Northwest Energy Coalition, Save Our wild Salmon, Renewable NW, Idaho Conservation League, NRDC, CUB and DamSense were present. The agenda opened by allowing John to introduce himself, talk about his background at BPA and about what his priorities will be in the near-term. He was very clear that he is interested in continuing to listen and be transparent in decision-making. PIO representatives were able to introduce themselves to John and talk briefly about their organizations. The meeting also covered specific topics, including resource adequacy and provider of choice updates. Thank you to Rachel Dibble and Kevin Farleigh for their presentations. It was a productive conversation.

# Idaho News John Williams

### Idaho Falls has until October 31 to Decide on Nuke Project

By NATHAN BROWN nbrown@postregister.com

The participants in a project to build 12 small nuclear reactors west of Idaho Falls have until the end of October to decide whether to continue into the next phase of the project. Portland-based NuScale Power is designing the small modular reactors, which will produce 720 megawatts and which Utah Associated Municipal Power Systems plans to build at the U.S. Department of Energy desert site west of Idaho Falls. So far 35 cities and local power companies have signed on, mostly in Utah, but including Idaho Falls, which is one of the bigger subscribers at 10 megawatts. The plant is expected to be operational in 2029.

The project's cost is divided between the participants, and the budget expects \$1.4 billion from the U.S. Department of Energy. Idaho Falls' share would be \$1.3 million if DOE comes through, although this would jump to \$8.5 million without the federal funding, according to a presentation given to Idaho Falls Power in August.

Over the past month, the project's opponents have been stepping up their campaign to scuttle it, pointing to cost overruns and potential risks to local taxpayers, and so far two Utah cities have dropped out. To its backers, the Carbon Free Power Project is part of a transition to cleaner energy and vital to an industry they see as critical to the economic future of eastern Idaho, home of Idaho National Laboratory and the place where electricity was first generated from nuclear power in 1951.

"It's just super important for the nuclear industry, and our local economy relies on nuclear innovation and the future of nuclear energy," said Idaho Falls Councilman John Radford, who favors sticking with the city's 10-megawatt subscription level. "I think if we're going to have new nuclear, this project has to come to fruition, and I don't want to damage or make that harder for anyone."

Critics point to the project's escalating cost, which has gone from \$3.6 billion in 2017 to an estimated \$6.1 billion now, and question whether it could be a boundoggle similar to other failed taxpayer-subsidized nuclear projects such as the Vogtle Project in Georgia and the V.C. Summer Nuclear Station in South Carolina.

"The root cause is always the same — nuclear power is far more expensive than competitive technologies, even competitive low-carbon technologies," Peter Bradford, a former U.S. Nuclear Regulatory Commission member who has been critical of many nuclear projects, said on a conference call with reporters.

In August the Utah Taxpayers Association teamed up with Bradford to urge cities to withdraw. Rusty Cannon, vice president of the Taxpayers' Association, said his group has no stance on nuclear energy but opposed committing local tax dollars to a project that depends on federal subsidies and is based on an unproven technology that, he said, is not economically competitive with other types of energy. Cannon pointed to the current commitment of utilities to purchase power, which is at about 30% of the power that would be generated, as a bad sign for the project's future success.

"(The cost is) substantial, and we think it's the wrong move to move any further forward and make that large of a commitment to the city that could come back on ratepayers and taxpayers," Cannon said.

The deadline for power systems to approve the new budget and commit to the next phase has been pushed back repeatedly. It was mid-September at first, then Sept. 30. Then, last week UAMPS moved it back again to Oct. 31, since the expected DOE funding hasn't yet been approved. The Idaho Falls City Council will likely vote on whether to stick with its current commitment on Oct. 22, the last meeting scheduled before the deadline, said city spokesman Bud Cranor.

"The reason for the change is that the one really important part of the financing of the project, and that helps reduce the risk of the project, is ... the multi-year cost share award by the Department of Energy," said UAMPS spokesman LaVarr Webb. "And that award we fully expect to receive, but the process is going slower than expected, and so we want to be certain that that DOE cost share award is approved and signed and in place before the project goes into the next phase."

Webb said the DOE funding is "heavily weighted toward the early costs of the project," such as helping to pay for the construction and operating license and some construction costs. He said the money is "critical to the success of the project," reducing what the members would have to pay otherwise and helping UAMPS meet its goal of selling the power for \$55 per megawatt-hour. Webb said the money would also be subject to future congressional appropriations, but he doesn't expect that to be a problem, saying DOE has approved other multi-year projects before.

"The whole amount won't come right now, but we have very strong support by both Republicans and Democrats in Congress," he said. "The Obama administration and the Trump administration both have been very supportive of the project."

The Logan and Lehi city councils voted to withdraw from the project in August, citing fiscal concerns. Logan Mayor Holly Daines said the Council was worried about "the financial uncertainties of a first-of-a-kind project, and the large increases in the projected budget since the project was initiated." She said the Council didn't discuss technical concerns or concerns about nuclear energy. "It's an interesting project, but my concerns as Mayor (and I wanted to exit the project at an earlier date) have always been that this project is much better suited to risk-taking venture capitalists rather than municipalities," Daines said in an email. Webb said he doesn't expect Logan and Lehi leaving to threaten the project's viability. He said it has also recently gained one more member, the Wells Rural Electric

Company in Nevada. "As the project proceeds and it becomes more obvious it's going to be successful, then we expect more utilities will participate," he said.

### Look for Idaho to Hold Its Congressional Seats This Election Year

If the media's interest in a candidate's news conference is any measure, then Paulette Jordan's chance of defeating Republican Sen. Jim Risch is somewhere between slim and none. Last week, she held a news conference as the kickoff to her Boise campaign tour, but the big guns in the media world were nowhere to be found. Who can blame them? It's difficult to pay much attention to a candidate who "launches" anything in Idaho's largest city within six weeks of an election. And Boise is one of the new pockets in the Gem State that is friendly toward Democrats. The low energy we see in Idaho campaigns is a stark contrast from battleground states such as Arizona or North Carolina, where control of the U.S. Senate hangs in the balance and millions of dollars are spent in the process. Voters in those swing states, no doubt, have had their fill of campaign ads.

At least, there's some election-year excitement happening in other states; Idaho has all the suspense of Russian elections. If history is our guide, then President Donald Trump will carry Idaho by a wide margin — as every Republican candidate has for more than a half a century. Risch will get six more years in office, as have all other Republican Senate candidates over the last 40 years, and the two-House seats will remain in Republican hands. In Russia, there's no mystery. Putin wins!

But credit should go to those who defy the odds, put themselves out there and have the guts to run. These candidates are giving voters a choice, which distinguishes Idaho elections from Russia. Props to Rudy Soto, who is on a statewide tour in his challenge to Rep. Russ Fulcher in the First District, and Aaron Swisher who has an even more daunting challenge against Rep. Mike Simpson in the Second District.

As for Jordan, who ran for governor two years ago, she's making her second run in a statewide election. The coronavirus has limited her personal appearances, but she has been holding virtual town halls while campaigning aggressively on email and social media platforms. She'd prefer the personal meetings over the virtual ones, but her supporters know who she is and what she represents.

At the moment, she's going after Senate Majority Leader Mitch McConnell and Republicans who apparently can't wait to appoint a conservative jurist to replace the late Justice Ruth Bader Ginsburg — the Supreme Court's liberal icon. A vote on Trump's nominee could be wrapped up before, or shortly after, the election, and Trump's nominee might get through even if loses the election. If Idaho's senators go along with that plan, they'd have wide support from their Republican constituents. But not from Jordan.

"This is exactly why I am running for the U.S. Senate — the age of politicians who put party over people must end," she said in an email fundraising letter. "Justice Ginsburg was a forceful advocate of women's rights and made equality her life's long mission. She was a role model for each of us, and carried herself with a profound sense of dignity and justice."

Risch passed along his condolences for Justice Ginsburg's passing, while making it clear that he politically disagreed with her on most issues. Conservatives in Idaho may view the timing of her death as an opportunity to replace a liberal judge. Again, Jordan is offering a choice and making a case for Democratic control of the Senate. But can she win? Risch has dismissed this race as a mere formality — a conservative senator seeking re-election against a liberal Democrat, with an eye toward advancing a socialist agenda. Jordan says, not so fast.

"This is not over by a long shot," she says. "(Internal) polls show him severely behind President Trump. His numbers are so far below President Trump's that he is greatly at risk. So, his overconfidence is greatly misguided ... and shows how disconnected he is with the people of Idaho. It is going to be a very rude awakening." Or maybe everything will turn out the way it almost always does in Idaho and we can go back into hibernation after the election. Chuck Malloy is a long-time Idaho journalist and columnist. He may be reached at ctmalloy@outlook.com.

# **Oregon News**

#### Julie Peacock

# Oregon Revenue Forecast: Looking Up

The quarterly Oregon Economic Forecast was released this week and it's better than projected—about \$2 billion dollars better. Reasons the economy did better include overstated initial claims for job loss, the federal stimulus, and a flurry of high-income earners filing tax returns at the last minute. However, one of the emerging themes is that the recession is impacting low and high income earners in different ways, with those experiencing low incomes being the most severely impacted. Under this new financial picture, with the cost-saving measures the state already undertook, it is possible that the state could end its fiscal year with \$1.7 billion in savings. This is a \$500 million increase in reserves from last year, and was further buoyed by line-item vetoes the Governor undertook last week to generate further cost savings (\$65 million) to pay for the wildfire response.

State economists still predict that revenue will decrease as the recession continues, but the severity of which is uncertain given possible continued federal stimulus.

# Legislative Days: Wildfires take Spotlight

This week the Oregon Legislature met for its every other month Legislative Hearing days. The Labor Day wildfire impacts and the responses were discussed in several committees.

The Oregon Department of Fish and Wildlife testified in the Interim House Committee on Natural Resources on the damage sustained at several hatcheries including the complete loss of the hatch house at the Clackamas Hatchery and a nearly complete loss at Rock Creek hatchery. Shannon Hurn, ODFW Deputy Director, said the department anticipates water quality impacts in the areas around the hatcheries which might have negative impacts on recovery. While wildlife habitat has been damaged, many of the species that live in the fire impacted areas have evolved in environments were fire is a natural component she said.

Oregon PUC Commissioner Mark Thompson testified in the Interim House Energy and Environment committee that customer impacts related to COVID-19 have been significant. He said that companies have indicated there has been a doubling year-over-year on arranges for customers. He also testified that the Commission approved "term sheets" which outline how utilities have agreed to respond to customer needs during COVID-19. Those terms include how customers will be notified of pending disconnections and when disconnections will occur, types of payment arrangements, and disconnection fees. For residential energy consumers, the moratorium on disconnections will continue into April 2021.

# West Coast News Doug Marker

### "The World is Watching," Outgoing Berberich Tells Incoming Mainzer

No pressure on Elliot in his new role, right? Steve Berberich, the departing California ISO President and Elliot Mainzer, who starts in the job next Wednesday, had a webcast question and answer session this week moderated by EIM Governing Body chair John Prescott. Berberich spoke of California's challenge to meet its clean energy goals reliably. He described his efforts to build Western collaboration for market development to integrate renewable generation. He stressed the importance of building trust in the relationships among the states and regional utilities.

Elliot emphasized his commitment to California's clean energy goals and spoke of his record at BPA of bringing diverse interests together. He said he will immediately establish relationships with California's policy leaders, noting his roots as a native of San Francisco and a graduate of UC Berkeley. He stressed that it is essential that California develop markets on a foundation of resource adequacy and pursue the state's clean energy goals with a "coalition of the willing".

One current piece of news was that Berberich said that the ISO, the CPUC, and the California Energy Commission would be completing their joint report on last month's blackouts within the next few days for delivery to the Governor. The CAISO will post a video of the session at the Regional Issues Forum website at this page.

### California Governor Orders Zero Emission Cars by 2035

California Governor Gavin Newsom Newsom issued an executive order for California to require that all passenger vehicles sold in California after 2035 be zero emission. Transportation emissions now account for half of the state's greenhouse gas emissions. Newsom's announcement said that the order would achieve a 35 percent reduction in GHG emissions in the state and an 80 percent reduction in oxides of nitrogen emissions. The order directs the state's Air Resource Board to develop enforcement regulations. California Governors in recent years have used executive orders to establish broad state mandates for clean energy policies with the Legislature and regulatory agencies completing the details. Executive orders remain in force through the terms of the incumbent Governor.

### CPUC Will Take More Time for Structural Changes to Resource Adequacy

Wednesday, the administrative law judge in the CPUC's resource adequacy proceeding issued an expected revision of the schedule for the portion of the proceeding focusing on long-term design. This will include rules for using import contracts for RA and was to have been completed in the first months of 2021. The judge noted the workload for CPUC staff and extended the schedule to at least June 2021 with workshops planned in November.

# **Bright Lights and Big Bikes**

On the Venice boardwalk, Sunday at sunset means it's time for the Venice Electric Light Parade. As daylight wanes, hundreds of bicycles and riders gather; the bikes festooned with LED lights and the riders in fluorescent clothes. For five years, the event has been organized by Marcus Gladney, also known as 'The Captain'. His own big-wheeled bike has over 5,000 lights and a trailer to carry a portable sound system and batteries. When everyone is ready and the sun is going down over the ocean, the Captain turns on Edith Piaf's "La Vie in Rose" and the whole procession flashes and glows as they roll to Santa Monica and back.

# Montana News Mark Reller

### Once the Smoke Cleared

Three years ago a large wildfire in the Lolo National forest covered a small western Montana town with smoke. At times the levels of pollutions exceeded the capacity of monitoring equipment to measure, in other words, the pollution was off the scale. Many refused to leave, others simply had no place or means to go. Researchers have been following the lingering health effects of long term smoke exposure on some of these folks and the <u>findings</u> are disturbing.

# Relapse?

Sometimes it seems like we live in a world of half-truths, lies and disinformation. In response, one has to choose their sources of information carefully and seek corroboration from multiple sources. Scientific America has in my view been a responsible purveyor of information. With that in mind I carefully share this <a href="mailto:news-article">news-article</a> on the emerging science on the risks of reinfection from Covid 19 and the implications that they may have on vaccines, herd immunity, and just how long this pandemic may play out.

#### Pattern?

The Montana Supreme Court has again sided <u>against</u> the Montana Public Service Commission. The court unanimously ruled that the Montana Public Service Commission chose arbitrary regulations that meant the MTSUN solar farm could not be economically viable. It was the second time in a month that the high court ruled against the Public Service Commission and the state's largest monopoly utility, NorthWestern Energy.

Thank you,

Cynthia Case
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cdcase@bpa.gov VanderHouwen From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, May 17, 2019 4:39 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations weekly report for May 17, 2019

Attachments: 2019-0517.pdf

Hello all,

Attached is the Regional Relations report for May 17, 2019. Have a great weekend.

Idaho News John Williams

# From the High Cost to Operate the Four Lower Snake Dams to BPA Going Broke – How Do You Correct the Misinformation?

After the Andrus Environmental conference over three weeks ago, there has been a lot of interpretation of what Congressman Simpson said. But the main theme leaving the conference was let's listen and have a conversation about saving salmon and making sure BPA can deliver reliable and affordable electricity and transmission. This also includes meeting its many public responsibilities. Well, today in Idaho, the Water Coalition (Idaho Water Users Association, Idaho Farm Bureau, and Idaho Consumer Owned Utilities) is working on a letter in support of the four Lower Snake Dams. The letter, as drafted today, will recap Idaho's water obligation for flow augmentation under the BiOp, importance of barging Idaho Agriculture, need for low cost electricity, public power support for BPA for the long term, and that BPA is financially sound. This letter will be sent to Idaho's congressional delegation and Governor Brad Little. Reason – to respond to misinformation that has surfaced in Idaho media outlets about the value of the four Lower Snake Dams and that public customers are supporting BPA in the long term.

### Idaho Water Resource Board Tours Lower Clearwater Water Exchange Collaborative Project with the Nez Perce Tribe

The Idaho Water Resource Board toured the Lower Clearwater Water Exchange collaborative project during their bimonthly meeting in Lewiston, Idaho. Board members were impressed with the outcome of the project, which provides sustainable water flows to the Lewiston Orchards Irrigation District (LOID) and restores sustainable water flows to Sweetwater Creek for the Nez Perce Tribe, endangered steelhead runs and resident fish. Historically, LOID relied on an elaborate system of small dams, storage reservoirs and canals in the Sweetwater Creek Basin for its water. A new 1,900 ground water well was drilled in 2015 to provide an alternative source of water for LOID and the 18,000 patrons it serves, leaving natural flows in Sweetwater Springs and the Sweetwater Creek watershed on Craig Mountain for the Nez Perce Tribe and the fish runs. Drilling of a second deep-water well is planned in the coming weeks. The collaborative effort also includes the Bureau of Reclamation, the Bureau of Indian Affairs, the City of Lewiston, Nez Perce County, and the Lewis-Clark Valley Chamber of Commerce.

# Quick Hits

- Utah <u>Governor's Energy Summit</u>: Under the leadership of Utah Governor Gary R. Herbert, this premier
  conference and trade show is the largest event of its kind in the Intermountain West drawing more than 1,100
  attendees and 70 speakers from across the globe to chart new paths for energy and minerals development at
  home and abroad. Speakers include DOE Secretary Rick Perry, Wyoming's Governor Mark Gordon, President and
  CEO of Dominion Energy Tom Farrell, and President and CEO of Rocky Mountain Power Gary Hoogeveen.
- Inspectors in Coeur d'Alene have intercepted 14 boats carrying invasive mussels into the state in less than month.
- Former Republican Governor Butch Otter has joined former Democratic Idaho Congressman Walt Minnick on the National Institute for Civil Discourse Advisory Board. "The Idaho State Advisory Board has tremendous

- potential to do real good and set an example for the nation," Keith Allred (Institute's executive director) said. "It speaks volumes that Governor Otter and I have joined forces to express our conviction that we must engage our differences with greater civility and respect." (Idaho Press Tribune, Betsy Russell)
- The amount of electricity coming from coal this summer will likely fall as natural gas and renewable power creep into coal's territory, according to the Energy Information Administration. The Midwest and Southern regions may have the largest drop in coal burn, according to the EIA, with the coal percentage in the Midwest expected to fall from 49 to 45 percent over the summer months and in Southern states to fall from 26 to 23 percent. Overall, if the administration's outlook rings true, coal will have declined from providing 35 percent of electricity in the U.S. during the summer in 2015 the year the Wyoming coal industry began a bust to 25 percent in 2019. Wyoming is the largest producer of coal in the country, and the drop in coal burned for electricity has been felt across the state, particularly in the coal communities of Campbell County. Over the last decade, Wyoming has lost more than one-quarter of its annual production from a century-high of approximately 466 million tons in 2008 to 304 million tons last year. Most of that loss hit during the bankruptcy period in 2015 and 2016, when the state's largest coal companies filed for bankruptcy and nearly 1,000 mining jobs were cut. With that drop in production, local and state income from the coal industry has also fallen dramatically. The continued contraction of the coal market persists in destabilizing the Wyoming industry. The third-largest coal company in the state, Cloud Peak Energy, filed for bankruptcy Friday, facing heavy debt and thinning margins. (Casper Star Tribune's energy reporter Heather Richards)
- North Dakota is preparing to sue Washington state over a new Washington law requiring oil shipped by rail
  through that state to have more of its volatile gases removed, which supporters say would reduce the risk of
  explosive and potentially deadly derailments. North Dakota officials say the law will make Pacific Northwest
  refineries off-limits to the energy industry of North Dakota, which is the nation's No. 2 crude producer. (AP)

# Oregon News Alisa Kaseweter

# Public Scoping Meetings Scheduled for Willamette Valley System EIS

The Corps Portland District announced the dates for meetings to give the public the opportunity to comment on what issues will be evaluated in the Willamette Valley System EIS. The public comment period for scoping ends June 28. Details for Public Meetings

- June 4: Eugene Public Library, Bascom-Tykeson Room, 4-6:30pm
- June 5: South Salem High School Library, North Side Room, 5-7:30pm
- June 6: University Place Hotel & Conference Center, Willamette Room, 4-6:30pm
- June 12: Corvallis-Benton Public Library, Main Meeting Room, 5-7:30pm
- June 13: Springfield City Hall, Council Chambers, 4-6:30pm

### BPA is a cooperating agency in the EIS. For more information:

https://www.bpa.gov/efw/Analysis/NEPADocuments/Pages/Willamette-Valley-System-Environmental-Impact-Statement.aspx

# Spring Chinook Fishing to Remain Closed on Columbia and Snake Rivers

ODFW announced that fishing for Spring Chinook will remain closed on the Snake, Wallowa and Imnaha rivers. Chinook fishing on the Columbia is also closed, and reduced recreational fishing seasons are expected for all but Coho salmon. This year has seen very low return levels for adult spring Chinook with forecasted numbers at half of the 10-year average. Fall Chinook, Sockeye salmon, and summer steelhead runs are also projected to have below-average returns. ODFW says the poor returns are largely due to unfavorable ocean conditions.

# West Coast News Doug Marker

### California Determines PG&E Transmission Caused Deadly Camp Fire

California state fire investigators issued their terse conclusion this week that last fall's Camp Fire was caused by a Pacific Gas and Electric transmission line. The fire killed 85 people. PG&E had already warned that it expected to be found at fault for the fire and took a \$10.5 billion charge against its liability. The investigation report confirms the utility will bear the blame.

With summer approaching, the state's utilities are completing fire mitigation plans. One strategy has generated press attention which is plans to shut off at-risk power lines in periods of high fire danger such as hot, dry winds. Utilities are working with communities to provide local electric relief service if electric service suspended in such conditions. There were several such shutoff events last year that brought complaints about resulting economic impacts.

# Second California CCA Obtains Credit Rating

California's retail electricity service is swiftly shifting from the three major IOUs to Community Choice Aggregators (CCAs). A host of these entities have begun business in the last few years. However, almost all lack credit ratings to make power purchases on the favorable terms. Marin Clean Energy, the oldest CCA, secured a credit rating last year and last week Peninsula Clean Energy in San Mateo County won a Baa2 rating from Moody's. The California CCA Association says more CCAs are in the process for credit ratings. While the rating is not particularly high for the utility industry, Peninsula representatives noted that it is better than that of the incumbent IOU, PG&E.

### Consider Buying Out PG&E, San Francisco Commission Urges

The San Francisco Public Utilities Commission reported to Mayor London Breed this week that public ownership of PG&E's electric system in the city could save money and help meet the city's clean energy goals. The Commission currently provides some electric service to San Francisco from the Hetch Hetchy water project. It said the likely increases in service costs from the troubled PG&E make the economics of public ownership more attractive. Through public ownership, the city could buy electricity from clean energy resources potentially at lower costs than PG&E's current resource portfolio. The Commission said it will continue to work on the details of a purchase proposal for consideration by the City Board of Supervisors.

#### Northwest Wholesale Power Markets Conference

I attended the conference held by <u>Clearing Up</u> this week in Portland. I have my <u>notes available on Sharepoint</u> if you are interested. Please be careful about attributing particular statements to speakers based on my notes. I'm easily confused.

#### At Least All the Echoing Will be Nice

LA County is planning a massive new building for the LA County Museum of Art. Designs envision a clean, horizontal structure spanning Wilshire Boulevard. The concept calls for bright windows on the exterior and interior walls of cast concrete. The problem, noted in media coverage this week, is that while concrete is good for many things, such as sidewalks, it's not so good for walls you might want to decorate with things like, you know, paintings. The LA Times pointed out that if you've ever tried to anchor anything to concrete, you'll understand the drilling and patching it takes. Now imagine doing that with thousands of exhibits of various dimensions and weights that get moved and replaced over and over again. Those clean walls are going to look like pizza. One solution might be permanent picture rails with wires to suspend the art, the way we do in the Headquarters lobby. But what's LA known for? Earthquakes for one thing. Now imagine those thousands of free-hanging exhibits banging gently in a typical 4.6 seismic event.

# Montana News Mark Reller

# **Montana Politics**

Montana Governor Steve Bullock has announced his long anticipated bid for the office of the President of the United States of America.

His <u>announcement video</u> touts his experience as Montana Attorney General and Governor. It emphasizes education, campaign finance laws, equal opportunity and right out of the chute "challenges a corrupt system that puts campaign money ahead of the needs of the people". He also is quick to point out he was elected as a democratic governor in a state that went for Trump by 20 points.

Bullock is number 21 joining a crowded democratic field of 20 other presidential hopefuls. If this were only blackjack he would have the winning hand. His greatest strength could be his centric tendencies and his past accomplishments achieved while working with a republican controlled legislature. He has been an advocate of renewables, without tossing coal under the bus. Bullock is termed out as governor and no clear choice for a democratic contender for the Governor's seat has emerged to challenge the strongest republican in that race, front running Tim Fox (Montana's current Attorney General).

The link below (hover over the photo) is photo chronical of Bullock's career in politics.



From Attorney General to Governor: Steve Bullock's rise through Montana politics

### In Other Montana Politics

A democratic challenger for Senator Steve Daines' seat has emerged. Helena's adopted son Wilmot Collins, a Liberian refugee and current Mayor of Helena, <u>announced</u> his Senate bid this Monday. I know Wilmot, from (b)(6)

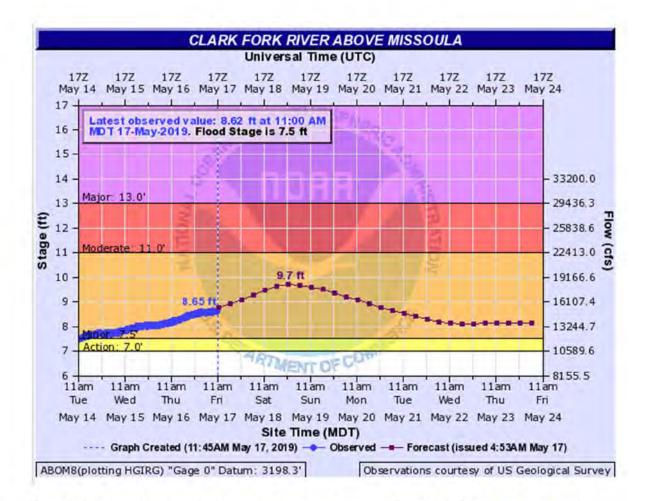
(b)(6)

here in Helena. He is a veteran, a pragmatist, of strong character, and comes to the game with a history of overcoming long odds.

#### Warm Weather + Rain on Snow = Floods

The Missoula office the National Weather Service is predicting that the Bitterroot River and Clark Fork River, along with several local streams could leave their banks later this week and over the weekend as warm rains come to Western Montana. Rain amounts could exceed an inch of rain. Snow melt daily yield will approach an additional inch. Remaining high elevation snow pack is rated at over 30" of snow water in many places. At this point only minor flooding is expected.

Projected Clark Fork near Missoula Hydrograph:



Predicted Snow water equivalent changes appear to approach over 1" on Friday (see map here).

Snow water equivalents (see map here).

# Washington News Liz Klumpp

# Governor Inslee Reverses Position and Opposes PSE's Liquefied Natural (LNG) Gas Plant in Tacoma

Last week at a press event Gov. Inslee announced his opposition to Puget Sound Energy's (PSE) proposed <u>LNG facility</u> for the Port of Tacoma. In addition to providing natural gas storage close to loads, the LNG plant would provide local transportation companies, including TOTE Maritime Alaska vessels a cleaner fuel alternative, which would reduce TOTE's GHG emissions. Previously, Gov. Inslee supported this project for its quantifiable GHG reductions. The Seattle Times <u>editorial</u> this week criticizes the Gov. for this 'flip-flop.' The Gov. indicates that he can't support any facility that'd rely on fossil fuels for decades. It is expected that PSE will still secure its two remaining needed permits: a clean air permit and a site construction permit. Former EPA Region 10 Director Dennis McLerran is advising PSE on its clean air permits. (Dennis is also legal counsel representing Columbia Riverkeepers on at least one lawsuit on river temperatures.)

#### Washington 2019 Legislative Summary

Below is a list of bills, with links to bill language and staff summaries, that are related to energy, greenhouse gasses, water, salmon or orcas. I've written a 5-page summary of the 100% Clean Energy bill. It's posted at our <a href="Sharepoint">Sharepoint</a> site, or ask and I can send it to you. There is some discussion going on within state government regarding the Appliance Efficiency bill and whether the state will delay enforcing the standard that requires grid-ready equipment installed in water heaters starting in 2021. The manufacturers are pushing back on whether the state or only USDOE has the

authority to regulate efficiencies of water heaters. The utility wildland fires bill starts a formal conversation between representatives of Department of Natural Resources and the electric utilities; the utilities supported this bill.

The Puget Sound Partnership summarized its priorities and those of the Gov.'s Southern Resident Killer Whale Task Force on its website if you are interested. <u>The summary</u> includes many key items funded in the operating and capital budgets that are not listed below by bill name.

If you are interested in a summary of the outcomes of the entire legislative session (beyond energy, salmon, etc.), there is one reporter left whose entire beat is covering Olympia state government; his <u>summary is here</u>.

Washington 2019 Energy-Water-Salmon Legislation Enacted into Law		
Bill	Title	Status
SGA 9253	DAVID DANNER	S Confirmed
ESHB 1109	Operating budget	Del to Gov
SSB 5305	Electric utility wildland fires	C 77 L 19
SHB 1102	Capital budget 2019-2021	Del to Gov
HB 1070	Natural gas tax treatment	C 202 L 19
E2SHB 1112	Hydrofluorocarbon emissions	C 284 L 19
E2SHB 1114	Food waste reduction	C 255 L 19
EHB 1126	Distributed energy	C 205 L 19
E3SHB 1257	Energy efficiency	C 285 L 19
ESHB 1428	Electricity product attrib.	C 222 L 19
2SHB 1444	Appliance efficiency	C 286 L 19
E2SSB 5116	Clean energy	C 288 L 19
E2SSB 5223	Electrical net metering	C 235 L 19
SSB 5305	Electric utility wildland fires	C 77 L 19
ESHB 1578	Oil transportation safety	C 289 L 19
2SHB 1579	Chinook abundance	C 290 L 19
SSB 5135	Toxic pollution	C 292 L 19
2SSB 5352	Walla Walla watershed pilot	C 78 L 19
2SSB 5577	Orca whales/vessels	C 291 L 19
SB 5918	Whale watching guidelines	C 293 L 19
SHB 1512	Transp. electrification	C 109 L 19
E3SHB 1257	Energy efficiency	C 285 L 19

Inslee Campaign's \$9 Trillion National Plan to Cut GHG Emissions Including Transmission & Smart Grid

The Inslee campaign's 38-page plan for cutting national greenhouse gas (GHG) emissions is available on his <u>campaign</u> <u>website</u>. I've summarized the plan's goals for the nation's transmission system below.

Transmission & Smart Grid Modernization: Transmission and distribution will be more reliable and resilient due to new investments and improved planning, siting, and permitting. Key initiatives include:

- Provide competitive opportunities to secure matching dollars for smart grid local power distribution networks.
- Expanding the Authorized Equipment List eligible in FEMA's grant programs for preparedness.
- Establishing a new Transmission Investment Tax Credit, and providing low-cost financing through new and
  existing federal financing programs, to leverage public and private capital to meet an approximate \$15 billion
  annual transmission infrastructure investment need between 2020-2030 to help the nation meet Governor
  Inslee's ambitious clean electricity standard proposal. This includes investment in anticipatory construction of

transmission capacity to areas with significant queues of clean-energy generation capacity awaiting transmission, such as federal lands throughout the West that are ripe for clean energy development. (I've copied the full language from his website for the TX tax credit.)

 Appointing a Secretary of Energy and a Federal Energy Regulatory Commission (FERC) Chairman who will pursue national development of clean energy resources.

Thank you,

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VanderHouwen

From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, June 28, 2019 3:50 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for June 28, 2019

Attachments: 2019-0628.pdf

Hello all,

Attached is the Regional Relations report for June 28, 2019. Have a great weekend.

# Public Interest Organizations Josh Warner

#### National Wildlife Federation on Lower Snake River Dams

Tom France with the National Wildlife Federation posted a <u>commentary</u> in response to a <u>commentary</u> from several Grays Harbor PUD #1 board members on the value of the lower Snake River dams. France's piece promotes the narrative that spending \$16 billion is an exorbitant amount of money to spend on salmon and steelhead recovery in the lower Snake and Columbia River system with not one species "budged off the Endangered Species List." The solution: removing the lower Snake River dams. France says this will help salmon, orcas, save the region money and represents "only a small fraction of Washington's important hydropower system." France adds, "The four outdated dams on the Lower Snake River will cost the public well over \$1 billion to keep operating in the decades ahead, even while they disrupt critical pathways for salmon." While the narrative is similar, the importance of hydro is taking more prominence.

# Idaho News John Williams

#### Idaho Water News: Possible Curtailment

The Director of the Idaho Department of Water Resources (IDWR) has issued a curtailment order predicting a 15,850 acre-foot shortfall will occur to water users with senior priority surface water rights in the Eastern Snake River Plain Aquifer (ESPA) region in the 2019 irrigation season. The predicted shortfall means that certain ground water users may be subject to curtailment during the irrigation season if they are not already participating in – or are not in compliance with – an approved mitigation plan. A list of the junior users who are not participating in a mitigation plan indicates that approximately 85 water users may face curtailment.

Groundwater levels have improved because of state-sponsored aquifer recharge, groundwater pumping reductions, and ample water years, but aquifer water levels have not yet recovered to necessary levels to maintain recovery. Because of this, IDWR still predicts shortfalls to the senior surface water right holders even in record years like this, when federal storage reservoir operators forecast near-normal runoff and full reservoir supplies. The April 1 joint forecast prepared by the United States Bureau of Reclamation and the United States Army Corps of Engineers predicted 3.2 million acre-feet of runoff from April to July at the Heise gauge of the Snake River, which is 99 percent of normal.

Recall Idaho Reports during the past two years that involved the Governor and Legislative leadership on resolving water curtailment via mitigation. The mitigation plans of Idaho Ground Water Appropriators and the participating Cities allows participating ground water users to avoid curtailment this year and in the future, as well as avoid future litigation issues related to water use in the ESPA area that could affect cities, commerce, industry, agriculture and the Southern Idaho economy. (Source: IDWR News)

Electric Utility Residential Customer Satisfaction Increases in 2019, J.D. Power Finds

Overall customer satisfaction is up among electric utility residential customers in 2019, with the top utilities focusing their efforts on improving reliability and on communicating their ongoing community involvement efforts, according to the J.D. Power 2019 Electric Utility Residential Customer Satisfaction Study. In the West Region Mid-size segment, Clark PUD took  $1^{st}$  while Idaho Power came in  $2^{nd}$ .

### Amended Nevada Legislation - Best Way for NV Energy to Keep Customers!

During the late hour of the Nevada Legislature, SB 547 passed and Governor Steve Sisolak signed the legislation that makes it tougher to abandon Nevada's monopoly electric utility going forward. The Bill would revise the current provisions governing the ability of large customers to apply at the PUC to take competitive electric supply, include certain carve-outs from competitive supply load caps that could otherwise be established under the bill.

History: why did the legislature allow large Nevada customers to leave NV Energy? The law was put in place in 2001 amid questions related to the ability of NV Energy to meet energy supply needs in the aftermath of the Western U.S. energy crisis of 2000 and 2001, and it was used by mining giants Barrick and Newmont to leave the utility and construct their own power plants. After a dormant period, the process was dusted off in 2014 and 2015 and used by large companies including Switch, MGM Resorts, Wynn Resorts and Las Vegas Sands to apply to leave the utility, but to do so by purchasing power from a third-party wholesaler as opposed to constructing their own power plants.

The number of exit applications swelled during the last two years — 13 companies filed to leave in 2018 and 2019, including the <u>Grand Sierra Resort</u>, <u>SLS Las Vegas</u>, <u>Boyd Gaming</u>, <u>MSG Las Vegas</u>, a <u>building supplies company</u> north of Las Vegas, the under-construction <u>Raiders</u> stadium, <u>Atlantis Casino Resort Spa</u>, <u>Fulcrum Sierra BioFuels</u> and <u>Station Casinos</u>. But under SB547, exits would be much more limited and require several more steps before they take place.

The bill first requires that NV Energy include in its Integrated Resource Plan — filed every three years and detailing the utility's expected electric supply and demand — details on the total amount of energy that departed customers can purchase from outside providers. It requires the utility to use a "sensitivity analysis" in developing its plan, one that addresses load growth, import capacity, potential strain on existing infrastructure and the projected effect of customers purchasing less electricity than the maximum outlined in the plan. It also requires the plan to calculate impact fees applicable to electricity costs paid for by end-use customers of the utility.

Under the bill, the PUC would need to determine several factors — including renewable energy development and furthering "safe, economic, efficient and reliable electric service" — when considering the utility's plan for how much electricity should be made available for outside providers to sell to departed customers.

The bill would also restrict the submittal of new exit applications to a 30-day period between January 2 and February 1 of every year, setting a 280-day period in which the commission would either approve or deny the exit application. If no approval is granted, the business would receive an automatic denial; current law sets a 180-day review period and requires the application be granted if the commission takes no action.

It's in this section that the bill makes some of the most dramatic changes to the 704B process. The bill reverses current law — requiring the commission to grant an application if it is found "contrary" to the public interest — to requiring the commission to determine whether the application is in the public interest; a minor tweak in wording that raises and asks companies to prove that their exits benefit the public, as opposed to not actively harming the existing system. The bill also requires the commission to consider the following issues before approving any exit application:

- That the amount of energy and capacity required doesn't exceed the limits set by the utility set in its Integrated Resource Plan
- Whether NV Energy will experience (rather than "be burdened by") increased costs as a result of the transaction
- Whether any customer of the utility will pay increased costs for electric service or in a new requirement —
  forgo benefits of a reduction of costs for electric service as a result of the exit application

It also removes the requirement for the commission to determine whether a company's exit application adds energy or capacity to the state's overall electric supply. The bill also requires any provider of new electric resources — the third-party provider that contracts with departed businesses — to receive a license from the PUC prior to purchasing

electricity for any departed customer. The requirements for licensing will apply retroactively, so all companies that currently provide power for large Nevada businesses will have 30 days to register and receive a license from the PUC if the bill is passed. Such licensed companies would also be required to meet the same standards required of NV Energy to file an annual vulnerability assessment and emergency response plan with the commission.

The measure also includes provisions allowing the commission to adopt a process for a company that departed the utility to return to utility service, as well as giving the PUC power to limit the number of times a company can switch between NV Energy and an alternative electric provider. (The Nevada Independent, Riley Snyder)

# Oregon News Alisa Kaseweter

# Cap-and-Invest Bill Appears to be Dead

Oregon's legislative session ends on Sunday and Senate Republicans are still missing from the Capitol. Today marks the 9<sup>th</sup> day since Senate Republicans left the state in order to deny the quorum needed to pass the cap-and-invest bill, <u>HB</u> 2020 (the House passed the bill last Monday). The staged walkout and ensuing drama have garnered international attention. Earlier this week, Senate President Courtney and Governor Brown stated that Democrats no longer have the votes needed to pass the bill.

As of Friday morning, the Republican Senators still have not returned to the Capitol and it's unclear if they will return before session ends in two days. There are still state agency budgets and several bills waiting for a Senate approval. If the Senators don't return to at least pass the state budgets, Governor Brown will need to hold a special session prior to state agency budgets running out in September. As for the cap-and-invest concept that Oregon has been working on for the better part of a decade, time will tell if and how it comes back.

# **Boardman to Hemingway Public Hearings**

The Oregon Department of Energy hosted public hearings the last two weeks in Malheur, Baker, Union, Umatilla, and Morrow County on the <u>Draft Proposed Order</u> recommending the Energy Facility Siting Council (EFSC) approve the application and grant a site certificate for the proposed Boardman to Hemingway transmission line. The <u>La Grande</u> meeting drew the biggest crowd, with about 200 people in attendance. Turnout was much smaller in <u>Ontario</u>, <u>Baker City</u> and <u>Pendleton</u>. Most statements were in opposition to the line. EFSC has extended the deadline for written comments to August 22<sup>nd</sup>.

# West Coast News Doug Marker

### PG&E Bondholders Propose Cash for Wildfire Claims, New Name

Sidestepping PG&E's own executives, a group of the utility's major bondholders proposed new financing to settle claims from the last two years of wildfires blamed on the utility. Their proposal competes for court approval with the alternative bankruptcy settlement being developed by PG&E leadership. The proposal would provide as much as \$18 billion to settle wildfire claims, would include payment for the company's outstanding debt, and would honor existing renewable resource generation contracts. The bondholders criticized PG&E executives for wasting precious time preparing their own resolution to its current bankruptcy.

The proposal would give PG&E's major union a seat on the company board and offer another seat to The Utility Reform Network, the leading consumer advocate organization in PG&E's service territory. Finally, it suggests the venerable company needs a branding overhaul, suggesting it even have a new name – possibly "Golden State Power and Gas."

### CPUC Calls for More Resource Adequacy and Questions Imports

The California Public Utility Commission called last Thursday for comments on a proposal to require regulated utilities to purchase an additional 2,000 megawatts of resource adequacy resources by 2021. The CPUC said an increasing amount of RA depends on imports from out of state and that the schedule for closing baseload generation is adding to its reliability concerns. While renewable generating resources continue to come online in California, the proposal said, those resources have limited value for reliability. One question the CPUC asked is if it should seek to delay closing once-through cooling plants scheduled to retire under an environmental mandate. Concerning imported reliability resources, the CPUC asked for comment on whether that should be of heightened concern. The proposal also says there may be a one-third capacity discount for imported RA because of "associated risk."

I've raised the order within the California Awareness Team to consider any BPA engagement at this early stage and have also contacted the Public Generating Pool for their thoughts.

#### Hey, at Least it's Not Stockton

Overshadowed by San Francisco to the west and Lake Tahoe to the east, Sacramento is a town with an inferiority complex. Much like Spokane, but Sacramento has an NBA team. A few weeks ago, the TV game show Jeopardy posed the question, "What state capital is nicknamed 'the Almond Capital of the World?" The answer, "Sacramento" was ruled correct. Except that no one in Sacramento calls the city that.

That broadcast renewed Sacramento's tortured deliberation about its identity. This has been a sore point since local boosters painted "America's Farm to Fork Capital" on the big water tower coming in on I-5. "River City!" suggest some. "Camellia City!" cry others. It doesn't help that the state's Governor was once quoted saying of the place, "It's just so dull. Sadly, I just, ugh, God." So other names collected include "Capital of the Fifth or Sixth Largest World Economy, Depending," and "The Kings are a Young Team." At this point, "Sacratomato" seems to be winning.

# Montana News Mark Reller

### NorthWestern Speaks to Capacity Deficit

John Hines, the Vice President of Energy Supply for NorthWestern Energy (NWE), appeared this week before the Montana Consumer Council which is an interim legislative committee. In his report, he spoke to the retirement of Colstrip Units 1 & 2 and how that retirement is eroding the surplus status of energy in Montana. Furthermore other coal retirements in the region will reduce supply of capacity in the broader northwest. In addition, the transmission system that connects Montana to northwest, was designed for export of about 2200 MW energy east to west and the transfer capacity of that system west to east (imports) is only about one half or 1200 MW. Thus a capacity in the region diminishes, NWE is limited on how much energy it can import across Path 8.

Hines stated that he sees a capacity shortage in the region as a near certainty. With NWE current portfolio of resources they have "capacity shortages far greater than other utilities in the area." Moving into the years 2020 – 2022, they expect to have "a zero reserve margin". Their current portfolio is made up of coal, wind, hydro and solar and has a nameplate of 1600 MW, but holds an "accredited capacity of 780 Mw". Their analysis shows that for just over 5000 hours per year the 780 MW is sufficient to meet load. But in other parts of the year they will be up to 444 MW short. NorthWestern plans to release later this summer an RFP for bilateral energy and capacity contracts to help meet the shortfall. The proposal will seek short or medium term (3 to 5 year) contracts. Hines' testimony starts at 10:17:30 on the clock at the link here.

# Washington News Liz Klumpp

# WUTC and Washington EFSEC Moved to New Location in Lacey, Washington

A note for those of you who occasionally attend meetings or workshops at the Washington Utilities and Transportation Commission. They moved! The new office is less than 10 minutes further north: 621 Woodland Square Loop SE, Lacey, WA 98503. Phone numbers remain the same.

### Governor Inslee's Possible Third Term or Not and Participation in the Presidential Debate

The Sunday Seattle Times published an <u>interview</u> with Gov. Inslee discussing his presidential run; this was prior to the first debates. This included an interview with a national climate change activist, Bill McKibben, who suggested that Inslee is well positioned to lead USDOE in a democratic administration. The Times, "Inslee rejects that suggestion, saying he'd rather run for a third team as governor if his presidential candidacy fails. 'It would take a whole heck a lot of something, that I don't know what it would be, to get me out of being governor in the state of Washington,' he said."

Meanwhile, Monday's Seattle Times reported that Hilary Franz, Public Lands Commissioner, and Bob Ferguson, Attorney General are lining up for possible gubernatorial races if Inslee doesn't run for a 3<sup>rd</sup> term. Likewise, additional candidates are prepping to run for Attorney General and Public Lands Commissioner if these two incumbents do not seek reelection.

Below are the captions and links for local coverage of Gov. Inslee's participation in the first presidential debate.

- Jay Inslee speaks to the press about why he's a good candidate for President before Democratic debate (The News Tribune)
- Washington Gov. Jay Inslee struggles to get speaking time in first Democratic presidential primary debate (The Seattle Times)
- Here's what Jay Inslee said in his 6 answers in the Democratic presidential debate (The Spokesman-Review)
- Among 9 other candidates, Inslee gets his 6 minutes of fame (The Everett Herald)
- Jay Inslee's 5 minutes of debate fame: Here's what he did with it (KUOW Radio)
- 1st Democratic Presidential debate kicks off, Jay Inslee highlights climate message (Northwest Public Broadcasting)

- Washington Gov. Inslee seeks climate moment in Democratic debate, but gets little time (The News Tribune)
- Democrats rail against economy-for-the-rich in first debate (AP/KOMO Radio)
- About that debate: Dems note discrepancies in speaking time (The Washington Post/The Everett Herald)
- Dems' missteps on climate, wages in debate (AP/Seattle P-I)

# More Politics: Washington State House Democrats Will Elect a Woman Speaker for First Time

Next month Seattle Democrat Frank Chopp resigns from his leadership role as speaker for the state House of Representatives, a position he's held for roughly 20 years. Democrats will consider four women candidates for this critical role when they <u>vote</u> in July for new leadership: Rep. Monica Stonier (Vancouver), Rep. Laurie Jinkins (Tacoma), June Robinson (Everett), and Gael Tarleton (Seattle – and a key force behind the 100% clean energy bill). This will be the first time a woman has held this very key leadership position in the state House.

Thank you,

Cynthia Case
Regional Relations Administrative Assistant, DIR-7
BONNEVILLE POWER ADMINISTRATION
503-230-3683
cdcase@bpa.gov
VanderHouwen

**From:** Marker, Douglas R (BPA) - DIR-7 **Sent:** Friday, November 6, 2020 9:35 AM

**To:** Baskerville,Sonya L (BPA) - DIN-WASH; Case,Cynthia D (CONTR) - DIR-7; Cogswell,Peter

(BPA) - DI-7; Harwood, Holly C (BPA) - DIR-7; Johnston, Kenneth H (BPA) - DIT-7;

Kaseweter, Alisa D (BPA) - DI-7; Klumpp, Elizabeth C (BPA) - DIR-WSGL;

Manchester,Kathleen L (CONTR) - DIT-7; Peacock Williamson,Julie (BPA) - DIR-7; Reller,Mark D (BPA) - DIR-MSGL; Seifert,Roger E (BPA) - DIN-WASH; Warner,Joshua P

(BPA) - DIR-7; Williams, John J (BPA) - DIR-BOISE

Subject:West Coast News 11-6-20 - Gilligan!Attachments:West Coast News 11-6-20 - Gilligan!.docx

#### **West Coast News**

Doug Marker

**California Elections Stay Consistent.** Apart from once again delivering a significant margin for the Democratic presidential candidate, California's election had limited surprises. There were no significant statewide races, but it looks like three Democrat-held Congressional seats in conservative areas could flip back to Republican. A Biden-Harris victory in the Presidential race will mean that Governor Gavin Newsom will choose Senator Kamala Harris' replacement. Competition for that vacancy is already intense.

California CCAs Seek Long-Duration Storage: A group of California community choice aggregators (CCAs) are seeking offers for storage projects promising at least 50 megawatts of sustained output over at least eight hours. Such storage capability would be significant because current lithium battery storage can only discharge power for about four hours. Having capacity lasting eight hours would fill in supplies from late afternoon until late night as solar generation tails off and loads follow hours later. The CCA proposal requires that the projects be able to be online by 2026. California's need for reliable electricity in evening hours becomes more acute in 2026 after the final shutdown of the Diablo Canyon nuclear plant.

New Direction for California's Emissions Policy Leadership? The longest tenured person in California's energy policy leadership is someone we don't hear much about in the Pacific Northwest. Mary Nichols is a legend in California and has been chair of the state's Air Resources Board for 13 years. This is her second time in the job, having served in the role between 1979 and 1983 in former Governor Jerry Brown's earlier terms as Governor. Nichols has championed California's cap-and-trade carbon emissions market and that is where her departure could cause renewed tension. Environmental justice advocates complain that cap-and-trade allows polluters to pay to continue polluting in disadvantaged communities. Nichols brokered the extension of the cap-and-trade market, which included directing a portion of auction proceeds to benefit those communities. But her departure will put pressure on Governor Newsom to appoint a new chair who will focus on more direct control of pollutants, notwithstanding purchases of offsets for carbon.

Can't the Professor Sort Everything Out? Next-door neighbor squabbles are common enough, but you've got to give one in Laguna Beach points for creativity. To sum up the origin, one rich guy installed a Dale Chihuly glass sculpture on his oceanfront lawn, blocking ocean view of next-door neighbor rich guy. A few dark nights passed and then pieces of the sculpture were found broken off as if rocks had been thrown. So first rich guy installs protective netting above the property line, causing second rich guy to file a complaint with the city about code violations. After the city ordered the netting to come down, the first rich guy installed outdoor speakers and began playing the theme from 1960's TV comedy "Gilligan's Island" at full volume at random hours of the night. And now both neighbors are in the southern California news while everyone who reads about it goes through the rest of their day humming, "a three hours cruise.." Sorry about that.

From: Communications

Sent: Thursday, August 6, 2020 10:11 AM

To: Communications Outreach

**Subject:** Outreach Requested: Administrator Elliot Mainzer announces departure from BPA **Attachments:** PR-11-20-Elliot-Mainzer-announces-departure-from-BPA-news-release-FINAL.pdf

# **Outreach Guidance:**

Power AEs, CAEs, TAEs and D.C.: Please use information below to share with your customers, constituents and tribes news of Administrator Elliot Mainzer's departure from BPA. A news release is also being distributed to media outlets; you may forward that document.

**Transmission AEs:** Please use information below to share news with your transmission-only customers of Administrator Elliot Mainzer's departure from BPA. A news release is also being distributed to media outlets; you may forward that document.

EERs: No action required.

BPA managers: A Connection article will be posted soon. Please notify your workgroups.

Elliot Mainzer, who has served as administrator and CEO of the Bonneville Power Administration for the past seven years, will leave the agency at the end of August.

Mainzer was sworn in as the 15th administrator in BPA's 83-year history on Feb. 20, 2014, after serving as acting administrator since July 2013. From day one, Mainzer prioritized taking care of the BPA workforce and building a healthier and stronger organizational culture, which he did by instituting safety as a core value and implementing a new executive structure, decision-making process and focusing on management excellence, diversity and inclusion. Under Mainzer's leadership, BPA has achieved the strongest safety performance in the organization's history.

Mainzer served as administrator during a period of significant industry change. In response, he led the development of <a href="BPA's 2018-2023 strategic plan">BPA's 2018-2023 strategic plan</a>, which serves as a roadmap to sustain BPA's financial strength, modernize BPA's assets and system operations, provide competitive power products and services, and meet transmission customer needs efficiently and responsively. A central element of the strategic plan has been a focus on grid modernization and preparing BPA to adapt to evolving energy markets and new technologies. Mainzer also advanced new approaches to transmission planning and advocated for an enhanced regional resource adequacy program and a reinvigorated Northwest Power Pool.

Throughout his 18-year career at BPA, Mainzer focused on the opportunities and challenges of large-scale renewables integration and helped enable BPA to connect more than 5,000 MW of wind energy to its high-voltage transmission system.

In recent years, he has also worked to strengthen regional partnerships and understanding of shared interests within the Columbia River Basin on the complex issues associated with salmon recovery, hydroelectricity, tribal culture, navigation, irrigation, and rural economic development.

Mainzer will continue to serve as administrator through Aug. 31. DOE will announce an acting administrator at a later date to ensure a smooth transition.

###

From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, March 1, 2019 7:53 PM

To: ADL\_DIR\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for March 1, 2019

Attachments: 2019-0301.pdf

Hello all,

Attached is the Regional Relations report for March 1, 2019. Have a great weekend.

Idaho News John Williams

# Senator Risch Speaks with the Boise Metro Chamber

Idaho U.S. Sen. Jim Risch, the new chairman of the Senate Foreign Relations Committee, discussed America's recent successes and the biggest threat facing the country while making no effort to hide his dislike of the national media at last week's Boise Metro Chamber meeting. The following are excerpts from the topics he covered:

- Largest threat to America: "It isn't North Korea. It isn't the Iranians. It isn't any of this stuff. Our own internal
  spending habits are a threat to this country. The national debt is the biggest problem that we have. ... It is the
  largest threat to this country."
- U.S. vs. China: "In the 21st century we are going to compete with China greatly. It is going to be economically, it
  is going to be militarily, it is going to be culturally. I am convinced the 21st century is going to go back to what
  we were doing in the 18th, 17th and 16th centuries. And this is to have the competition of great powers."
- Micron vs. China: "Micron Technology is the unfortunate recipient of some of China's activities," Risch said, referring to China's theft of U.S. technology secrets. My most spirited one recently was with the Chinese ambassador and to listen to him defend the undefendable is stunning, because what they are doing is just flat wrong. We are going to stick with Micron, and we are going to see this thing through. We really have to. This case needs to become the line in the sand, so it does not become the norm for how the Chinese are going to try and get a leg up on us in the 21st century."
- Columbia River Treaty: "I have become chairman of [the Foreign Relations] committee at a really fortuitous time
  in Idaho. ... The Columbia River Treaty is being renegotiated as I stand here and speak. It expires in 2024. The
  Columbia River Treaty is a treaty between the United States and Canada, which regulates the flow on the
  Columbia River of water for purposes of flood control and for generating electricity. All well and good. But
  where does that water start? It starts right here. And it is really important that this treaty be right for Idaho."
- National media: "The one thing that you pick up, that you do get properly out of the media, is the national
  media is full of hate, contempt and venom for this president. I have never seen anything like this as far as the
  hate and vitriol towards the president. Now I get it that people do not like him. There is not anybody in this
  room who wouldn't agree, and if he was standing here right now he would say the same thing, he is different
  than any president we have ever had."

Source: Idaho Statesman investigative reporter Cynthia Sewell

# Janice McGeachin, Idaho's First Female Lt. Governor - is the Governor's Chief Appointment Officer

While BPA and others are waiting for the selection and appointment of Idaho's new Power Council member, Lt. Gov. Janice McGeachin will most likely play a key role in the selection process. For those who may not know about Lt. Gov. McGeachin, she is a former State Representative and a successful business owner from Idaho Falls who, along with her husband Jim McGeachin, own and operate multiple businesses in the automotive industry,

with stores in Idaho Falls and Boise. In 2012, she and her family renovated a historic building in downtown Idaho Falls and established the area's only Irish restaurant. Janice was an elected State Representative from 2002-2012, and served on numerous committees including State Affairs, Revenue & Taxation, Judicial, Joint Finance and Appropriations (JFAC), and Health & Welfare where she served as the Chair.

#### **Quick Hits**

- 1. The Idaho Governor's Office of Energy and Mineral Resources (OEMR) released the 2019 Energy Landscape.
- 2. A month ago Idaho snowpack levels were just 74 percent of normal snowpack and things looked bleak. But today...we have had the biggest snowpack month since February 1986. Snow survey crews revealed that most of Idaho has 3 times normal snowpack. After six months of record rain and snow across Idaho, record snowpack is still piling up in the mountains. Water releases have already started in the Little Wood Basin (Sun Valley Gooding area), and next week the same will happen in the Boise Basin and the Upper Snake River. The Boise River is expected to start rising on March 6. USDA hydrologist Ron Abramovich mentioned, "Except in the North which might be a classic El Nino pattern Storms are missing up there, but still they're close to 100-percent of normal levels." Source: Idaho Farm Bureau
- 3. Major win for Idaho on water depends on implementation. A Bipartisan Lands Bill, including Title Transfer, Moves to President Trump's Desk. Senate Bill 47 (S47) does several things, including permanently renew the Land and Water Conservation Fund, increase public lands access for sportsmen, and designate more than 1.3 million acres of new wilderness. S47 includes a title transfer bill, sponsored by Idaho's very own Senator Risch that will significantly streamline the title transfer process. The process will be streamlined but there are two questions that must be addressed: 1) what level of environmental analysis is required for a title transfer? And 2) the use of project power following title transfer. "Project power" is electricity that is provided at cost-based contracted rates to Reclamation projects. This low-cost energy is necessary for the continued viability of many irrigation projects. The risk of losing or limiting that project power causes many entities, including A&B, to dismiss the idea of title transfer. Irrigation companies will have discussions with Reclamation to determine if A&B can continue to use project power after a title transfer. If Irrigation companies lose access to project power through title transfer, they will not be able to do it. Irrigation assessments would increase significantly to cover the higher power costs members would not want to participate. Bonneville is involved in the wheeling contracts on behalf of the BOR. Reported by the Idaho Water Users Association.

# Oregon News Crystal Ball

### **Oregon Climate Authority**

Earlier this year, Gov. Kate Brown proposed to create a new Oregon Climate Authority. The Governor envisions a new entity would be responsible for implementing the state's climate strategies, including a new carbon market and greenhouse gas emissions reporting and accounting. The proposal assumes current programs operating at the Oregon Department of Energy would move to the Oregon Climate Authority. A <u>legislative concept</u> was released this week and the budget for the Oregon Climate Authority is tentatively scheduled to be in front of the Joint Ways & Means Natural Resources Subcommittee on March 18. Here are some the key functions as outlined in the proposed legislation:

- It establishes a new agency, the Oregon Climate Authority, to which the majority of the Oregon Department of Energy's "duties, functions, and powers" are transferred.
- It establishes a new Oregon Climate Board to advise the new agency and eliminates the Oregon Global Warming Commission.
- Language in statute that provided authority and policy guidance for ODOE is re-written to emphasize the need
  for state action on climate change and to vest within the new agency responsibilities associated with collecting
  information, addressing climate change, and coordinating with other agencies.
- It establishes a task force to review all the duties, functions, and powers of the new Oregon Climate Authority, and to provide recommendations to the Governor and the Legislature on any that should be abolished, amended, or transferred to other agencies.

#### OPUC Transmission Workshop #2

The Oregon Public Utility Commission (OPUC) hosted the second of at least three informational workshops this week to learn about non-discriminatory transmission access. I want to thank Cherilyn Randall, Jana Jusupovic and Chris Jones for describing BPA's transmission interconnection and transmission service request processes. In addition, representatives for investor owned utilities talked about FERC's pro forma documents and transparency rules. Transmission customers shared their point of view and described what they want from transmission owners. Presentations are posted on the OPUC's website. A recording of the workshop should be available soon. The objective of these workshops is to better educate commissioners and staff. The OPUC has experienced significant turnover. For example, two of the three commissioners are new and much of the staff was hired in the last year. The third workshop will focus on transmission products and energy markets. This is not a formal OPUC proceeding.

# State Mourns the Passing of two Prominent Political Leaders

Oregon lost two prominent political leaders this week. Secretary of State Dennis Richardson died Tuesday following a struggle with brain cancer. Richardson was a six-term member of the Oregon House before he was elected secretary of state in 2016. Richardson announced in June 2018 that he would begin treatment for brain cancer. A state funeral for Richardson will be held on March 6 in the Oregon State Capitol Building in Salem. Secretary Richardson's body will lie in state in the Capitol Rotunda. In a statement, Gov. Kate Brown praised Richardson for his perseverance. He was the only Republican holding statewide office in Oregon. Brown said she will consider appointees to replace Richardson from the Republican party who commit to not entering the 2020 race for secretary of state.

Norma Paulus died Thursday at the age of 85 after spending time in hospice for health problems. The Oregon Republican blazed trails for women in politics and broke gender barriers in 1976 when she became the first woman elected as Secretary of State. As a legislator and secretary of state, she often was the only woman in the room. Gov. Kate Brown said Paulus pave the way for women to run for public office.

West Coast News Doug Marker

BPA Files Final Comments on CAISO Study of PNW-California Transfers

Our cross-agency team, herded by Rafael Molano, is completing comments to the California ISO on its informational study of transmission capabilities of the interties between the Northwest and California. The CAISO Board should hear the report on March 27 as part of its annual transmission plan review. The big picture for this study is that it documents what the transmission connections are capable of providing, including the recent incremental gains on both the AC and DC lines. The study punted, though, on assessing more opportunities to incent delivery to California of hydro generation at times of the day when it is most valuable for renewables integration. The CAISO staff pointed to other capacity pricing processes for that kind of work.

### **BPA Completing Comment on EIM Governance**

We've been busy commenters the last few weeks! These comments are to the CAISO on its initial review of the scope and form of governance for its energy imbalance market. The EIM Governing Body will consider comments at its March 12 meeting in Albuquerque. Suzanne Cooper will represent us. We maintain that governance revisions aren't an issue for our pending decision to join the current EIM. But the governance could be improved and bears more attention as possible market expansion looms and more entities join the market. Our public power customers are getting much more involved in these discussions and we have coordinated on our respective comments.

### PG&E Reports it Probably Caused Deadly Fire

Yesterday, PG&E reported that a failure on its transmission line likely caused the Camp Fire, which burned the town of Paradise last fall and killed at least 86 people. PG&E said it is declaring a liability of \$10.5 billion for claims from the fire. Meanwhile, the company is working its way through bankruptcy restructuring of its financial obligations. Current news coverage speculates whether bankruptcy is a relative short-term process, shielding PG&E from aggressive liability claims, or whether this will result in a break-up of the company and possibly an overhaul of retail electric service in its territory.

# San Diego Will Pursue Forming a CCA

The San Diego City Council voted this week to provide its own electric service as a community choice aggregator. The city's plan calls for service to be in place in 2021. This represents another major CCA initiative in one of the most populated areas of the state and in the heart of San Diego Gas and Electric's service territory. One of the issues — and it's a big one — is how the San Diego city government forms an electric service entity with appropriate limitation on financial liability for the new entity.

### Can We Make This Rule Any Clearer?

I don't know about you, but one of the first rules I learned about driving was not to park in front of a fire hydrant. The



Anaheim Fire Department wants you to know that's a real thing. Tuesday, a 20-unit apartment building caught fire. Firefighters found a Nissan sedan parked squarely in front of the closest hydrant. There was no time for even a snatch-and-grab tow truck. They punched out both rear windows, snaked a fire hose across the rear seats and connected to the hydrant. Then they put a parking ticket on the windshield and posted pictures on Twitter as a warning. Funny, when I've seen the truck rolling on Main Street USA, the crew doesn't look that tough.

# Montana News Mark Reller

### Montana Legislature

<u>HJ 12</u> – House Joint Resolution 12 has morphed in committee. Originally a grid vulnerability study, the bill now also includes a broader study of the grid in Montana and includes examination of opportunities for energy export and examination of grid modernization opportunities. It's only risk in the House now appears to be, can it make the schedule for third reading in the House in time for transmittal.

Bill Actions - Current Bill Progress: In First House--Through 2nd Reading

Bill Action Count: 24

SJ 12 – Senator Cuffe from Libby / Eureka is Mr. Persistent and has swiftly moved his Columbia River Treaty (CRT) resolution through the Senate. It now must clear the House. Senator Cuffe's goal is to have a final resolution in hand to deliver to the CRT negotiators when they come to Kalispell, Montana on March 20th to hold a town hall meeting on the modernization of the treaty.

The Resolution seeks reparation payments for the construction and operation of Libby dam similar to the approach used in British Columbia by the Columbia Basin Trust. Plus it seeks to remove from the Treaty the provision and could allow Canada to divert 25 percent of the water from the Kootenay River across Canal Flats and into the Columbia, bypassing Libby Dam.

Bill Actions - Current Bill Progress: In Second House Committee--Nontabled

Bill Action Count: 30

(H) First Reading 02/28/2019

SB 278 – After a short ten day life as a bill, SB 278 looks suspiciously like it will miss transmittal to the House and die a quiet death. There are no scheduled meetings on the calendar for the Finance Committee to complete executive action and the Senate has adjourned early for the Transmittal break so there appears to be no opportunity for a floor vote. Further evidence of hospice status is that NorthWestern was a no show at the Senate Finance Committee hearing. But, never say die, as resurrection miracles do happen but I wouldn't bet the farm on it. The bill strives to allow NorthWestern a guarantee of rate basing any new generation or transmission assets it might acquire from the Colstrip parties. Plus it allows rate basing of any stranded costs if the plant closes prior to full depreciation.

Bill Actions - Current Bill Progress: In First House Committee--Nontabled

Bill Action Count: 23 (S) Hearing 02/26/2019

# Washington News Liz Klumpp

#### Governor Inslee Announces 2020 Presidential Campaign

The <u>Seattle Times</u> coverage of Gov. Inslee's presidential announcement isn't exactly a ringing endorsement of our local NW candidate, "Jay Inslee announces climate-focused 2020 presidential run. Does he stand a chance?" The <u>Rolling Stone</u> published an in-depth story today, "Jay Inslee Wants to Be the First Climate President. Is America Ready?" From the Rolling Stone, "For someone who's spent his career working on the climate, Inslee is the most unlikely of things: an optimist. Climate change is the most complex problem humans have ever faced, but it's also an opportunity to reinvent the economy and create millions of jobs while ensuring a livable planet for future generations. "This is a time of great peril," he says. "But it's also a time of great promise."

Because Gov. Inslee is retaining his current job, he could still run for a 3<sup>rd</sup> term as Governor if he later drops his campaign for president.

# Washington Legislative Update: State Senate Passes 100% Clean 28-19

The State Senate passed 28-19 Washington's 100% carbon neutral/carbon free legislation ESSB 5116. It moves to a hearing in House Environment and Energy Committee on Tuesday.

Meanwhile, on orcas, legislation that originally eliminated whale watching tours for several years has been revised. It now permits whale watching tours, but requires the boats to stay at least 300 yards from the orcas.

Thank you,

Cynthia Case
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VanderHouwen

From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, May 31, 2019 4:19 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Associates; Executive Team

Subject: Regional Relations weekly report for May 31, 2019

Attachments: 2019-0531.pdf

Hello all,

Attached is the Regional Relations weekly report for May 31, 2019. Have a great weekend.

# Public Interest Organizations Josh Warner

# Staffing Changes at Renewable NW

There have been a couple of staffing changes at Renewable NW. Cameron Yourkowski, Senior Policy Manager, left RN last week for a new position at EDP Renewables. He will be moving to a policy and regulatory role with EDPR in their Portland office. In addition, Rikki Seguin, Policy Director, left RN recently to become the new Executive Director for the Interwest Energy Alliance in Albuquerque, New Mexico. IEA is a non-profit trade association in the Southwest similar to what RN does in the Northwest.

#### IRU Hires New Executive Director

Idaho Rivers United has hired Nic Nelson as its new Executive Director. Nelson comes from the Peregrine Fund as its Director of Partnerships. He will join IRU July 1<sup>st</sup> as current Executive Director Kevin Lewis transitions toward planned retirement at the end of the year.

# Idaho News John Williams

#### Crazy Rain Season for Southern Idaho

For two months, a series of storms have soaked Southern Idaho. Brian Olmstead of the Twin Falls Canal company says the month of May could go down as one of the wettest months on record in Central Idaho, "We've had three to five inches of rain and our farmers are not using any irrigation water right now," said Olmstead. The Canal Company according to Olmstead is running their system at the bare minimum until demand is up. By Thursday, precipitation levels in Southwest Idaho doubled the average for May. The steady string of storms have left more than 2.62 inches of rain, far eclipsing the 1.39 inch of normal rainfall, according to the National Weather Service (NWS). The Treasure valley surpassed a rainfall milestone over the Memorial holiday weekend. The NWS tweeted that 2019 has the third-highest rain totals since records began in the 1860's. On Thursday, the region moved up in the record books to the second wettest year ever topping 10.71 inches of rain. The wettest recorded year was in 1896, when 12.81 inches of precip fell by May 28. Boise Board of Control's Project Manager Bob Carter says this year started with drought conditions in January and since then has been a wild ride with rain in the valleys and snow in the mountains. "It's been crazy with the late snowpack and now we've had a slow melt-off," he said. "That has slowed runoff and kept snow in the mountains and we've had minimal flooding. In fact, we are still gaining snowpack as of last week." Carter says because of the cold, wet weather the Board of Control cut back streamflows on the Boise River. "We were up to 8500 cubic feet per second but last week cut the flows to 5800 cfs because all of our accounts are filled," he said. Carter also said that Anderson, Arrowrock and Lucky Peak are filled and water usage is way down. (Source: Jake Putnam, Idaho farm bureau May 30, 2019)

### States Approve Water Quality Plan for Hells Canyon Hydro Projects

Idaho Power, headquartered in vibrant and fast-growing Boise, Idaho, has been a locally operated energy company since 1916. Today, it serves a 24,000-square-mile area in Idaho and Oregon. The company's goal to provide 100-percent clean energy by 2045 builds on its long history as a clean-energy leader that provides reliable service at affordable prices. With 17 low-cost hydroelectric projects at the core of its diverse energy mix, Idaho Power's residential, business and agricultural customers pay among the nation's lowest prices for electricity.

Idaho Power has taken a major step toward a new federal license for its largest hydroelectric project: Idaho and Oregon have certified the company's plan for meeting water quality standards in the Snake River as part of its operation of three dams in Hells Canyon. Section 401 of the federal Clean Water Act requires the company to produce a plan to meet state water quality standards as part of the relicensing process. Because Hells Canyon is on the Idaho—Oregon border, both states must approve the company's plan (commonly called a 401 certification). The plan's acceptance, announced late Friday (May 24), is a significant move forward in the company's application to relicense Brownlee, Oxbow and Hells Canyon dams. Together, those projects provide about 70% of the company's hydroelectric generation and are the backbone of Idaho Power's clean energy mix. The original license for the complex expired in 2005, and the company has operated the dams on a series of annual licenses since then. (Source: IPC news)

# Nevada Energy Retaining Some Customers Who Were Looking to Leave

South Point Hotel - Casino and Spa, Las Vegas Convention and Visitors Authority, and Golden Entertainment have reaffirmed their commitment to remain business and community partners with NV Energy by reaching an agreement on fully-bundled electric service. The major theme from these customers who started the process of leaving NV Energy was - NV Energy was committed to understanding our business needs and remained steadfast in identifying options that meet our goals in a very competitive environment.

# Oregon News Alisa Kaseweter

## **OPUC NW Resource Adequacy Workshop**

The Oregon PUC held a workshop on resource adequacy on Tuesday. The Administrator was on a panel with Randy Hardy of Hardy Consulting (and former BPA Administrator) and Maria Pope, PGE President and CEO. The panelists shared their perspectives on the challenges and opportunities around regional solutions to solve the resource adequacy issue. The Administrator shared that while the issue was serious, he was optimistic about the region's ability to come together and solve this. You can watch his remarks at 1:53 of the PUC video recording.

## Biogreen Sustainable Energy and Central Oregon Economic Development

Eric Taylor, Chris Jones, and I met with representatives from Biogreen Sustainable Energy, the Governor's Central Oregon Regional Solutions Team, Economic Development of Central Oregon, City of Prineville, and the City of LaPine. The meeting was focused on BioGreen's challenges in obtaining firm transmission rights on BPA's system to wheel the output of a potential 28 MW biomass project in LaPine. There is interest in this project because of its potential to provide dispatchable baseload generation to the area, which enables potential additional load and economic growth in the area.

This winter, Biogreen withdrew their transmission service and generation interconnection requests from BPA's queue. An additional solar developer (NewSun) with planned projects in the region had already acquired all of the available transmission in the LaPine area, and additional transmission service from LaPine to accommodate Biogreen and other potential projects requires network upgrades. Eric and Chris did a great job of explaining the generation interconnection and transmission service queue processes, emphasizing that BPA operates an Open-Access system and offers capacity in strict queue order. Going forward, Biogreen would need to submit new transmission requests or purchase transmission rights from NewSun. The Governor's staff indicated they may reach out to NewSun. BPA would not be a part of those conversations. From an overall growth perspective, whether it is NewSun, Biogreen or another developer, projects are still being planned in the area.

#### Restrictions on Solar Development on Prime Oregon Farmland

Oregon Land Conservation and Development Commission approved <u>new rules</u> that restrict commercial solar development on millions of acres of high-value farmland across the state. While this move protects productive agricultural lands in the state, especially in the Willamette Valley, it limits options for citing projects near load centers like Portland.

#### Oregon Greenhouse Gas (GHG) Reporting

The deadline for reporting GHG emissions to the state for calendar year 2018 is June 1. BPA submitted its reporting earlier this week. BPA voluntarily reports the fuel mix for the FCRPS and leakage of SF<sub>6</sub> from the transmission system. BPA also reports the amount of electricity provided to full requirements customers on behalf of those customers, which helps many of the smaller consumer-owned utilities fulfill Oregon's GHG reporting requirements more efficiently. Slice customers as well as PNGC each individually submit their own reporting to the state. Special thanks to Kristina Rohe, Jason Weinstein, and Caitlin Colson for working on components of this year's GHG reporting.

This year BPA's market purchases, which Oregon attributes GHG emissions to, accounted for just less than three percent of the total FCRPS. This is on the low-end of the historic range of 3-12 percent market purchases that BPA makes in any given year.

If Oregon's cap-and-trade bill passes, I expect the state will make changes in the way entities, including BPA and the consumer-owned utilities, report GHG emissions in future years to improve and verify accuracy of emissions data.

# West Coast News Doug Marker

#### **CPUC President to Retire**

Michael Picker, President of the California Public Utilities Commission, announced he will retire this summer when Governor Newsom has appointed his replacement. Picker has served since 2014. He has been particularly attentive to the Pacific Northwest, once joining Elliot for a discussion with Northwest utility leaders on regional resource sharing. Picker also raised awareness within California on evolving resource adequacy issues with the rise of community choice.

## End of May California Snowpack is 200 Percent of Average

Precipitation in California continued this month and as of yesterday snowpack was still over 200 percent of average. There are \$5 lift tickets at Tahoe ski resorts. As California's resource mix evolves away from large thermal resources, it is becoming interesting to see the effect of varying water years on the annual carbon emissions for the state. A low water year, obviously, drives electric consumption from emitting resources up, comparatively speaking. It's making California environmental wonks more aware of the contribution hydro plays in meeting the state's emission reduction goals.

# **CPUC Approves 2019 Utility Wildfire Plans with Emergency Shutoffs**

The CPUC approved plans of the investor-owned utilities to anticipate and respond to weather conditions with increased fire danger. Among the plans are increased use of localized shutoffs of electricity service during high winds and dry weather. The CPUC will require improved emergency communication coordination by the utilities to warn communities ahead of such events.

#### A Big Week in SoCal

If you've been looking for Scott Wilson, I'm guessing he may have slipped off for this week's events in Southern California. Wednesday night was the dedication of Star Wars: Galaxy's Edge at Disneyland. This is the long-anticipated installation north of the Rivers of America. Harrison Ford, Billy Dee Williams and Mark Hamill showed up. So far, only one ride is running (again with the dramatic title punctuation), Millennium Falcon: Smugglers Run. The reviewer for the Orange County Register rode it three times and pronounced it "jaw dropping."

Meanwhile, up in Chavez Ravine, it was Seinfeld Night at the Dodgers. The series first piloted 30 years ago. Though set on Manhattan's Upper West Side, the show was filmed in LA and the exterior of Jerry's apartment building was of one near MacArthur Park. The only character to make it to the game, though, was...Newman.

# Washington News Liz Klumpp

# Ecology's Rulemaking Raising Total Dissolved Gas to 125 Percent for Federal Dams in Col. and Snake Rivers

At the end of March, 2019, Wash. Department of Ecology issued its temporary modification to adjust the total dissolved gas (TDG) criteria to permit 120 percent TDG where the Corps is operating the eight federal dams on the lower Snake and lower Columbia rivers. In May, 2019, Ecology initiated its <u>rulemaking</u> to establish a permanent rule permitting 125 percent TDG in the tailrace of these same eight dams operated by the Corps. Stated in Ecology's EIS scoping letter, "Ecology has determined that amending the numeric criteria for TDG in the Snake and Columbia rivers may have a significant adverse impact on the environment. This rulemaking is considering amending the TDG limit to allow for greater water flow through spillways for improved salmon migration, while ensuring that TDG limits minimize negative impacts to all aquatic life through sufficient biological monitoring." Ecology is undertaking this analysis in response to the Flex-Spill agreement signed by multiple parties, including BPA, and the recommendation from Gov. Inslee's Southern Resident Killer Whale Task Force to raise TDG to 125 percent in the rivers where these eight federal dams are operated.

# Governor Inslee's Senior Energy Adviser Joins NEEA Board

Lauren McCloy, Gov. Inslee's energy adviser indicated that she will represent Washington State on the board of the Northwest Energy Efficiency Alliance. I'm sure that her priorities will include achieving more energy efficiency and possibly demand response to facilitate Washington's new Clean Energy law.

## Inslee Directs Additional Funds to Remove Salmon-blocking Culverts: \$275 Million for Two Years

Over the years, since approximately 2001, Washington tribes have secured multiple wins in court – including the 2018 U.S. Supreme Court's 4-4 vote that affirmed the lower court's decision - whose outcomes direct the state to remove all road culverts that bock salmon migration and salmon access to habitat. The state has been very slow to respond to address these court orders. In 2019, his seventh year in Gov. Inslee proposed spending \$275 million in 2019, rising to \$700 million in 2021 to fund replacement of these culverts. The legislature responded with a budget decrease to fund this work at \$100 million during 2019-2021. WDOT estimates it will cost the state \$3.7 billion to remove all the culverts. This month Gov. Inslee directed the Department of Transportation to redirect funds to allocate \$275 million in the coming biennium to remove culverts.

Thank you,

Cynthia Case
Regional Relations Administrative Assistant, DIR-7
BONNEVILLE POWER ADMINISTRATION
503-230-3683
cdcase@bpa.gov
VanderHouwen

From: Marker, Douglas R (BPA) - DIR-7
Sent: Friday, January 31, 2020 10:19 AM

To: Baskerville,Sonya L (BPA) - DIN-WASH; Case,Cynthia D (CONTR) - DIR-7; Cogswell,Peter

(BPA) - DI-7; Harwood, Holly C (BPA) - DIR-7; Johnston, Kenneth H (BPA) - DIT-7;

Kaseweter, Alisa D (BPA) - DI-7; Klumpp, Elizabeth C (BPA) - DIR-WSGL;

Manchester, Kathleen L (CONTR) - DIT-7; Peacock Williamson, Julie (BPA) - DIR-7; Reller, Mark D (BPA) - DIR-MSGL; Seifert, Roger E (BPA) - DIN-WASH; Warner, Joshua P

(BPA) - DIR-7; Williams, John J (BPA) - DIR-BOISE

Subject: West Coast News 01-31-20 - Aristocratic Burger in Paradise

Attachments: West Coast News 01-31-20 - Aristocratic Burger in Paradise.docx

# West Coast News

Doug Marker

**CPUC Outlines Scope of Resource Adequacy Proceeding:** The California Public Utilities Commission released a <u>scoping paper</u> for its review of its resource adequacy program, including rules for RA contracted from out of state. BPA is now a party in the proceeding. The scoping paper proposes to revisit the rules for out of state RA and expects to complete its review by May. The paper says that the CPUC staff will release a summary of issues in early February. The CPUC also scheduled a workshop on February 14 for parties to discuss import RA rules.

In the meantime, BPA has had several discussions with the California ISO staff to consider possible approaches to address the CPUC's concerns about out of state imports. We review the progress of these discussions weekly in the internal California Awareness working group.

**EIM Governance Scoping Paper Released for Comment:** The California ISO released the <u>draft scoping paper</u> for the public review of the governance of the Western Energy Imbalance market and its possible addition of day-ahead market functions. The paper frames the questions anticipated for the recently formed Governance Review Committee. Suzanne Cooper is one of the 14 members from around the West serving on the committee. The ISO is seeking responses to the scoping paper by February 21.

Just of Note - CEC Schedules Workshop on Lithium Recovery from Geothermal Generation: What I don't know about minerals in energy technology is a lot. But I pay some attention to California's expectations for battery storage to meet its clean electricity goals. The CEC is sponsoring a workshop on February 12 to discuss how lithium can be recovered from geothermal brine, thereby creating a potential source for battery material from a clean generating resource that is currently not very cost-competitive in the state. Webcast and additional workshop information is available here.

Local Pride: This week has been the annual Cheeseburger Week in Pasadena. While noted as Southern California's bastion of old money and Craftsman homes, Pasadena claims to be the site of the original cheeseburger. There are two versions to the story. One is that a hungry transient came in to the Rite Stop restaurant after finding 15 cents on the sidewalk. He jubilantly ordered a hamburger with everything. 16-year-old counterman Lionel Sternberger included a slice of cheese and the result was the "Aristocratic Burger" that became a fixture on Rite Stop menu. The other version is that Steinberger burned one side of a hamburger and covered up his mistake with cheese. In any case, Pasadena celebrates this week with almost 50 restaurants competing to be the town's best cheeseburger and features a schedule of "Cheeseburger Crawls" to sample. My opinion, of course, is that the competition should be "Best Cheeseburger Other Than In-N-Out" but it's cute to see the locals try.

From: James, Daniel M (BPA) - D-7

Sent: Monday, November 9, 2020 4:58 PM

Subject: RE: Regional Relations report for Friday, November 6, 2020

Attachments: 110620.pdf

If you haven't already I encourage you to read Friday's excellent review of election results from the Northwest, along with some analysis of what it means to BPA.

Well done DI CAEs.

DJ

From: Case, Cynthia D (CONTR) - DIR-7 <cdcase@bpa.gov>

Sent: Friday, November 6, 2020 2:22 PM

To: ADL\_DI\_ALL <ADL\_DI\_ALL@BPASite1.bpa.gov>; ADL\_DK\_ALL <ADL\_DK\_ALL@BPASite1.bpa.gov>; Executive Team

<ExecTeam@BPASite1.bpa.gov>; Executive Associates <ExecutiveAssistants@BPASite1.bpa.gov>

Subject: Regional Relations report for Friday, November 6, 2020

Hello all,

Attached is the Regional Relations report for Friday, November 6, 2020. Have wonderful weekend.

# Public Interest Organizations Josh Warner

#### **Opinion on a Potential Four State Process**

In an <u>opinion piece</u> in the *The Oregonian*, Lucinda George Simpson, a descendant of the Chief Joseph Wallowa band of Nimiipuu (Nez Perce) and Giulia Good Stefani, a senior attorney with NRDC, wrote about the desire to have a regional conversation about salmon recovery. They are encouraged by the prospects of a dialogue led by the four Northwest states among regional sovereigns, including tribes, and federal agencies. The piece begins by saying, "...the federal government, which has spent billions trying to restore salmon runs, is essentially signaling surrender. Even though it recently concluded that removing four dams on the lower Snake River would have the greatest benefit for salmon survival, it is refusing to do so and offering an inadequate solution in its place."

The opinion continues by commending the four Northwest governors for, "stepping into the leadership gap" with a process that, "is a promising first step toward addressing one of the country's most complex ecological, economic, and social justice challenges." While the authors want the removal of the lower Snake River dams to be on the table – an action they promote – they continue by saying, "[w]e understand that is a tough conversation because many communities depend on the electricity and agricultural services that the river, in its current state, provides. But we cannot build the future we need unless we keep all options – and all voices – at the table."

# Idaho News John Williams

# Idaho Election Results: No Changes

Senator Jim Risch held off a challenge from Democrat Paulette Jordan in his bid for a third six-year term in the U.S. Senate. Risch ended with 537,456 total votes, or 62.58 percent, and Jordan with 285,824 votes, or 33.28 percent. Risch,

77, is a trial lawyer who was a longtime state senator, lieutenant governor, and briefly governor, before first being elected to the U.S. Senate in 2009. He currently chairs the Senate Foreign Relations Committee. He proudly touts his record as one of the most conservative members of the U.S. Senate, and has become a strong ally of President Trump. Jordan, 40, is a former two-term state representative and Coeur d'Alene Tribal Council member and was the Democratic nominee for governor in 2018. She went after Risch as "the embodiment of everything that's wrong with the culture of Washington, D.C.," and promised a more inclusive approach that she said is the legacy of her Native American ancestors. "I will certainly be back again," Jordan declared on election night.

Incumbent GOP Representative Russ Fulcher easily earned his second two-year term over his challengers Rudy Soto and Joe Evans in the heavily Republican district. Fulcher had 310,737 votes, or 67.78 percent, to Soto's 131,268 votes, or 28.63 percent, while Evans had 16,435 votes, or 3.58 percent. Fulcher, 58, is a former five-term state senator who has worked for high tech firms and was raised on a Meridian dairy farm. He unsuccessfully challenged then-Governor Butch Otter in the 2014 GOP primary. In his initial term in the U.S. House, Fulcher has aligned himself with the conservative Freedom Caucus, and has been a staunch supporter of President Donald Trump. He's a former board member of the Idaho Freedom Foundation. Soto, 34, is a Nampa native, enrolled member of the Shoshone-Bannock Tribes and son of a Mexican immigrant. He served in the U.S. Army National Guard and worked as a congressional staffer in Washington, D.C. and as legislative director for the National Indian Gaming Association.

Incumbent Representative Mike Simpson (R-Idaho) defeated challenger Aaron Swisher, winning a 12th term representing Idaho's Second Congressional District in the US House. Simpson won with 64.06 percent of the vote to Swisher's 31.72 percent. Simpson, who serves on the House Appropriations Committee as well as a key subcommittee involving energy, has brought millions of federal dollars to the state for the Idaho National Laboratory, one of the nation's primary nuclear research labs.

Simpson is also known for cobbling together support among environmentalists, ranchers and local governments in 2015 to create three wilderness areas in central Idaho that combined protect some 463 square miles. With that support, the Sawtooth National Recreation Area and Jerry Peak Wilderness Additions Act passed both the House and Senate and was signed into law by President Barack Obama. Simpson trained as a dentist and joined the family business in eastern Idaho before turning to politics. Swisher, an economist who describes himself as having a blue-collar background, it was his second unsuccessful attempt to unseat Simpson, having also lost in 2018.

State: The makeup of Idaho's Legislature turned even redder after Tuesday's election, with Republicans picking up two more seats in the House, extending their majority to 58 seats to the Democrats' 12. Idahoans voted in record-high numbers this election. In a tweet Wednesday, the Idaho Secretary of State's Office wrote that at least 867,250 Idahoans voted in Tuesday's election, more than 84 percent of the state's registered voters. (Idaho Press Tribune Staff)

# **Nevada Question 6**

As of Thursday morning, the Yes votes were leading on Question 6 with 56.36 percent of the vote, which would mandate the state generate 50 percent of its energy from renewable resources by 2030 if passed. The Legislature passed a similar requirement last year, but the passage of the question would add it to the Constitution. (Akers, Mick. Las Vegas Review-Journal)

Question 6, the Nevada Renewable Energy Standards Initiative, was on the ballot in Nevada as an initiated constitutional amendment on November 3, 2020. It was approved.

A "yes" vote supports amending the state Constitution to require electric utilities to acquire 50 percent of their electricity from renewable resources by 2030.

A "no" vote opposes amending the state Constitution, thus maintaining the statutory requirements that require electric utilities to acquire 50 percent of their electricity from renewable resources by 2030.

In Nevada, initiated constitutional amendments need to be approved in two consecutive even-numbered election years. In 2018, this ballot initiative was approved as Question 6, and therefore needed to be approved again in 2020 to amend the Nevada Constitution.

Question 6 (2020) added language to the Nevada Constitution requiring the state's (RPS) to increase to 50 percent by 2030. An RPS is a mandate that electric utilities acquire a minimum amount of electricity from renewable energy sources. The constitutional amendment increased the RPS to 50 percent by 2030. The amendment also defined renewable energy to include sources such as solar, geothermal, wind, biomass, and hydroelectric. Specifically, it required an increased RPS each year until reaching 50 percent in 2030.

On April 22, 2019, Governor Steve Sisolak (D) signed Senate Bill 358 (SB 358), which was designed to require the same RPS percentage by 2030 as the amendment on the ballot. (Ballotpedia)

As I reported two weeks ago, WREC CEO Clay Fitch sent an op-ed to several larger newspapers asking voters to vote "NO" on question 6. Reason: energy legislation doesn't belong in the Constitution. Fitch also mentioned that what works best in Las Vegas does not work best in Reno and Carson City. When it comes to providing energy, one-size-fits-all is not an effective solution.

# Oregon News Julie Peacock

#### **Oregon Elections**

Former state Senator Cliff Bentz has won the Congressional seat vacated by Representative Greg Walden. After winning the spring primary it was anticipated that Bentz would likely secure the seat and he won with 60 percent of the vote. Bentz is an attorney from Ontario who served in the Oregon House from 2008-2018 where he sat on the House Energy and Environment Committee; and in the Oregon Senate from 2018-2020. (He took over former state Sen. Ted Ferroli's seat when he was appointed to the Northwest Power and Conservation Council.) He also was the main negotiator of Cap and Trade for the Republicans serving on multiple carbon committees. His role in Cap and Trade brought him national notoriety due to the Republican walk-out, but also critics from his willingness to negotiate Cap and Trade prior to the walkout. During his campaign he focused on water and agricultural issues.

The Oregon Senate Democrats did not win enough seats to prevent future walkouts from Senate Republicans. Thursday the final race results were decided when Senator Tim Knopp of Bend won reelection. This maintained the 18-12 supermajority for the democrats, but did not give them the 2/3rds they needed to prevent future shutdowns of the Legislature. Democrats also maintained super majority in the House. With similar numbers to the previous Legislature it remains to be seen what Legislation might be introduced during next year's long Legislative Session which is anticipated to begin remotely.

Democrats pulled back the only statewide office to be held by a Republican, Oregon Secretary of State this week. The position had been filled by an appointee since the death of Dennis Richardson who died while in office last year. The SOS position, once held by current Governor Kate Brown manages audits and also elections. Winning the seat is Shemia Fagan, a state Senator from Portland. This position is particularly important because in the circumstance the governor were to resign the SOS takes over until a special election can be held. (In the case of current Gov. Kate Brown who took over for former Gov. John Kitzhaber in 2015.

# COVID-19

Oregon shattered its daily COVID-19 record with 805 new positive or presumed cases Thursday with a positivity rate of 12.5 percent the highest for Oregon. Oregon is working to revise its reopening plan. Last week the Oregon Health Authority said if the state continues on its current path it could reach hospital capacity by mid-December. Region 1 in the state, which is made up of the metro counties, currently has 146 non-ICU beds available out of 1,943; and 66 ICU beds available out of 365.

# West Coast News Doug Marker

# **California Elections Stay Consistent**

Apart from once again delivering a significant margin for the Democratic presidential candidate, California's election had limited surprises. There were no significant statewide races, but it looks like three Democrat-held Congressional seats in conservative areas could flip back to Republican. A Biden-Harris victory in the Presidential race will mean that Governor Gavin Newsom will choose Senator Kamala Harris' replacement. Competition for that vacancy is already intense.

## California CCAs Seek Long-Duration Storage

A group of California community choice aggregators (CCAs) are seeking offers for storage projects promising at least 50 megawatts of sustained output over at least eight hours. Such storage capability would be significant because current lithium battery storage can only discharge power for about four hours. Having capacity lasting eight hours would fill in supplies from late afternoon until late night as solar generation tails off and loads follow hours later. The CCA proposal requires that the projects be able to be online by 2026. California's need for reliable electricity in evening hours becomes more acute in 2026 after the final shutdown of the Diablo Canyon nuclear plant.

### New Direction for California's Emissions Policy Leadership?

The longest tenured person in California's energy policy leadership is someone we don't hear much about in the Pacific Northwest. Mary Nichols is a legend in California and has been chair of the state's Air Resources Board for 13 years. This is her second time in the job, having served in the role between 1979 and 1983 in former Governor Jerry Brown's earlier terms as Governor. Nichols has championed California's cap-and-trade carbon emissions market and that is where her departure could cause renewed tension. Environmental justice advocates complain that cap-and-trade allows polluters to pay to continue polluting in disadvantaged communities. Nichols brokered the extension of the cap-and-trade market, which included directing a portion of auction proceeds to benefit those communities. But her departure will put pressure on Governor Newsom to appoint a new chair who will focus on more direct control of pollutants, notwithstanding purchases of offsets for carbon.

# Can't the Professor Sort Everything Out?

Next-door neighbor squabbles are common enough, but you've got to give one in Laguna Beach points for creativity. To sum up the origin, one rich guy installed a Dale Chihuly glass sculpture on his oceanfront lawn, blocking ocean view of next-door neighbor rich guy. A few dark nights passed and then pieces of the sculpture were found broken off as if rocks had been thrown. So first rich guy installs protective netting above the property line, causing second rich guy to file a complaint with the city about code violations. After the city ordered the netting to come down, the first rich guy installed outdoor speakers and began playing the theme from 1960's TV comedy "Gilligan's Island" at full volume at random hours of the night. And now both neighbors are in the southern California news while everyone who reads about it goes through the rest of their day humming, "a three hour tour..." Sorry about that.

# Montana News Mark Reller

## Change in Leadership

While the National Election is still playing out the Montana Election has clarified what direction the State will take over the next four years. Governor Elect Greg Gianforte, a stanch Trump supporter and acolyte will bring new leadership to Montana. Unlike in previous 16 years in Montana, the Governor and both state houses will be controlled by the same party. The Montana electorate also supported the re-election of President Trump by a 16 point margin. Senator Steve Daines retained his seat in the Senate easily overcoming the Democratic challenger Steve Bullock in the most heavily funded U.S. Senate race in State history at over \$160 million in aggregate. Republican Matt Rosendale will be Montana's new lone U.S. Representative.

Gianforte's "Come-Back Plan" outlines his vision for Montana. His to-do list reads as follows:

- <u>Increase value added for Agriculture</u>. This includes increase local beef processing. He will have a head start on
  this task, as former Governor Brian Schweitzer's brother Walter, just announced that Montana State University
  Northern campus is implementing a full curriculum on meat processing from hands on butchering to facilities
  management.
- <u>Expand Manufacturing</u>. This includes increased education for the trades and recruitment of new manufactures
  into the state. (This presumably would bring increased electrical loads).
- Grow the Technology sector. Increasing broadband capacity will be fundamental to this goal.
- <u>Develop Natural Resources</u>. Gianforte specifically highlights increased minerals, coal, oil, gas and timber as
  resources to develop. To aid this effort new leadership will be instituted at state agencies including Department
  of Environmental Quality, Department of Natural Resources and Conservation, Fish Wildlife and Parks, and
  Department of Health & Human Services. (These are State Agencies where BPA has direct interface).
- <u>Boost Tourism</u>. His plan will play off COVID-19 concerns and promote the wide-open spaces in Montana that are naturally socially distanced.
- Tax Code Reform. This will include changes to the "anti-competitive" tax code.
- <u>Roll-back & Repeal Regulations</u>. A top to bottom regulator review is planned. This was also done by current
  Governor Bullock during his first administration. Permitting requirements will be streamlined. A 2 for 1 approach
  to new regulations will be implemented that eliminates two regulations for each new regulation.
- <u>Encourage Entrepreneurship</u>. New training and education programs will be implemented to help start new small businesses.
- Improve Infrastructure. Only broadband infrastructure is mentioned in the plan. Past statements by Gianforte
  illustrate a strong support of the Keystone XL pipeline.
- Recruit New Businesses. This will be enabled by changes to the tax code and regulatory environment.
- Tribal Partnerships. This will focus on new job creation.
- More Healthcare Choices. The plan has a focus on lower health care costs, lower insurance costs, reduced prices
  for prescription drugs, and expanded telemedicine.
- · Stop Sanctuary Cities. These will be prohibited in Montana.
- <u>Protect Public Lands</u>. This will preclude sale of public lands but stress changes to the management of public lands.
- Defend Freedom of Speech, Religion, and Gun Rights.

Gianforte's management position on COVID-19 relies on "personal responsibility". Based on his past statements it is unlikely he will curtail business activity, mandate masks or require significant social distancing.

The Montana Legislature retained, if not slightly increased, its Republican dominance. In anticipation of the possibility of a Republican Governor, leadership has been working on their wish-list. The <u>list</u> includes resurrection of several bills passed in previous sessions, but vetoed by Democratic Governors. The Legislature will be preparing new bills that address the following topics:

- Cut taxes in the top MT, income brackets.
- Redirect bed-taxes (Montana's only sales tax) to cut property taxes
- Restrict the power of local health boards and the Governor to enforce COVID-19 and other health mandates.
- <u>Eliminate Ability for FWP to use hunting license revenue to acquire fee title lands.</u> (This could have implications
  on the Hungry Horse and Libby Hydropower Mitigation Plans and the ability of the State to contribute matching
  funds to projects.)
- <u>Tax Renewable Energy</u>. The proposal is for \$1 per MWh. (Proposal is written as \$1 per MW, but projects a \$2M /yr revenue stream, which suggests tax is on MW hours.)
- Classify Existing Hydropower As A Renewable Energy
- Repeal the ban on Nuclear Energy
- Implement Proof of ID for Voting
- Eliminate Same Day Voter Registration
- Enable School Choice
- Allow Statewide Conceal Carry and ban Red Flag Laws

- Allow Campus Free Speech
- Limit COVID-19 Liability for Businesses
- <u>Change the current weight of Interim Committee Membership.</u> This would require changing the current 50/50 approach to party membership on committees to a weighted membership based on the proportion of Rs & Ds. in the House and Senate.

I would expect NorthWestern Energy to reintroduce another Colstrip ownership pre-approval bill at the opening of the 2021 Legislative session. In the 2019 session, such a bill passed the legislature but was vetoed by the Governor. Even without NorthWestern's instigation, the Legislature will entertain bills to promote and retain the assets at Colstrip for as long as possible. This could include resurrection of bills punitive to out-of-state owners who entertain "premature" closure.

#### Elsewhere in State Government

Not only did the Governor's Office change hands and the Legislatures retain a Republican flavor, but other state offices were cemented as Republican by wide margins as well. Secretary of State, Attorney General, State Auditor, Superintendent of Public Instruction, and three open seats on the Public Service Commission all easily went to or were retained by Republican affiliations. The Montana membership of the Northwest Power and Conservation Council will change upon transfer of power to the new Governor. No prospective candidates have been announced at this time. All Montana Election results can be found at the link here.

# COVID-19 Update

The State continues to experience record daily counts of new confirmed <u>cases</u>. This week they exceeded over 1000 new cases on multiple days. Yesterday's data showed at positive test rate of just over 37 percent (2,736 tests – 1013 positives). Deaths are now over 400 and hospital capacity continues to be a concern with 414 currently hospitalized. I have heard locally (but have been unable to confirm) that the Governor may announce reenactment of COVID-19 restrictions, including possible stay at home orders, broad mask mandates and limited group interactions.

# Washington News Liz Klumpp

# Washington Releases Draft State Energy Strategy

The Department of Commerce, per legislation, created a 27-member advisory committee and hired many consultants to help the agency produce a 2021 State Energy Strategy. This week the state released its draft strategy. This is an academic exercise unless or until the state implements recommendations through statute, code standards, or regulations, which are still to come. The Strategy is to electrify many fossil fuel energy uses, reduce the need for travel, dramatically increase the efficient use of energy and expect electric loads to double in order to achieve the state's greenhouse gas reduction goals. As you can imagine, expanding transmission and distribution systems are foundational to Washington achieving these goals. I find it interesting that some of these measures do not achieve GHG reductions across the West, but rather just in Washington. For those interested, I've excerpted language from the draft Strategy on the electricity specific recommendations on page 34. I'll follow up and ask a few transmission leads whether we share any perspectives with state leads. The state will deliver the Strategy to the legislature around the end of December.

Draft State Energy Strategy 3.4. Electricity Sector-Specific Results Key conclusions from the modeling regarding the electricity sector are:

- Increasing electricity demand through electrification and expanding the electricity system to serve those
  demands with clean electricity is a cost effective decarbonization strategy. Comparing the Electrification
  Scenario to the Transport Fuels and Gas in Buildings Scenarios shows that the greater levels of electrification in
  the Electrification Scenario results in cost savings.
- Washington imports 43 percent of its clean energy from inland wind-rich states (Montana and Wyoming) in the
  Electrification Scenario in 2050. The increased energy flows across multiple states and balancing areas will
  require investment in new transmission and the efficient use of imports as a balancing resource. Efficient
  dispatch, akin to a single balancing authority for western grid operations, is assumed in the model.

- Transmission expansion across the West is a key part of lowering costs in the model results. Expanding transmission, however, is a long, difficult process with many hurdles to overcome. Early planning and determination of feasible projects and project costs should begin now to prepare for transmission in the future. Updated feasible path expansions and associated costs can be used in future State Energy Strategies to reevaluate the economics. Though the Washington State 2021 Energy Strategy additional costs resulting from no transmission expansion into Washington in the Constrained Resource Scenario are relatively small (\$0.5B/yr by 2050), expansion in the rest of the Western States still occurs in that scenario.
- Washington has limited build of in-state renewable resources in all decarbonization scenarios until 2040. Prior to
  that, it is more cost effective to import clean energy from cheaper out of state sources. Between 2040 and 2050,
  Washington adds solar and offshore wind (12 GW and 4 GW, respectively, in the Electrification Scenario).
- Synthetic fuels produced through electrolysis will play a major role in decarbonizing the Washington economy, increasing electricity demand, and providing long-term balancing capabilities for the electricity grid.
- Absent technology breakthroughs in zero-carbon alternatives, the Northwest builds 11 GW of gas plants, 3 GW of which are in Washington, for reliability by 2050. Gas generators in Washington burn de minimus quantities of gas after 2030 because of the need to reduce emissions and the large balancing capabilities of both the hydro system and electrolysis built for fuels production by 2030. However, these gas generators provide capacity during infrequent reliability events. CETA requires 100% clean electricity delivered to loads by 2045 in Washington. By 2045, all gas burned during these events is clean gas.

# 3.4.1. Implications for State Energy Policy

- Scale, over a longer time period, requires infrastructure investments supporting a doubling of electric load in Washington. Resource availability across the West will drive Washington from being a net exporter of electricity to importing a significant fraction of resources (43 percent in the Electrification Scenario).
- Rapidly electrifying end uses, wherever possible, will drive down the need for clean fuels production and reduce the investment in the infrastructure needed to produce them. This will drive expansion of the electricity sector.
- Planning for transmission expansion at the distribution and transmission levels is key to enabling this shift in the power sector. Distribution planning will support the shift to electric vehicles and electrified end uses in buildings. Pursuing transmission expansion of interties now allows Washington to maintain the option of importing additional low-cost renewables in future. While the savings from expanding Washington's interties are relatively low (\$0.5B/yr by 2050), planning to expand interties ensures Washington retains multiple decarbonization pathway options. By doing so the state reduces the risk that future challenges to implementation in any one pathway jeopardize achieving Washington's emission limits.
- The model determines resource adequacy as if the West were a single balancing area. While not a replacement for detailed resource adequacy studies, the model shows greater coordination and energy flows will require resource adequacy determination on a regional rather than local basis. Resource adequacy modeling will also have to evolve to incorporate energy constrained, as well as capacity constrained, conditions to ensure reliability during periods of low energy availability. This includes treatment of large industrial flexible loads as resources for reliability.
- Furthermore, transmission expansion and greater interregional energy flows taking advantage of geographic and renewable resource diversity, and interregional balancing using large new flexible loads found in the modeling results will only be possible with better regional coordination. The benefits of regional integration will increase in the future as the emissions limits become tighter and electricity loads grow through electrification and electrolysis.
- The modeling results determine in-state investments in new resources. However, the model does not have a
  representation of the distribution system and the potential benefits from deferral of investment in distribution
  infrastructure from locating resources close to load. Renewable potential assessments will determine how instate resources should be sited to maximize net benefits including indirect benefits such as equity, job growth
  and environmental protection.

### Washington Election Results: Washington State and Federal Incumbents Win

Nine of Washington's ten congressional races involved incumbents – all won. Incumbents mostly won by big margins; the tighter races were Representative Kim Schrier (former pediatrician and D) retaining her seat in the 8<sup>th</sup> with 52

percent of the vote and Representative Herrera Beutler (R) retaining her seat serving SW Washington winning 56 percent. Congressional District ten (Puyallup, JBLM, Olympia, eastern Tacoma) was an open race with two Democratic female candidates in the general election. Former Tacoma Mayor Marilyn Strickland won the 10<sup>th</sup> District seat by 14 percentage points. Strickland was born in Seoul, Korea and will be the first Black member of Congress from Washington and the first Korean American congresswoman anywhere in the U.S.

Governor Inslee (D) won a third term, currently with 58 percent of the vote. The closest statewide race was won by incumbent Secretary of State Kim Wyman (R) with 53 percent of the vote beating former state senator from Seattle Gael Tarleton (D).

There are two legislative races in the state senate that await final vote counting. Two democratic candidates are vying for the 5<sup>th</sup> District seat and are 18 votes apart and in the 28<sup>th</sup> District, the Republican and Democrat are 70 votes apart.

Thank you,

Cynthia Case
Regional Relations Administrative Assistant, DIR-7
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VanderHouwen

 From:
 Case,Cynthia D (CONTR) - DIR-7

 Sent:
 Friday, January 31, 2020 5:08 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, January 31, 2020

Attachments: 013120.pdf

Hello all,

Attached is the Regional Relations report for Friday, January 31, 2020. Have a good weekend.

# Public Interest Organizations Josh Warner

# NWEC Responds to OPALCO Rescinded Resolution on LSRDs

Orcas Power & Light Co-op has rescinded a resolution that expressed opposition to removal of the lower Snake River dams. There was utility member disagreement with the resolution that was passed late last year by the board. After reconsideration, with additional public input, the board voted to withdraw the resolution. The NW Energy Coalition was consulted on this change and is supportive of the move. "We're very pleased by the board's decision because it reflects a recognition by board members that salmon and orca extinction is a real threat and that proposed solutions to the challenges posed by dam removal warrant serious consideration. We, like the OPALCO board, believe that any actions taken to restore salmon and orca populations must also guarantee continued access to reliable and affordable clean energy for the region.

#### MRDAP Update Webinar Held This Week

BPA hosted the fifth Montana Renewable Development Action Plan Update this week with 40-50 participants. It was a very engaging webinar. Jeff Cook did a welcome and then we did a walkthrough for people to ask questions about the action items. There is still a lot of interest in what several investor owned utilities are doing with their Integrated Resource Programs relative to Montana wind. PGE and PSE both provided quick updates. PGE's last IRP did not select any new wind resources, but the next iteration is waiting for acknowledgement from the Oregon PUC and wind might be back in the mix. For PSE, they are working with a shortlist of resources to procure, but did not disclose the specifics of those resources. There was positive conversation and feedback on conditional firm transmission offerings and the availability of dynamic transfer capacity (DTC) to help move wind from Montana to the west.

The star of the show was the work that Libby Kirby and Nathanael Makowski did in looking at the diversity impacts on balancing reserves of Montana wind – more diversity reduces balancing reserve needs per unit of installed wind. Libby did a very nice job presenting and answering questions. The work is much appreciated by interested parties. The timing of the next update has not been set. A lot is happening in Montana, but not necessarily on the action items from MRDAP. We will keep an eye on things and see where they go over the next 4-6 months. In addition to Libby and Nathanael, kudos go to Jeff Cook, Brian Altman, Mark Reller, Bart McManus, Pat Rochelle and the many other BPA folks who helped push MRDAP over the goal line in 2018 and continue their work.

# Idaho News John Williams

#### **Legislative News**

<u>Idaho:</u> to date, no significant energy or natural resources bills have been introduced. However, there are two items of note for folks who travel to Idaho:

- HB 308 will prohibit local authorities from adopting ordinances that prohibit or restrict the use of handheld wireless devices and to provide for distracted driving. The bill is in the House Transportation & Defense Committee and if passed and signed by Governor, will be enacted on July 1, 2020.
- HB 358 adds to existing law to provide that the State of Idaho shall be exempt from the daylight saving time provisions of federal law. This bill was passed out of the State Affairs Committee and is on its third reading on the House floor. If it passes out of the House and Senate, it will be enacted in 2021.

<u>Nevada:</u> as reported this month, this is the Interim session for Nevada and the Legislative Committee. They have held two meetings that focused on EIM, Regional Energy Markets and Clean Energy Resources.

<u>Utah:</u> HB 129 modifies the Energy Resource Procurement Act by amending provisions relating to natural gas infrastructure. This bill amends the definition of rural gas infrastructure development to include the acquisition, extension, or expansion of natural gas utility facilities to serve previously unserved rural areas of the state and makes technical changes. This bill is currently in House Public Utilities, Energy, and Technology Committee.

#### Idaho Water News

During a Board meeting last Friday, Gary Spackman (Director of the Idaho Department of Water Resources) complimented the Idaho Water Resource Board and its staff for making significant strides toward meeting the annual target of recharging an average of 250,000 acre-feet of water into the Eastern Snake Plain Aquifer (ESPA) on an ongoing basis. Spackman also shared his thoughts about the ESPA managed recharge program in a speech to the Idaho Water Users Association last week. The Board has met or exceeded that goal in the last three winters. The board has recharged about 89,000 acre-feet of water into the ESPA so far this year. Under the board's water rights for ESPA recharge, it is diverting about 670 cubic feet per second in the Magic Valley region (Twin Falls area) to recharge the aquifer. The board has about 1,000 cfs of capacity in the region, but the Bureau of Reclamation is holding back additional water flows in upstream reservoirs until it has a better sense of how much water will be released for flood control. (Source – IWRB press release).

#### **Quick Hits**

News from Idaho power: We've all seen birds perched on overhead power lines. Idaho Power's infrastructure can be a popular roosting area — and when large flocks of birds converge on transmission towers, the mess they leave behind can be problematic. Faulty insulators can lead to outages for Idaho Power customers, so the company engineered and custom-fabricated a series of dung diverters to shield equipment from bird droppings. This creative solution saves money, increases reliability and has no harmful impacts on birds. To watch a video about this project, visit Idaho Power's YouTube channel.

Gov. Gary R. Herbert announced earlier this month that Laura Nelson, his energy advisor and executive director of the Governor's Office of Energy Development (OED) is retiring after more than five years of service in his administration. Rob Simmons, deputy director of OED, will serve as interim energy advisor and executive director of OED.

The Governor's Office of Energy and Mineral Resources (OEMR) announced it is now accepting applications for the 2020 Idaho Awards for Leadership in Energy Efficiency. These awards acknowledge Idaho companies that exhibit leadership in implementing energy efficiency measures at their local facilities/buildings. OEMR invites organizations that have made significant strides in reducing their energy consumption through upgrades and programming efforts completed in 2019 to apply. There are two types of awards available. One award is for organizations engaged in Idaho industry like manufacturing, agriculture or community maintenance at the local government level. The other award is for buildings that are used for commercial, educational, local government affairs or multi-family purposes.

Utah Association of Energy Users will hold its 35th annual energy conference at the Marriott City Center Hotel on May 14, 2020. The topic of this year's conference will be: Connecting the Dots: Shaping the New Western Interconnect".

NFL Raider Nation: the new Las Vegas Raiders have finalized a deal to power their new home (\$1.9 billion Allegiant Stadium) through a unique, discounted and renewable-based electric rate provided by NV Energy. The proposed contract and pricing system were given a thumbs up from the state's Public Utilities Commission in a draft order released last month and was officially approved on a 2-0 vote during the commission's Wednesday meeting. Approval commits the stadium (and the team's administrative/practice facilities) to a long-term, discounted electric supply arrangement with the utility, through a new and limited system only available to a handful of other large energy-users. It is also another win for the state's primary electric utility, which has spent a significant portion of the last two years backing policies to make it more difficult for large customers to leave utility service while also offering direct cash payments to woo municipalities into staying as electric customers.

History and more info on Raider contract (interesting stuff): The adopted contract settles a roughly 16-month saga that initially saw the Raiders file to leave NV Energy in September 2018 through a state law allowing large power users to depart the utility and purchase power from an alternative electric supplier, after paying an usually substantial "impact fee" to hold other utility customers harmless.

The "704B" law (named for its place in the Nevada Revised Statutes) has also been used by major businesses in the state, including MGM Resorts, Caesars Entertainment and Wynn Resorts, but was substantially overhauled in the 2019 Legislature. The Raiders won approval to contract with an outside electric provider in late January 2019, but the team — through an affiliated business — filed paperwork in May requesting delays in compliance requirements, a hint that the organization was reconsidering leaving the utility. Stadium construction is expected to be completed by July 31, 2020.

In October 2019, the team and NV Energy filed an application with the commission for a proposed contract and pricing system — dubbed "MPE," for "Market Price Energy tariff" — that would see the team receive discounted "market-based" electric rates for a period of 25 years, based on power produced by future solar and battery generation power plants.

The contract also requires NV Energy to purchase and retire "Green-e Credits" in an amount offsetting the Raiders' overall electric use. (Green-e is an environmental standards service that verifies clean energy sales.). Once the renewable energy facilities are built, the contract switches to a new pricing structure with a fixed, flat per-megawatt energy cost based on market prices, and includes the price of natural gas transportation and will procure enough credits under the state's Renewable Portfolio Standard to offset all electric facility consumption by the Raiders. The actual price of power is redacted in documents filed with the PUC.

It also allows the stadium to escape paying all public program costs to save the Economic Development Rate Rider, but requires the team's practice facilities to pay "all current and future" public program costs, including surcharges to help pay for renewable programs and low-income energy assistance. The stadium's estimated payment for that public program surcharge is just \$714 annually.

The order will also require that NV Energy give 80 percent of any monetary proceeds from a "Customer Margin Benefit" agreement with the team to its other customers, and can itself keep 20 percent. It would be defined as a "negotiated amount that is charged in addition to the cost of energy in the short term and the cost of the renewable resource in the long term," but the actual amount is redacted in documents filed with the PUC. The initial application called for a 50-50 split.

As part of the contract, NV Energy agreed to not seek any "impact fee" assessed against the Raiders for departing normal utility service. The contract also includes provisions requiring the Raiders to remain with NV Energy as a full-service customer, with a limited ability to use "behind-the-meter" generation if it is only used by facilities that are not interconnected with the utility's electric grid, do not reduce the organization's electric load by more than 1 percent and "does not diminish the perception that NV Energy is the Raiders Facilities electricity provider." (Snyder, Riley. *The Nevada Independent*. Jan. 2020)

# **Oregon News**

#### Julie Peacock

## ODFW Draft Climate and Ocean Change Policy

<u>ODFW staff</u> gave the Oregon Fish and Wildlife Commission an update on the <u>Draft Climate and Ocean Change Policy</u> as well as an overview of public comments. A final policy is anticipated to be adopted later in 2020.

## **Oregon Legislature Changes**

The Oregon short session will begin on February 3. There are significant changes to representation in Salem, with many retirements being announced. This will open as many as 17 seats during the next election. In addition the ones reported by the Oregonian, Rep. Alissa Keny-Guyer (D-Portland) has also announced she will not seek reelection.

## Boardman to Hemingway on Oregon EFSC agenda

On Thursday and Friday, the Energy Facility Siting Council continued to review staff's draft proposed order, public comments on the draft order and responses from Idaho Power. (The draft proposed order recommends approval of the site certificate with certain conditions.) This was an informational item and the Council did not take action on the draft order at this meeting.

## **Oregon Global Warming Commission Meeting**

The Oregon Global Warming Commission will meet next Thursday to consider recommendations on policies that will be complimentary to Cap and Trade. This will include consideration of policies which would extend the state's carbon reduction efforts (presumably beyond the reductions of a Cap and Trade program) and development of adaptation measures.

# Oregon Climate Emergency Day of Action

Renew Oregon will be hosting an Emergency Day of Action at the Oregon state capitol on February 11. This day will be a rally to support the new Cap and Invest legislation.

## Oregon Department of Energy "Oregon Renewable Energy Siting Assessment" (ORESA)

The Oregon Department of Energy recently received a \$1.1 million grant from the U.S. Department of Defense (DOD) to collect data and information through assessments and develop a mapping tool to build an understanding of the opportunities and constraints that come with renewable energy and transmission development in Oregon. This data will be overlade with military training areas in Oregon. The DOD has identified renewable energy and transmission projects as having potential impacts including radar interference from wind facilities, low-level flight obstructions from tall structures such as wind turbines, electromagnetic interference from high-voltage transmission lines, and glint and glare from solar photovoltaic arrays near airfields. Washington State has received funding for a similar project.

# West Coast News Doug Marker

#### CPUC Outlines Scope of Resource Adequacy Proceeding

The California Public Utilities Commission (CPUC) released a <u>scoping paper</u> for its review of its resource adequacy (RA) program, including rules for RA contracted from out of state. BPA is now a party in the proceeding. The scoping paper proposes to revisit the rules for out of state RA and expects to complete its review by May. The paper says that the CPUC staff will release a summary of issues in early February. The CPUC also scheduled a workshop on February 14 for parties to discuss import RA rules.

In the meantime, BPA has had several discussions with the California ISO staff to consider possible approaches to address the CPUC's concerns about out of state imports. We review the progress of these discussions weekly in the internal California Awareness working group.

#### EIM Governance Scoping Paper Released for Comment

The California ISO released the <u>draft scoping paper</u> for the public review of the governance of the Western Energy Imbalance market and its possible addition of day-ahead market functions. The paper frames the questions anticipated for the recently formed Governance Review Committee. Suzanne Cooper is one of the 14 members from around the West serving on the committee. The ISO is seeking responses to the scoping paper by February 21.

# Just of Note - CEC Schedules Workshop on Lithium Recovery from Geothermal Generation

What I don't know about minerals in energy technology is a lot. But I pay some attention to California's expectations for battery storage to meet its clean electricity goals. The CEC is sponsoring a workshop on February 12 to discuss how lithium can be recovered from geothermal brine, thereby creating a potential source for battery material from a clean generating resource that is currently not very cost-competitive in the state. Webcast and additional workshop information is available <a href="https://example.com/here-energy-technology-information">here-energy-technology-information</a> in the state. Webcast and additional workshop information is available <a href="https://energy-neergy-technology-information">here-energy-technology-information</a> in the state.

#### **Local Pride**

This week has been the annual Cheeseburger Week in Pasadena. While noted as Southern California's bastion of old money and Craftsman homes, Pasadena claims to be the site of the original cheeseburger. There are two versions to the story. One is that a hungry transient came in to the Rite Stop restaurant after finding 15 cents on the sidewalk. He jubilantly ordered a hamburger with everything. 16-year-old counterman Lionel Sternberger included a slice of cheese and the result was the "Aristocratic Burger" that became a fixture on Rite Stop menu. The other version is that Sternberger burned one side of a hamburger and covered up his mistake with cheese. In any case, Pasadena celebrates this week with almost 50 restaurants competing to be the town's best cheeseburger and features a schedule of "Cheeseburger Crawls" to sample. My opinion, of course, is that the competition should be "Best Cheeseburger Other Than In-N-Out" but it's cute to see the locals try.

# Montana News Mark Reller

## **Upper Columbia Coordination Council**

This week the Upper Columbia Coordination Council (UC3) met in Kalispell to welcome new membership and work on Montana's Aquatic Invasive Species (AIS) agenda. The Council discussed amending the State's AIS Trust Fund statutes, increased penalties for failure to stop at boat inspections stations (the current \$85 has been deemed inadequate), and about seeking 'pull the plug' legislation which requires transported boats to pull the drain plug while the boat is trailered. They also worked on their 2020 AIS monitoring plan which will utilize eDNA, boat inspections, education and outreach, volunteer water sampling and grade school activities.

I took the opportunity to explain BPA's AIS funding in the context of our mitigation obligations under the Power Act and our ESA funding actions. I explained that BPA funds the regional AIS efforts via the Pacific States Marine Fisheries Council (PSMFC). Then asked if the UC3 felt the PSMFC activities (such as boat inspector trainings, AIS legislation tracking, mobile phone apps for AIS identification, timely news on grants available for AIS, and AIS response planning and coordination) cascaded down sufficiently to the State of Montana. The Council was thankful for PSMFC AIS services, they utilize the inspector trainings, legislative services and other features. They respect the PSMFC and expressed appreciation for our funding of that effort.

## Montana Crypto Mine Back in Action Despite Owner's Uncertain Legal Fate

The bitcoin operations in Butte that have done little to improve the image of bitcoin mining operations were back in the <u>news</u> this week. The operations had shut down amidst fraud litigation. The operations provided significant load to NorthWestern, but came with some hefty substation upgrades. (Pirus, Benjamin. "Montana Crypto Mine Back in Action Despite Owner's Uncertain Legal Fate." *COINTELEGRAPH The Future of Money*. Jan. 2020).

# Washington News Liz Klumpp

Legislature Week 3 Completed: Cap & Trade, Fuel Switching to Electricity, Net Ecology Benefit Growth
Here's a summary of legislation introduced in Washington's 2020 session and the status of the bills. First cut-off for bills is February 7. Session ends March 12.

<u>PSSB 5981 Cap and Trade</u>: Senate shared its draft <u>2020 cap and trade</u> bill today, Friday. Senate hearing is Tuesday morning. The unofficial word is that the parties need to select a bill they prefer as 'one of them is going to pass.' The choices seem to be: 1. giving Ecology authority to regulate indirect, as well as direct, GHG emissions (e.g., natural gas distribution companies' sales), 2. cap and trade, or 3. clean fuels standard. Some public utility representatives may testify on cap and trade that analysis indicates a price on carbon, like a cap and trade, is the most economical way to reduce emissions. That was before they'd had the chance to read the bill. We'll see.

SB 6628: Ecology GHG authority: This is a short, easy-to-read bill that gives Ecology authority to regulate direct and indirect GHG emissions. This bill addresses the State Supreme Court's recent decision that Ecology does not have the authority to regulate indirect emissions like local natural gas distribution companies, like Puget and Avista, Cascade and Northwest.

HB 2586 Beneficial Electrification (fuel switch to electricity): The governing body of a municipal electric utility or PUD may (emphasis on voluntary) adopt a beneficial electrification plan that establishes a finding that utility outreach and investment in the electrification of homes and buildings is in the public interest. "Beneficial electrification" means electrification of an energy end use in a way that provides a net benefit to the utility or utility customers by improving the management of the electric grid. Climate Solutions introduced this bill without consulting the electricity industry. This is awkward.

SB 6135 Commerce Reliability Analysis of CETA by 2022: Senator Sheldon, a member of the Energy Northwest Executive Board, introduced this bill after attending NWPP Resource Adequacy Forum. Clean Energy Transition Act (CETA) currently directs Dept. of Commerce to analyze reliability, resource adequacy, benefits, costs, etc. of CETA by 2024. This bill moves up the reliability and resource adequacy analysis by Commerce to 2022.

If you want to find one of the bills listed below, go to this website and insert the bill number.

The environmental priorities coalition is focused on these bills:

HB 1110/ SB 5412 Clean Fuels Standard (reducing GHG emissions in transportation)

SB 5323 Reduce plastics

HB 2311 Climate Pollution Limits (makes state's GHG reduction goals more aggressive)

HB 2550 Bill requires growth to meet a standard of 'net ecological gain.' This focuses on improving habitat for salmon and orca.

Generally, energy bills in first list below; second list includes fish, water and non-energy bills. There are more fish bills than on this list. If you need them, let me know.

Bill	Title	Status	Date	Original Sponsor
E25HB 1110	Greenhouse gas/transp. fuels	H 3rd Reading	1/28/2020	Fitzgibbon
HB 1405	Generator use reimbursement	H Env & Energy	1/21/2019	Schmick
SH8 2246	Environment reorganization	H Rules R	1/23/2020	Fitzgibbon
HB 2248	Community solar projects	H Env & Energy	1/13/2020	Doglio
SHB 2311	Greenhouse gas emissions	H Approps	1/27/2020	Slatter
HB 2379	Sulfur hexafluoride emission	H Env & Energy	1/13/2020	Smith
HB 2389	Photovoltaic modules	H Env & Energy	1/13/2020	Shewmake
HB 2472	Greenhouse gas/fossil fuels	H Env & Energy	1/14/2020	Pollet
HB 2505	BPA ratepayer assist/B&O tax	H Finance	1/15/2020	Robinson
HB 2586	Electrification	H Env & Energy	1/15/2020	Ramel
HB 2645	Photovoltaicmodules	H Env & Energy	1/16/2020	Smith
SB 5811	Clean car standards & prog.	H Env & Energy	1/16/2020	Nguyen
2SSB 5947	Sustainable farms and fields	H RDev, Ag&NR	1/16/2020	McCoy
58 5981	Greenhouse gas cap and trade	S Environment, E	3/6/2019	Carlyle
SB 6135	System reliability/energy	S Environment, E	1/13/2020	Sheldon
58 6172	BPA ratepayer assist/B&O tax	S Environment, E	1/13/2020	Braun
SB 6222	Comm. property/dean energy	S Environment, E	1/13/2020	Lovelett
SB 6223	Community solar projects	S Environment, E	1/13/2020	Lovelett
SB 6272	Greenhouse gas emissions	S Environment, E	1/14/2020	Das
SB 6352	Alt energy facilities	S Environment, E	1/15/2020	Warnick
SB 6435	Bioeconomy	S Environment, E	1/16/2020	Frockt
558 6464	Bullding code membership	S LGOVDPS	1/28/2020	Wilson, L

Bill	Title	Status	Date	Sponsor
SHB 1261	Clean water act/discharges	H 2nd Reading	1/28/2020	Peterson
HB 1979	Surface water flow levels	H RDev, Ag&NR	2/8/2019	Maycumber
HB 2324	Capital budget, supplemental	H Cap Budget	1/13/2020	Tharinger
HB 2325	Operating budget, supplement	H Approps	1/13/2020	Ormsby
SHB 2365	User data transmit notices	H Rules R	1/28/2020	Smith
SHB 2504	Southwest salmon restoration	H Approps	1/30/2020	Walsh
HB 2549	Salmon recovery efforts/GMA	H Env & Energy	1/15/2020	Lekanoff
HB 2550	Net ecological gain	H Env & Energy	1/15/2020	Lekanoff
ESSB 5323	Plastic bags	H Env & Energy	1/16/2020	Das
SB 5974	New businesses/B&O tax	S Financial Inst	2/25/2019	Hasegawa
SB 6135	System reliability/energy	S Environment, E	1/13/2020	Sheldon
SSB 6147	Shoreline armoring	S 2nd Reading	1/28/2020	Salomon
SB 6149	Clean water act/discharges	S Environment, E	1/13/2020	Salomon
SB 6168	Operating budget, supplement	S Ways & Means	1/13/2020	Rolfes
SB 6223	Community solar projects	S Environment, E	1/13/2020	Lovelett
SB 6248	Capital budget, supplemental	S Ways & Means	1/14/2020	Frockt
SB 6260	Water resources/tribes	S Ag/Water/Natur	1/14/2020	McCoy
SB 6272	Greenhouse gas emissions	S Environment, E	1/14/2020	Das
SB 6273	Protective marine bulkheads	S Environment, E	1/14/2020	Van De Wege
SB 6292	Water rights sales	S Ag/Water/Natur	1/15/2020	Salomon
SB 6365	WDFW/payments in lieu of tax	\$ Ways & Means	1/15/2020	Warnick
SB 6494	Trust water rights	S Ag/Water/Natur	1/20/2020	Rolfes

Thank you, Cyndee From: Case,Cynthia D (CONTR) - DIR-7
Sent: Friday, July 31, 2020 5:33 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, July 31, 2020

Attachments: 073120.pdf

Hello everyone,

Attached is the Regional Relations report for Friday, July 31, 2020. Have a wonderful weekend.

# Public Interest Organizations Josh Warner

#### Advocates Intervene in CWA Certification Process

NRDC, Northwest Sportfishing Industry Association and Columbia Riverkeeper have filed a motion to intervene in Washington State's Clean Water Act Section 401 certification process. Giulia Good Stefani, Senior Attorney with NRDC, said in a blog post that they are, "doing this as a way to require the federal government to manage its hydropower dams on the Columbia River and lower Snake River to reduce heat pollution and protect salmon." Stefani says, "this is the first time that Washington State has flexed its Clean Water Act authority and set temperature pollution limits on the Columbia River and lower Snake River dams." She goes on to say that the federal government's recent Total Maximum Daily Load report found that the dams, especially the lower Snake River dams, are the main human cause of the water temperature problems in the rivers and takes to task the Corps for questioning the implementation of water temperature limits.

Stefani ends on a conciliatory note acknowledging the complexity of the issues that touch, "on numerous lives, livelihoods, and industries in the region. It is mired by politics on all sides. But it is also a natural and human system crisis that is in desperate need of courageous leadership and bold solutions." And adds, "now is the moment and the chance to offer up a model for the entire country of how people that share a common respect for the bounty and beauty of a place can come together and by taking care of the salmon, we take care of each other too."

# Idaho News John Williams

# **Idaho Water Board Virtual Meeting News**

The Idaho Water Resource Board held a virtual meeting on Thursday. There were three agenda items that are of interest to BPA:

1. Boise River Feasibility Study

Recap: The Idaho Water Resource Board and the Bureau of Reclamation have partnered to conduct a feasibility study for increasing water storage capacity within the Boise River system. Reclamation recommended that the study efforts should be focused on the raise of Anderson Ranch Dam moving forward. This focused analysis will allow for completion of the feasibility study by the Water Infrastructure Improvements for the Nation (WIIN) Act deadline of January 1, 2021. The total study costs are being equally (50/50) shared by the IWRB and Reclamation

The project experienced a schedule delay as Reclamation assessed viable project alternatives and (Endangered Species Act) consultation consideration. ESA considerations refer to possible flow-augmentation needs for protected salmon and steelhead. In addition to population growth in southwestern Idaho has prompted concerns about maintaining adequate water supplies for cities, irrigation, wildlife habitat and recreation. An

initial engineering and technical analysis led by Reclamation showed raising the 456-foot Anderson Ranch Dam by 6 feet to be the alternative with the lowest technical difficulty. The storage capacity of the reservoir, on the South Fork Boise River outside Mountain Home, is about 413,000 acre-feet. Raising the dam 6 feet would add about 29,000 acre-feet of water capacity to the reservoir.

The draft EIS is back on schedule that looks at the environmental impact of the project and alternatives, including taking no action. Its release on July 31 will trigger a 45-day public comment period and end on September 14. Reclamation will have meetings in Mountain Home and Boise. There is an expectation that the Interior Secretary will sign the document in January 2021. Note – the CORPS held Lower Boise River Interim Feasibility Study meetings back in 2010. Also, BOR has contacted BPA Hydro function about power cost allocation in July 2020. As of now, it looks like BPA will be on the hook to pay for the "power share" (\$2.888 M) at the end of construction. Idaho is still working on the details of funding for their part of the construction, but the plan is to start construction in 2025 and end in 2030. Reclamation will be sending a letter to BPA early next week regarding this project.

# 2. Lost Valley Reservoir Project

Lost Valley is an existing 10,000-acre-foot (AF) reservoir located in the headwaters of the Weiser River Basin near Council. It is owned by the Lost Valley Reservoir Company (LVRC). Lost Valley is an existing 10,000-acre-foot (AF) reservoir located in the headwaters of the Weiser River Basin near Council. The water is used on about 10,000 acres and is mostly supplemental to natural flow rights owned by the shareholders. Lost Valley Reservoir has long been recognized as having potential to be expanded from 10,000 AF to approximately 30,000 AF. An expansion has been studied at various times by the U.S. Bureau of Reclamation, IWRB, and the LVRC. In water short years, this additional water would benefit existing irrigators as well as recreation and fish and wildlife associated with the reservoir and Lost Creek downstream of the dam. Note: the Galloway dam proposal is still on the table. This is a low-cost storage project for Idaho and provides an opportunity for the IWRB or other water users to acquire some of the storage. Beneficial to summer flows (this may reduce flow augmentation from middle snake river water users).

#### 3. Lemhi Update

Water groups in the Lemhi basin are having disagreements over water use. There is a mistrust among the various parties on utilizing high flows for development or irrigation. Long time Deputy Idaho Attorney General Clive Strong (chief of the attorney general's natural resources division) who retired three years ago was hired by IWRB to help resolve issues in the Lemhi Basin. Clive asked the board to bring in former IWUA Executive Director and Counsel Norm Semanko to help him work with parties on a solution. The Board approved bringing in Norm and will offer a contract.

#### **Idaho Legislature News**

A joint legislative working group voted 16-2 Thursday to recommend that Idaho Gov. Brad Little call a special session to address liability concerns related to the coronavirus. However, the 27-member Judiciary and Rules Working Group couldn't agree on the scope of any proposed legislation, leaving co-chairman Rep. Greg Chaney, R-Caldwell, to wonder why the governor would think 105 lawmakers meeting in Boise at taxpayer expense could do any better.

"If we don't come up with a piece of legislation through this (working group) process that we can understand and feel comfortable advancing, ... we don't get a special session," Chaney said. "If we signal to the governor, 'Look, this is kinda, maybe what we want to do, but we have no real consensus,' there may be hesitation (in calling a session). If we can't work it out among ourselves without a special session, what's to say we can work it out with one?"

Over the past few months, various business, education and government entities have advocated for greater liability protection, saying they're afraid of being sued by people who allegedly contracted the coronavirus at their facilities, or who were negatively affected by actions they took in response to the pandemic.

School districts, for example, could be sued by parents who say their kids were infected because teachers didn't do an adequate job enforcing a mask requirement.

While lawmakers could wait until the 2021 legislative session to take up this issue, schools and other entities say action is needed in the immediate future.

Under the Idaho Constitution, only the governor has the power to call a special session. He also has the authority to delineate what issue or issues would be addressed.

For weeks now, Little has said he'll consider calling a special session — when lawmakers reach consensus on a particular topic.

The judiciary working group technically met that standard Thursday. It supported a draft bill that would provide immunity from civil liability to schools, businesses, government entities and individuals during times of declared emergencies.

However, although the proposal passed 12-6 among the working group's House members and 7-2 among its Senate members, several House lawmakers indicated their support was provisional. As presented, the draft bill would offer immunity for actions and decisions made during any declared emergency, so long as the business or individual made a good faith effort to comply with the laws, regulations and guidance in effect during the emergency.

Chaney wrote the bill with input from the Idaho Liability Reform Coalition, which represents a variety of business, industry and school stakeholders.

A committee report will now be delivered to House and Senate Republican leaders, who will determine what steps to take next. Two other working groups are also meeting to discuss possible coronavirus-related impacts on public school financial flexibility, election procedures and the governor's emergency powers. (Spence, William. *Lewiston Tribune*)

#### The Indy Explains: Why NV Energy is Pushing for a \$2 Billion Statewide Transmission Upgrade

In the midst of an unexpected recession and staggering job losses across the country, NV Energy has proposed a massive new transmission infrastructure project that it says will create jobs, boost the economy and help promote renewable energy development. If that line sounds familiar, that's because it's happened before. In 2009, the state's primary electric utility made many of those same arguments about economic recovery and renewable energy in its pitch to build a 235-mile, 500 megawatt "One Nevada Transmission Line" linking Southern and Northern Nevada for the first time.

Now, more than a decade later, the utility has proposed another major transmission line upgrade. Dubbed "Greenlink Nevada," the estimated \$2 billion transmission project would upgrade existing lines between Ely and western Nevada (centered in Yerington) and a new line between Las Vegas and Yerington, forming a transmission line triangle inside the state.

NV Energy is also asking for PUC approval for three new solar and battery storage projects in Southern Nevada, including one owned by the utility that would add 478 megawatts of solar generation and 338 megawatts of battery storage. All in all, the utility — which filed the planned transmission upgrade as part of a lengthy amendment to its 2018 Integrated Resource Plan — is bullish on how the infrastructure upgrades could benefit the state.

NV Energy CEO Doug Cannon said that the 2014 transmission line has been successful, but that the company has now fully maximized capacity on that line, which limits the utility's ability to "dispatch our system in the most cost-effective way." Creation of the transmission triangle would also serve as an important redundancy, in case of a natural disaster or other interruption on the existing transmission line.

"Having this triangle around the state allows us to build those renewable resources in the most efficient location, and then move those efficient resources to wherever the load is," he said. "Whether that's in Las Vegas or Reno or Elko,

wherever the load might be, we can move the energy on this triangle to the most efficient location. So we're not trying to force a solar project into Northern Nevada, when it doesn't really make sense."

Outside of new development in the state, NV Energy said in its application with the PUC that expanded transmission capacity in the state would also help move the state away from being the transmission "hole in the donut" between neighboring Western states.

An enhanced transmission system would allow the state to potentially "become an energy highway for transfers to and from Southern California and Arizona," the company said in the application, adding that planned construction of third-party and other transmission systems would make the state the "path of least resistance between the hydro-rich Pacific Northwest and the high-capacity winds within the central plains of the United States." The complete story is linked <a href="here">here</a>. (Snyder, Riley. The Nevada Independent)

# Oregon News Julie Peacock

# **OPUC holds first Oregon Wildfire and Electric Collaborative**

The Oregon Public Utility Commission hosted the first Oregon Wildfire and Electric Collaborative meeting this week. The theme focused on Assessing Wildfire Risk and included presenters from Consumers Electric Cooperative, Central Electric Cooperative, and Tillamook People's Utility District. Presentations focused on approaches to assessing risk in individual utility service territories, including use of technology such as fixed wing aircraft to map risk. Tillamook PUD indicated that if looking at the state wildfire assessment, Tillamook does not appear to be a high fire risk area. But, given the local experience with the Tillamook Burn, the utility knows that while their risk is less than utilities located on the East side, fire is possible within their service territory and something to plan for.

The next workshop will focus on System Hardening.

These workshops are in response to the Governor's Executive Order on Climate which directed the PUC to convene workshops to assist electric companies, consumer-owned utilities, and operators of electrical distribution systems to develop and share best practices for mitigating wildfire risk. These workshops are designed to provide utilities with an opportunity to discuss best practices to developing wildfire mitigation plans.

# **Oregon Special Session**

Friday, the Governor announced convening of a special session to rebalance the state budget in response to the fiscal impacts of COVID-19. The special session will begin August 10.

#### Oregon's Anti-Poaching K-9 Officer, Buck

This week, the Oregon Department of Fish and Wildlife published the story of <u>Buck</u>, the state's only anti-poaching K-9 Officer. The anti-poaching program has been targeted for a reduction in funds as part of the state's process to rebalance its budget in light of reduced revenues during COVID-19. I've included an excerpt below.

Fresh snow had just melted and the scent trail was more than a day old when a yellow Labrador Retriever named Buck went in search of evidence linked to an elk that had been poached on March 19, near Cottage Grove. Time- and snowwork against tracking dogs. Still, Buck was hot on the scent of gunpowder and shell casings. He found casings, also known as brass, among grass and twigs, invisible to the human eye. Three times Buck signaled his handler, Oregon State Police Fish and Wildlife Senior Trooper Josh Wolcott.

Finding three casings confirmed the story OSP F&W Senior Trooper Martin Maher had heard from two suspected poachers. Five shots had been reported through the Turn In Poachers (TIP) Line, five bullets recovered, two elk were down. During his interview with members of the hunting party, the deceptions of that morning came out. First, the teenager claimed he had shot both elk. He had a tag for one, and the other he had shot accidently. However, his tag was for a different unit so it was invalid. Both kills were poaching. The penalties would be severe.

Then another member of the group confessed. He had poached the second elk in two shots, then picked up his brass to conceal evidence of the crime. They had not anticipated the shots would be reported. Or that they would be approached by Senior Trooper Maher, who would spot the second carcass nearby. And they certainly hadn't anticipated that Buck, Oregon's only anti-poaching K-9 unit, would be able to track the scene of the crime to confirm the number of brass casings following an overnight snowfall.

Buck is just one resource in Oregon's anti-poaching arsenal. The culture of poaching is pervasive and entrenched, as demonstrated by the young elk hunter's inauguration into the deceptive practice of hiding a wildlife crime. Buck started his career with OSP F&W and Senior Trooper Wolcott in 2018. He was donated to OSP F&W by the Portland non-profit Oregon Wildlife Foundation (OWF). OWF members had started a fund to purchase an anti-poaching K-9 unit. Wolcott was selected to pilot the program and was paired with the gangly yellow Labrador. They completed training in Indiana at the Canine Resource Protection School and began working as a team in May of 2019. Buck proved his worth immediately

# West Coast News Doug Marker

#### CAISO Says EIM Benefits Pass \$1 Billion

The California ISO released news this week that the cumulative benefits of its energy imbalance market have now totaled \$1 billion since it began in 2014. The EIM now has 11 participating utilities. With the addition of more utilities by 2022, including BPA, the EIM will serve 82 percent of the Western Interconnection.

With its news release, the CAISO collected appreciate statements from supporters. John Hairston provided a statement on behalf of BPA:

"BPA sees the EIM as an important part of a well-designed electricity market. It's one strategy we are pursuing to strengthen our competitive position. We expect the dispatch benefits from EIM participation will quickly pay for itself and result in ongoing annual revenues. The added benefits of transmission efficiencies, congestion mitigation and increased grid visibility provide further incentive to join."

California Governor Writes to Warren Buffet, PacifiCorp, Urging They Stay with Agreement to Remove Klamath Dams After FERC approved the plan to remove Klamath River dams contingent on PacifiCorp remaining a co-license holder, California Governor Gavin Newsom wrote the utility and its owner this week, urging them to support those terms. Newsom addressed a letter to Warren Buffett, the CEO of Berkshire Hathaway which owns PacifiCorp, and to Stefan Bird, CEO of PacifiCorp. Newsom said that PacifiCorp's continued participation in the dam removal agreement is essential to finally removing the dams and allowing native salmon to rebuild in the Klamath River. PacifiCorp's representative said that the utility is concerned that if it remains a co-license holder, it will be subject to escalating costs for removal that could be more expensive than if PacifiCorp had sought relicensing.

#### California Stimulus Plan Could Tap Cap-and-Trade Revenue

The example of California's cap-and-trade market approach for reducing greenhouse gas emissions continues to also be an example of risks for the intended benefits of such a program's revenues. With the COVID pandemic, quarterly revenues from the auction of emission allowances had already crashed in the most recent sale. The threats to revenue proceeds means that planned beneficiaries are threatened, including the California's high-speed rail project. After those threats to the program's intended purposes comes now proposals by state legislators to divert cap-and-trade proceeds to backfill losses in other state tax revenues. Legislators are trying to complete a budget in the next month that deals with the unexpected economic blow from the pandemic.

# What's a Tesseract?

I think many of us would visit just to go back to before the COVID shutdown. Or skip forward to after we find a vaccine. In the Echo Park neighborhood of Los Angeles, there is the Time Travel Mart. As one might find on a three-dimensional highway, the Time Travel Mart sells supplies for travel in the fourth dimension. With its motto, "Wherever

You Are, We've Already Been", the front window has a caveman shaking hands with a robot. Inside, the Time Travel Mart sells such essential goods as Wooly Mammoth Chunks and Barbarian Repellent. But it's not just hipster whimsy. The store also serves as a youth literacy program, inviting kids to improve their writing skills through imagination. The students' writings are displayed in a freezer.

# Montana News Mark Reller

## **CSKT Reserved Water Rights**

Under the Hellgate Treaty of 1855, the Confederated Salish and Kootenai Tribes were afforded water rights that were undefined at the time. These water rights were negotiated and defined under a reserved water rights <u>compact</u> between the Tribes, State of Montana and Federal Government. That Compact must be formally approved by all parties. Thus far only the State of Montana has formally approved the Compact, and that approval came in a vote in the 2015 legislature. The next party in line to approve will be the US Congress and now the Compact has passed committee in Washington DC The Compact becomes effective once approved by all parties and the Tribe will be the final say.

#### COVID-19

All things considered, or as some say, at the end of the day, Montana has been quite lucky this far into the Covid pandemic. In per capita terms it has experienced one of the lowest infection rates in the country. Absolute numbers of infections and death rates are also low in comparison to other states. But in a pandemic, one is not advised to rest on their laurels.

Since limited reopening, daily new cases, deaths and hospitalizations have steadily climbed. Under the current conditions, Montana now sees more new cases in a week, than it did between all of March through June combined. This week a new daily confirmed numbers of cases set a record high at 216 new cases on July 24<sup>th</sup>; July 28<sup>th</sup> also saw over 200 new cases. Active cases in the Montana counties served by BPA are steadily increasing. Close to half of the counties are reporting new cases on a daily basis. Over half the counties have active caseloads above the mask threshold and thus require the wearing of face masks. Fifty five deaths have been reported.

The depressing numbers are hard to keep up with. This <u>link</u> is updated daily at approximately 10 am. If there is any good news, five of Montana's 56 counties still have dodged the virus and are reported as zero confirmed cases. Four of those counties are in eastern Montana and one (Mineral County) in western Montana.

Thank you,

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From: Case,Cynthia D (CONTR) - DIR-7

Sent: Friday, September 11, 2020 5:31 PM

To: ADL\_DI\_ALL; ADL\_DK\_ALL; Executive Team; Executive Associates

Subject: Regional Relations report for Friday, September 11, 2020

Attachments: 091120.pub.pdf

Hello all,

Attached is the Regional Relations report for Friday, September 11, 2020. Have a nice weekend and stay safe.

# Public Interest Organizations Josh Warner

## Pondering on California's Clean Energy Transition

In a recent <u>blog post</u> from NRDC's Ralph Cavanagh, he disputes the narrative that California's clean energy policies are to be blamed for recent power outages. While this is a California topic it can be more broadly applied to the Northwest and West. Cavanagh also tries to clarify that the outages were not "crippling" as they have been characterized by some. He says they were disruptive, had negative impacts and that the state must aggressively address reliability challenges, but were not crippling.

Cavanagh continues that, "the electric service reliability issues that California confronted recently have nothing to do with its environmental and clean energy policies..." He says that wildfire and heat waves have more to do with reliability than a change in clean resources. Cavanagh says that there is a need for sufficient reserve power and more aggressive deployment of demand-side management – energy efficiency to reduce overall electric needs and demand response to reduce grid stress. In addition, there is a need to integrate the "fragmented western power grid" and more comprehensive integrated resource planning. Cavanagh concludes by saying that, "the state's clean energy transition (with particular emphasis on the demand side) will remain vital to ultimate solutions, and no part of the problem whatsoever."

# Idaho News John Williams

#### Wyoming, the Fight to Save Coal

The Wyoming Public Service Commission moved to delay finalizing its investigation into PacifiCorp, the state's largest utility, on Tuesday after an energy company made an eleventh-hour request to include additional evidence in the case.

Commissioners had initially scheduled public deliberations on its <u>investigation into PacifiCorp</u> for Tuesday afternoon but ultimately delayed the proceeding. The commission determined it needed additional time to weigh the merits and legality of introducing additional evidence, which in this case involved a study on the potential benefits of retrofitting coal-fired power plants with carbon capture. Heated discussion dominated an impromptu hearing held at 8 a.m. Tuesday, as parties argued for and against the inclusion of additional evidence. The debate captured the very issue arresting the state's attention: whether Wyoming should continue investing in its coal industry or support a transition to a new energy economy.

The regulatory body launched its investigation into PacifiCorp on November 13, following the release of the company's <u>integrated resource plan</u>. The plan essentially mapped out the company's energy strategy for the coming decades.

PacifiCorp's 2019 plan would retire several coal plants early to save ratepayers money. The plan did not sit well with most Wyoming lawmakers and industry groups. Over the course of several months, the commission held multiple technical conferences and hearings to investigate the integrity of the plan.

But as the investigation was drawing to a close, Glenrock Energy, a company party to the case, filed a motion to introduce additional evidence in the form of a study on September 2.

Initiated by Governor Mark Gordon, the study was published last week by the U.S. Department of Energy. In a stinging rebuke of PacifiCorp's plan, the study concluded equipping coal plants with carbon capture was a better option. In short, extending the lives of facilities this way would reduce emissions, cut ratepayers' costs and sustain jobs in the state, the study concluded.

Though the study was lauded by the governor's office and the coal industry, several economists, attorneys and conservationists have characterized its findings as misleading and incomplete.

Glenrock Energy has long lobbied in support of extending the operation of coal plants. It urged commissioners to consider the recently published study before issuing the investigation's conclusions.

# Where this all began.

The profitability of thermal coal has contracted in recent years, as increased competition from natural gas and renewables has slowly squeezed demand for coal out of the energy market. In response, utilities have started taking a hard look at the economics of keeping the aging facilities open.

The possibility of accelerated coal-fired power plant retirements has fueled widespread alarm throughout the state. That fear was especially stoked after the state's leading utility announced plans to gradually divest from some of its coal plants.

A team at PacifiCorp spent approximately 16 months researching how potential shifts in energy regulations, prices and technology could affect ratepayers' prices and the stability of the grid down the road when writing its 2019 integrated resource plan. The goal was to determine the least-cost, least-risk portfolio of resources to provide safe, reliable electric service to ratepayers. Results from advanced modeling revealed the company would need to transition away from <u>coal-fired power plants</u> in order to save ratepayers substantial costs. But Wyoming lawmakers and industry leaders have seen it as an attack on Wyoming's robust coal industry.

Under the utility's plan, two-thirds of its national coal fleet will be retired by 2030, including units at Naughton in Kemmerer, Jim Bridger near Rock Springs and Dave Johnston in Glenrock. PacifiCorp will retire Jim Bridger's unit 1 in 2023, four years earlier than the company once projected. Another unit at Jim Bridger will retire in 2028, nine years early. In addition, Naughton's units 1 and 2 will shutter in 2025. Dave Johnston units 1-4 would be retired by 2027.

When a utility files an integrated resource plan, the commission typically accepts it after scrutinizing it during a public comment period. But the commission can also instigate an investigation and hold a contested case proceeding.

On Tuesday, Chris Petrie, chief counsel at the Public Service Commission, said the regulatory body would need more time to deliberate the late motions and make a final determination on whether the company can include new evidence in the investigation by the end of day Wednesday.

Public deliberations will be rescheduled for early October. (Camille Erickson, Energy and Natural Resources Reporter for the Casper Star-Tribune)

Oregon News Julie Peacock

#### Wildfires

Under 100,000 Oregonians are evacuated from their homes and 500,000 Oregonians are under one of the three levels of evacuation order (Level 1- Get Ready, Level 2- Get Set, Level 3- Go!). As of Friday afternoon, the state was reporting that more than million acres (1500 square miles) have burned in Oregon, and the state's two largest fires (Beachie Creek and Riverside) are set to merge.

This week the Governor said that the public should anticipate that these fires could be the most destructive in the state's history. There have been several reports that some of the wildfires have been started by power lines. Dozens are being reported as missing.

State officials and the Governor have called on the public to not return their homes even after the fire has passed. On Friday, Portland had the worst air quality of any major city in the world.

Positive news was reported Friday, with the change in the weather, less wind and more moisture in the air which will help firefighters battle the blaze. The state Department of Forestry says the forecast for next week is even more favorable with rain in the forecast west of the Cascades, but they anticipate that firefighters will be battle some of the blazes into the fall.



West Coast News Doug Marker

#### Another Heat Wave but No Capacity-Caused Blackouts

Again over the Labor Day weekend, California had astonishingly high temperatures. On Sunday, it hit 121 degrees in the San Fernando Valley, the highest temperature ever recorded in Los Angeles. For several evenings the California ISO and state officials pleaded with residents keep their appliances off and thermostats high through the evening hours. Though the ISO went to its highest level of system alerts, it did not have to shut down portions of the grid. With high winds exacerbating wildfire risk, however, at least PG&E had to implement Public Safety Power Shutoffs for the first time this year; shutting power along transmission and distribution lines to reduce risk of ignition from transmission equipment.

### California Energy Agencies Will Report to Governor on August Blackouts this Month

California PUC President Marybel Batjer reported at yesterday's Commission meeting that the CPUC, the California ISO and the California Energy Commission will give a joint report to Governor Newsom on the root causes of the August

blackouts by the end of September. Following the August 14-15 blackouts, the leaders of the three agencies committed to investigate the causes of the state's insufficient capacity to meet the peak evening demands. I haven't seen notices of any public meetings for preparation of the report.

# California Water Agency Agrees to Let Coastal Gas Plants Run Longer

California has scheduled the closure or redesign of a series of large "once-through cooling" plants to resolve their environmental impacts. The plants draw coastal water directly for cooling and then return the heated coolant directly back into the water body. Several of the remaining plants, amounting to 3500 MW of capacity, were scheduled to close this year. The California ISO pleaded with state regulators to allow the plants to remain available a few years longer to be available in times of peak demand, such as California has experienced in the last month. The California PUC endorsed the need. Last week the California Water Resources Control Board completed months of public deliberation and agreed to extend the plants' operations for up to three more years. With the fresh memory of the August blackouts, Board members more than hinted they anticipate this will not be the last time they're asked for an extension. The 2,200 megawatt Diablo Canyon nuclear plant will close its two generators in 2024 and 2025.

#### **CPUC Fires Executive Director**

In the midst of the state's power crisis, the members of the California Public Utilities Commission went ahead with the termination of Alice Stebbins, the Commission's executive director. Commissioners cited a report of a state personnel agency of Stebbins' favoritism in hiring. Stebbins countered her firing is retaliation for reporting the CPUC's failure to collect penalties owed by its regulated utilities. Her attorney produced e-mail and text records of behind-the-scenes discussions of Stebbins by the commissioner, charging violations of the state's open meeting laws. President Batjer announced that Rachel Peterson, currently chief of staff to Commissioner Liane Randolph, will serve as interim executive director.

# Happy Birthday to the Chicken Boy

Just before our Labor Day hiatus, the Chicken Boy, called the "Statue of Liberty of Los Angeles" celebrated his September 1 birthday. For years, the Chicken Boy, a 22-foot half-man, half-chicken stood above historic Route 66, greeting motorists on their way into LA. Originally one of the "Muffler Men" mascots scattered around the country (there's one in Aloha, Oregon, refashioned as Harvey the Rabbit), owners of a chicken stand repurposed him with a chicken head and a big bucket of fried chicken. As with so many sights along Route 66, times changed and times were hard in the take-out chicken trade. The restaurant closed and Chicken Boy's future was in doubt. Fans came to his rescue in 2007 and installed him on North Figueroa where he resumed his welcoming presence.



Montana News Mark Reller

Making Law during the Pandemic

The Montana Legislature is weighing options on how to meet and deliberate during the upcoming 2021 legislative session which starts in January of 2021. Members of the Energy and Telecom Interim Committee this week heard a presentation by legislative staff on the options that could be employed during the pandemic.

The three basic approaches could be to 1) meet as normal in the capital building, 2) meet remotely or 3) some hybrid version of in person and remotely. The risks and feasibility of each are still being evaluated. Clearly normal close contact in a historic building with marginal ventilation has disease transmission risk. The standing 'joke' in my tenue following the legislature is that the meeting rooms in the capital are 'flu factories'. Size of the rooms makes social distancing impractical. Meeting remotely has bandwidth concerns, both on the state capital complex side and in many of the areas where rural legislators reside. Survey's done by the legislative staff have revealed some legislators lack suitable computers (less than three years old) and many others have been experiencing internet interruptions already during the pandemic. The hybrid option was only marginally fleshed out at this point, but basically would allow legislators to stay in Helena as they traditionally do, but some meetings would be in person, while most would be online. This would allow legislative staff and contractors to assist the legislators with IT needs. How voting would occur was not discussed.

#### Montana Climate Plan Released

Montana faces the reality that it now operates about three degrees fahrenheit warmer than it did just a few decades ago. Governor Bullock has released this administration's "Climate Solutions Plan". The plan released Wednesday is the culmination of more than a year's work by a council created by the governor's executive order, its 40 members drawn from environmental groups, industry, agriculture, nonprofits and more. The table of contents is included below to provide a flavor of the topics addressed. A news article summarizing the plan can be found at this link here.



#### Personal Note

(b)(6)

Washington News Liz Klumpp

Federal Leads Summarize Power, Fish, and Water Quality EIS Findings for Columbia River Policy Group

This week BPA and Reclamation speakers, Jason Sweet, Birgit Koehler, and Eric Rothwell explained key CRSO EIS findings for fish, power, and water quality to a well-attended on-line meeting of <a href="Ecology's Columbia River Policy Advisory Group">Ecology's Columbia River Policy Advisory Group</a>. Members had a few questions and WDFW's Michael Garrity added at the end of the discussion that "Washington appreciates the near term benefits of spill and believes the CSS model and that they are hoping and counting on a larger, regional discussion to achieve stronger measures for salmon recovery including looking at all the Hs." Michael continued, "We want to identify what it would take to replace energy and transportation of lower Snake Dams." The next agenda item was Washington Dept. of Ecology's Kelly Ferron explaining Ecology's engagement with EPA on TMDL as Ecology tries to secure implementable measures to manage temperatures in the Columbia and Snake River basins to protect salmon, "The Columbia and Snake River do not meet water temperature standards." Interestingly, Eric Rothwell explained during his presentation that EIS modeling found that removing the four lower Snake River Dams did not result in cooler water temperatures in the Columbia River.

Thank you,

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From: Sent:

To:

Nelson, Kathryn A (CONTR) - BT-3 on behalf of BPA Market Initiatives Friday, July 21, 2023 7:13 AM

Agre, Benjamin M (BPA) - FAF-2; Albright, Margaret I (BPA) - TOO-DITT-2; Allen, Adrian S (BPA) - PTL-5; Allen,Briana K (BPA) - PTKC-5; Andrew Goodwin; Bermejo,Juergen M (BPA) - PGST-5; Boen, Jason M (BPA) - PSST-6; Brier, Tanner H (BPA) - PTF-5; Burczak, Sarah E (BPA) - PS-6; Cathcart, Michelle M (BPA) - TO-DITT-2; Chambers, Joseph L (BPA) - TSRE-DITT-1; Chang, Elsa (BPA) - PGST-5; Dalia, Bernadette (BPA) - TSRE-DITT-1; Davidson, Bradley G (MFE)(BPA) - PTFN-5; Davis, Thomas E (BPA) - LT-7; DeForest, Lon C (BPA) - PTMP-5; Dernovsek, David K (BPA) - PTF-5; Dibble, Rachel L (BPA) - PT-5; Donahoo, Ashley D (BPA) - TOI-DITT-2; Donato, Vinsunt W (BPA) - PGST-5; Doot, Erika A (BPA) - LP-7; Eaton, Sara L (BPA) - PTMA-5; Edwards, Robert W (BPA) - PTK-5; Elizeh, Edison G (BPA) - TP-MODD; Epifanov, Calin S (BPA) - JCD-6; Federovitch, Eric C (BPA) - PTL-5; Fredrickson, Rebecca E (BPA) - TSQ-TPP-2; Gallas, Christine E (BPA) -PTMA-5; Gaube, Stephen J (BPA) - PTMP-5; Germer, Matthew J (BPA) - PTMA-5; Goodwin, Andrew L (CONTR) - BD-3; Green, Mitchell R (BPA) - FA-2; Griffen, Christian W (BPA) - LT-7; Haraguchi, Kelii H (BPA) - PTM-5; Havlik, Sean W (BPA) - PTKC-5; Hayes, Matthew C (BPA) - PGST-5; Hunziker, Cameron (BPA) - TOII-DITT-2; Johnson, Robert C (BPA) - PTKS-5; King, Eric V (BPA) - TSBM-TPP-2; Kitali, Salah H (BPA) -TP-TPP-2; Kochheiser, Todd W (BPA) - TOI-DITT-2; Kukreti, Rahul (BPA) - LT-7; Kutil, Sarah M (BPA) - LT-7; Lana, Aaron D (BPA) - PGSD-5; Linn, Young S (TFE) (BPA) - TSE-TPP-2; Ludwig, Stephanie L (MFE)(BPA) - PTFN-5; Mace, Allison R (BPA) - PTM-5; Malin, Debra J (BPA) - PTL-5; Manary, Michelle L (BPA) - TS-DITT-2; Marker, Doug R (BPA) - AIR-7; McManus, Bart (BPA) - TOOC-DITT-2; Messemer, Clarisse M (BPA) - PGST-5; Meyers, Andrew P (BPA) - B-3; Mezzatesta, Mariano (BPA) - PGST-5; Miller, Mark E (MFE) (BPA) - PTL-5; Miller, Todd E (BPA) - LP-7; Minden, Vincent L (BPA) - TTS-DITT-2; Newlon, Scott M (BPA) - PTK-5; Pace, Dean J (BPA) - PTKS-5; Palandri, Anthony (BPA) -PTMA-5; Pedersen Mainzer, Margaret E (BPA) - PTL-5; Pimputkar, Pia S (MFE)(BPA) - PE-6; Platter, M Phillip (MFE)(BPA) - PTFR-5; Pleger, Derrick L (BPA) - PSST-6; Puyleart, Frank R (BPA) - TOOC-DITT-2; Rohe, Kristina E (BPA) - PTKC-5; Sarah Davis; Sheckells, Katie (BPA) - TSB-TPP-2; Siemsen, Matthew A (BPA) - PTFR-5; Silver, David M (TFE) (BPA) - TOOC-DITT-2; Simpson,Mark C (MFE)(BPA) - PTFN-5; Simpson,Troy D (TFE)(BPA) - TSE-TPP-2; Smith, Glen A (BPA) - PG-5; Spain, Alex J (MFE)(BPA) - PTF-5; Stewart, Scott M (BPA) -TSQT-TPP-2; Symonds, Mark C (BPA) - B-3; Tarver, Adrina B (BPA) - PTK-5; Truax, Sarah R (BPA) - PE-6; Truong, Mai N (BPA) - TSB-TPP-2; Tucker, Mark E (BPA) - TSBM-TPP-2;

Zimmerman, Nita M (BPA) - B-3

Subject: FW: [EXTERNAL] CES Market IQ: CAISO Board & EIM Governing Body Meeting

Williams, Antionette L (BPA) - TSQT-TPP-2; Yokota, Daniel R (BPA) - PSST-6;

07-19-2023 07-20-2023

Attachments: CAISO Board of Governors CAISO Board & EIM Governing Body Meeting

07-19-2023.pdf

From: Paul Nelson paul.nelson@ces-ltd.com>

Sent: Thursday, July 20, 2023 7:12 PM

To: BPA Market Initiatives < BPAMarketInitiatives@bpa.gov>

Subject: [EXTERNAL] CES Market IQ: CAISO Board & EIM Governing Body Meeting 07-19-2023 07-20-2023

Please find attached the July 19, 2023 Board of Governors report for CAISO Market IQ.

# **Highlights**

- On July 19-20, 2023, the California ISO Board of Governors (CAISO Board) and Western Energy Imbalance Market Governing Body (WEIM GB) held a joint general session meeting. On July 20, the CAISO Board held a general meeting and voted on decisional items.
- CAISO's President and CEO, Elliot Mainzer, provided updates and comments regarding summer readiness, the Extended
  Day-Ahead Market (EDAM), Day-Ahead Market Enhancements (DAME), Interconnection Process Enhancements (IPE) Track
  2, Updates to the CAISO's 20-year Transmission Outlook, Subscriber Participating Transmission Owner (SPTO) Model final
  proposal, a CAISO battery storage milestone, and international collaboration.
- CAISO Staff briefed the CAISO Board on the withdrawal of the Western Energy Imbalance Market (WEIM) base schedule submission deadline. The existing deadline of T-40 minutes will remain.
- The CAISO Board approved through unanimous vote the CAISO's proposal to revise its Competitive Solicitation Project (CSP)
  proposal fees and its SPTO Model proposal.

# **Meeting Materials**

The materials for the WEIM GB and CAISO Board meetings may be found at the <u>WEIM Governing Body</u> and <u>CAISO Board</u> websites.

# **Upcoming Meeting Date**

The next WEIM GB, CAISO Board, and joint session meetings will take place September 19-21, 2023.

Paul Nelson
Director - Western Energy Markets Market IQ
(b)(6)
paul.nelson@ces-ltd.com
Customized



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From: Sent: To: Nelson, Kathryn A (CONTR) - BT-3 on behalf of BPA Market Initiatives Tuesday, August 1, 2023 7:28 AM

Agre,Benjamin M (BPA) - FAF-2; Albright,Margaret I (BPA) - TOO-DITT-2; Allen,Adrian S (BPA) - PTL-5; Allen,Briana K (BPA) - PTKC-5; Andrew Goodwin; Bermejo,Juergen M (BPA) - PGST-5; Boen,Jason M (BPA) - PSST-6; Brier,Tanner H (BPA) - PTF-5; Burczak,Sarah E (BPA) - PS-6; Cathcart,Michelle M (BPA) - TO-DITT-2; Chambers,Joseph L (BPA) - TSRE-DITT-1; Chang,Elsa (BPA) - PGST-5; Dalia,Bernadette (BPA) - TSRE-DITT-1; Davidson,Bradley G (MFE)(BPA) - PTFN-5; Davis,Thomas E (BPA) - LT-7; DeForest,Lon C (BPA) - PTMP-5; Dernovsek,David K (BPA) - PTF-5; Dibble,Rachel L (BPA) - PT-5;

Donahoo,Ashley D (BPA) - TOI-DITT-2; Donato,Vinsunt W (BPA) - PGST-5; Doot,Erika A (BPA) - LP-7; Eaton,Sara L (BPA) - PTMA-5; Edwards,Robert W (BPA) - PTK-5; Elizeh,Edison G (BPA) - TP-MODD; Epifanov,Calin S (BPA) - JCD-6; Federovitch,Eric C (BPA) - PTL-5; Fredrickson,Rebecca E (BPA) - TSQ-TPP-2; Gallas,Christine E (BPA) - PTMA-5; Gaube,Stephen J (BPA) - PTMP-5; Germer,Matthew J (BPA) - PTMA-5;

Goodwin,Andrew L (CONTR) - BD-3; Green,Mitchell R (BPA) - FA-2; Griffen,Christian W (BPA) - LT-7; Haraguchi,Kelii H (BPA) - PTM-5; Havlik,Sean W (BPA) - PTKC-5; Hayes,Matthew C (BPA) - PGST-5; Hunziker,Cameron (BPA) - TOII-DITT-2;

Johnson,Robert C (BPA) - PTKS-5; King,Eric V (BPA) - TSBM-TPP-2; Kitali,Salah H (BPA) - TP-TPP-2; Kochheiser,Todd W (BPA) - TOI-DITT-2; Kukreti,Rahul (BPA) - LT-7; Kutil,Sarah M (BPA) - LT-7; Lana,Aaron D (BPA) - PGSD-5; Linn,Young S (TFE)(BPA) - TSE-TPP-2; Ludwig,Stephanie L (MFE)(BPA) - PTFN-5; Mace,Allison R (BPA) - PTM-5; Malin,Debra J (BPA) - PTL-5; Manary,Michelle L (BPA) - TS-DITT-2; Marker,Doug R (BPA) - AIR-7; McManus,Bart (BPA) - TOOC-DITT-2; Messemer,Clarisse M (BPA) - PGST-5;

Meyers, Andrew P (BPA) - B-3; Mezzatesta, Mariano (BPA) - PGST-5; Miller, Mark E (MFE)

(BPA) - PTL-5; Miller,Todd E (BPA) - LP-7; Minden,Vincent L (BPA) - TTS-DITT-2; Newlon,Scott M (BPA) - PTK-5; Pace,Dean J (BPA) - PTKS-5; Palandri,Anthony (BPA) - PTMA-5; Pedersen Mainzer,Margaret E (BPA) - PTL-5; Pimputkar,Pia S (MFE)(BPA) - PE-6; Platter,M Phillip (MFE)(BPA) - PTFR-5; Pleger,Derrick L (BPA) - PSST-6; Puyleart,Frank R (BPA) - TOOC-DITT-2; Rohe,Kristina E (BPA) - PTKC-5; Sarah Davis; Sheckells,Katie (BPA)

- TSB-TPP-2; Siemsen,Matthew A (BPA) - PTFR-5; Silver,David M (TFE)(BPA) - TOOC-DITT-2; Simpson,Mark C (MFE)(BPA) - PTFN-5; Simpson,Troy D (TFE)(BPA) - TSE-TPP-2; Smith,Glen A (BPA) - PG-5; Spain,Alex J (MFE)(BPA) - PTF-5; Stewart,Scott M (BPA) - TSQT-TPP-2; Symonds,Mark C (BPA) - B-3; Tarver,Adrina B (BPA) - PTK-5; Truax,Sarah R (BPA) - PE-6; Truong,Mai N (BPA) - TSB-TPP-2; Tucker,Mark E (BPA) - TSBM-TPP-2;

Williams, Antionette L (BPA) - TSQT-TPP-2; Yokota, Daniel R (BPA) - PSST-6;

Zimmerman, Nita M (BPA) - B-3

Subject: FW: [EXTERNAL] CES Market IQ: CAISO DMM 2022 Annual Market Issues & Performance

07-28-2023

Attachments: CAISO Misc DMM 2022 Market Issues & Performance 07-28-2023.pdf

From: Paul Nelson <paul.nelson@ces-ltd.com>

Sent: Monday, July 31, 2023 5:29 PM

To: BPA Market Initiatives < BPAMarketInitiatives@bpa.gov>

Subject: [EXTERNAL] CES Market IQ: CAISO DMM 2022 Annual Market Issues & Performance 07-28-2023

Please find attached the July 28, 2023 Misc report for CAISO Market IQ.

# **Highlights**

- On July 28, 2023, the California ISO (CAISO) Department of Market Monitoring (DMM) held a meeting to review its 2022
   Annual Report on Market Issues and Performance.
- DMM found CAISO energy markets were competitive in 2022, with energy prices about equal to competitive baseline prices
  calculated by DMM.
- DMM reported CAISO wholesale prices increased by 70% due to significant natural gas price increases, however adjusting for that cost indicates a 10% increase in prices.
- DMM reported CAISO is a net exporter in the middle of the day during the Summer months due to the growth in solar power in California.
- DMM reported that CAISO transmission ratepayers lost about \$118 million from auctioned Congestion Revenue Rights
  (CRR), which it recommended be eliminated, noting that if the CAISO believes a CRR market is necessary for hedging
  purposes, it should be replaced with a market between willing buyers and sellers.
- DMM reported convergence bidding net profits rose to about \$106 million from \$36 million in 2021.
- DMM reported that Bid Cost Recovery (BCR) increased to \$237 million which is 1.1% of wholesale energy costs, however, the amount paid to storage resources has increased from 2% to 12% of revenue, which DMM recommends as an area for review.

# **Meeting Materials**

- The materials for this meeting may be found at the <u>DMM Market Monitoring webpage</u>.
  - o Presentation
  - o 2022 Annual Report on Market Issues and Performance.

# Analysis:

The DMM's 2022 Annual Market Issues and Performance report meeting was helpful and detailed, with some beneficial insights on drivers and impacts of some of the DMM's observations. The good news is DMM's opinion is that the CAISO market in 2022 was competitive, and while prices were higher the increase driven by the cost of natural gas which is outside of CAISO's control. DMM provided an innovative chart showing the flows in the WEIM, which shows where CAISO is exporting during the day, and importing from during the night, and including wheel-through patterns. The increase in BCR payments to storage resources is another important area for review with California's rapidly expanding storage fleet, also tying in with new and upcoming storage-related policies around Ancillary Services (AS) and State of Charge (SOC). It will be interesting to see if the CAISO follows up on DMM's recommendation to eliminate or significantly change the CRR mechanism.

Paul Nelson
Director - Western Energy Markets Market IQ
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From:

Lynch, Tina E (BPA) - TF-DITT-2 on behalf of Furrer, Robin R (BPA) - TF-DITT-2

Sent:

Friday, May 3, 2019 10:17 AM

To:

Ko, Tina G (BPA) - TS-DITT-2; Cathcart, Michelle M (BPA) - TO-DITT-2

b)(5)

#### Tina Lynch

Executive Associate to Robin Furrer VP | Transmission Field Services

BONNEVILLE POWER ADMINISTRATION

telynch@bpa.gov | P 360-418-2250 | C (b)(6)















From: Taylor, Eric K (TFE)(BPA) - TSE-TPP-2 <ektaylor@bpa.gov>

Sent: Tuesday, April 23, 2019 1:07 PM

To: Furrer, Robin R (BPA) - TF-DITT-2 < rrfurrer@bpa.gov>

(b)(5)

From: Furrer, Robin R (BPA) - TF-DITT-2 Sent: Tuesday, April 23, 2019 1:07 PM

To: Taylor, Eric K (TFE)(BPA) - TSE-TPP-2; Rehbein, Garett D (BPA) - TF-ROSS MHQA; Seabury, Nathan (BPA) - TFR-

REDMOND

Cc: Rigez, Paul S (BPA) - TFRC-REDMOND; Anderson, Joseph P (BPA) - TFRB-REDMOND

(b)(5)

From: Taylor, Eric K (TFE)(BPA) - TSE-TPP-2 < ektaylor@bpa.gov>

Sent: Tuesday, April 23, 2019 1:06 PM

To: Furrer, Robin R (BPA) - TF-DITT-2 < rrfurrer@bpa.gov >; Rehbein, Garett D (BPA) - TF-ROSS MHQA

<gdrehbein@bpa.gov>; Seabury,Nathan (BPA) - TFR-REDMOND <njseabury@bpa.gov>

<ipanderson@bpa.gov>

(b)(5)

From: Furrer, Robin R (BPA) - TF-DITT-2 Sent: Tuesday, April 23, 2019 12:57 PM

To: Taylor, Eric K (TFE)(BPA) - TSE-TPP-2; Rehbein, Garett D (BPA) - TF-ROSS MHQA; Seabury, Nathan (BPA) - TFR-

REDMOND

Cc: Rigez, Paul S (BPA) - TFRC-REDMOND; Anderson, Joseph P (BPA) - TFRB-REDMOND

(b)(5)

From: Taylor, Eric K (TFE)(BPA) - TSE-TPP-2 < ektaylor@bpa.gov>

Sent: Tuesday, April 23, 2019 12:48 PM

To: Rehbein, Garett D (BPA) - TF-ROSS MHQA <gdrehbein@bpa.gov>; Seabury, Nathan (BPA) - TFR-REDMOND

<njseabury@bpa.gov>; Furrer,Robin R (BPA) - TF-DITT-2 <rrfurrer@bpa.gov>

<jpanderson@bpa.gov>

(b)(5)

From: Rehbein, Garett D (BPA) - TF-ROSS MHQA

Sent: Tuesday, April 23, 2019 12:03 PM

To: Seabury, Nathan (BPA) - TFR-REDMOND; Furrer, Robin R (BPA) - TF-DITT-2

Cc: Taylor, Eric K (TFE)(BPA) - TSE-TPP-2; Rigez, Paul S (BPA) - TFRC-REDMOND; Anderson, Joseph P (BPA) - TFRB-

REDMOND

(b)(5)

From: Seabury, Nathan (BPA) - TFR-REDMOND <njseabury@bpa.gov>

Sent: Tuesday, April 23, 2019 10:00 AM

To: Rehbein, Garett D (BPA) - TF-ROSS MHQA < gdrehbein@bpa.gov>; Furrer, Robin R (BPA) - TF-DITT-2

<rrfurrer@bpa.gov>

Anderson, Joseph P (BPA) - TFRB-REDMOND < ipanderson@bpa.gov>

(b)(5)



NATE SEABURY Acting Redmond District Manager /TFR 3655 SW Highland Ave. Redmond, OR 97756

Cell: (b)(6) Work: 541-516-3230 Fax: 541-516-3243 From: Mainzer, Elliot E (BPA) - A-7

**Sent:** Friday, October 18, 2019 11:21 AM

To: ALLBPA

Subject: Keeping the lights on in the Northwest: Part 2

Last week I updated you on the <u>region's growing concern</u> about having sufficient generating resources to meet the demand for power. Today I want to put the issue in perspective for BPA and share what we are doing as a region to address it.

First, it's important to recognize that the magnitude of the concern will grow as coal plants are retired. According to the Northwest Power and Conservation Council, the region's demand is already starting to outpace supply. The Council produces an annual resource adequacy assessment by studying the likelihood in any given year that the region would have to take some extraordinary (often very expensive) measures to keep the lights on.

By 2024, if coal plant retirements accelerate, we could be facing a 30% chance of a power shortage in any given year.

The problem is significant, but the Northwest has a history of pulling together to resolve its challenges. One of the central challenges of our time is to maintain the long-term reliability and affordability of the Northwest power grid as we make rapid and dramatic changes to the region's resource portfolio in pursuit of ambitious clean energy goals. The federal hydropower and transmission system that BPA operates will play a central role in the solution.

Through the Northwest Power Pool, we are developing a regional resource adequacy program. The program will define how much dispatchable capacity is needed – that is, the size and portfolio of resources that together can be available when needed – to keep the lights on, even under extreme circumstances. Once we determine the need, we'll allocate the responsibility and accountability for carrying that capacity to the participating load-serving entities. The program will also look for ways to be more efficient with our existing resources and more thoughtful about planning. The adequacy of the Northwest's transmission and natural gas delivery systems will be considered as well.

#### What does this mean for BPA?

We are fortunate to have the federal hydropower system and the flexible, reliable carbon-free power it provides. BPA's customers and others within the Western Interconnection benefit from this valuable resource. Yet, the Western Interconnection is larger than just BPA. An outage in one area can cause problems for its interconnected neighbors. That's why we focus so much on regional reliability, not just the reliability of our own assets and operations.

BPA plans to be a significant part of the reliability solution, particularly as the West integrates more renewables like wind and solar. The federal hydropower system supplies valuable capacity for the reliability of the grid, and that capacity is even more important for reliability when wind and solar generation are not producing energy. Transmission will also be critical. The idea is that a surplus of generation in one area could be used to serve a deficit in another area, and we will need the federal high-voltage transmission grid to deliver that power across long distances.

You may recall that our strategic plan noted the possibility that the market for clean capacity could improve in the years ahead through new legislation and economic forces. We are seeing that happen now, and new opportunities for BPA to monetize the carbon-free, flexible capabilities of the federal hydropower system are beginning to materialize. This is good news for BPA because new revenue opportunities are part of our long-term plan to maintain our competitive

position in the market. Still, we must maintain our laser focus on cost management, grid modernization and providing responsive and efficient customer service. Our strategic goals are designed to help us navigate the periodic ups and downs of the market and to sustain our strong position as an engine of the region's economic prosperity and environmental sustainability.

Thanks for everything you are doing to help us maintain our competitive position in the ever-changing electricity industry.

For more on resource adequacy and how the Council assesses it, watch this short <u>docuseries</u> produced by the Northwest Power Pool.

Stay safe,

Elliot

From: Kosterev, Dmitry (BPA) - TPP-OPP-3
Sent: Tuesday, June 7, 2022 10:58 AM

**To:** Anasis, John G (TFE)(BPA) - TOOP-DITT-2; TOO Power-Study Team **Subject:** RE: Actionable Insights at NW Wholesale Power Markets June 23-24

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From: Anasis, John G (TFE)(BPA) - TOOP-DITT-2 < jganasis@bpa.gov>

Sent: Tuesday, June 7, 2022 10:55 AM

To: TOO Power-Study Team < TOOPowerStudyTeam@bpa.gov>

Subject: FW: Actionable Insights at NW Wholesale Power Markets June 23-24

Everyone,

FYI in case anyone is interested. One caution: These seminars sponsored by *Clearing Up* are often not free. I do not know what the fee for this one might be.

John

From: newsdata@newsdata.com <newsdata@newsdata.com>

Sent: Tuesday, June 7, 2022 8:09 AM

To: Anasis, John G (TFE)(BPA) - TOOP-DITT-2 < iganasis@bpa.gov>

Subject: Actionable Insights at NW Wholesale Power Markets June 23-24

Dear Clearing Up subscriber ...

Leading regional energy officials will share expert insights on regional wholesale power market conditions and near-term outlooks at the <a href="https://example.com/6th/Annual/Pacific Northwest Wholesale Power Markets">https://example.com/fic/Northwest Wholesale Power Markets</a> <a href="https://example.com/Conference">Conference</a>, coming the mornings of June 23-24, virtually.

Register today at:

https://www.newsdata.com/conf

Pacific Northwest Wholesale Power Markets Conference

mornings, June 23 - 24, 2022

This event, co-presented by CJB Energy Economics and NewsData, is designed to help attendees better understand and navigate these dynamic market times.

Confirmed speakers to date include:

- Suzanne Cooper, Senior Vice President, Power Services, Bonneville Power Administration
- Ben Fitch-Fleischmann, Ascend Analytics
- · Randy Hardy, Principal, Hardy Energy Consulting
- . Bart Peters, Senior Reliability Specialist, Western Electricity Coordinating Council
- Todd O'Keefe, Director, Portfolio Management, The Energy Authority
- . David Raff, Chief Engineer, U.S. Bureau of Reclamation
- Jeff Richter, Principal, Energy GPS
- Mark Rothleder, Senior Vice President and Chief Operating Officer, California Independent System Operator
- Mike Wilding, Vice President, Energy Supply Management, PacifiCorp.

The two-morning webinar, from 9 a.m. to noon each day, is intended as a "checkup" to examine the health of the regional wholesale power market from four perspectives.

- The first, vital signs, will assess current regional wholesale market conditions.
- Second, a diagnostic assessment will explore how shifts and shocks are affecting wholesale markets, including hydrologic conditions and regional transmission flows and constraints.
- On day two, the event turns to prognosis, with regional power system outlooks (California, Southwest/Inter-Mountain and Pacific Northwest) and a look at key risks and uncertainties.
- Wrapping up the conference will be a near-term treatment plan, exploring how regional power system operations and markets can help address near-term challenges and opportunities.

Many thanks to our sponsors: Avangrid Renewables, Energy+Environmental Economics and Portland General Electric.

For more information about the event, including registration, a narrative and agenda, please visit: www.newsdata.com/conf

You can also reach out to Mark Ohrenschall, NewsData publisher/editor-in-chief, at marko@newsdata.com, (206) 351-3717; or Charlie Black, principal of CJB Energy Economics,



cjbenergy@msn.com, (425) 765-3321.

Thanks for your consideration.

Charlie Black Principal CJB Energy Economics

Mark Ohrenschall Publisher/Editor-in-Chief NewsData

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From: Cooper, Suzanne B (BPA) - P-6
Sent: Wednesday, June 16, 2021 5:25 PM

To: Cathcart, Michelle M (BPA) - TO-DITT-2; Lahti, John A (BPA) - TF-DITT-2

Cc: Miller, Mike P (BPA) - TE-DITT-2

Subject: RE: FW: Talking points for NW wholesale power markets conference

#### Thank you, Michelle and John!

From: Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov>

Sent: Tuesday, June 15, 2021 3:54 PM

To: Lahti, John A (BPA) - TF-DITT-2 < jalahti@bpa.gov>; Cooper, Suzanne B (BPA) - P-6 < sbcooper@bpa.gov>

Cc: Miller, Mike P (BPA) - TE-DITT-2 <mpmiller@bpa.gov>

Subject: RE: FW: Talking points for NW wholesale power markets conference

#### The only operations stuff I would add is:

- Our Outage Coordination process helps assure that planned outages are well coordinated to have a robust transmission system
- Real-time Contingency Analysis and real-time study tools allow us to analyze contingencies in an evolving topology
- We have enhanced internal coordination ahead of severe weather events

From: Lahti, John A (BPA) - TF-DITT-2 < jalahti@bpa.gov>

Sent: Tuesday, June 15, 2021 3:39 PM

To: Cooper, Suzanne B (BPA) - P-6 < sbcooper@bpa.gov>

Cc: Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov>; Miller, Mike P (BPA) - TE-DITT-2

<mpmiller@bpa.gov>

Subject: RE: FW: Talking points for NW wholesale power markets conference

Hi Suzanne,

Here are some things from the Field Services side...

Added a bit to the end of the third bullet.

- BPA district personnel maintain customer relationships and work with their utility counterparts to improve response times and minimize outages by sharing information during events
- BPA's Vegetation Management program helps ensure reliability though preventive maintenance of our ROW's and pro-active danger tree program that supports a more resilient grid, especially during winter storms and wildfires
- System equipment is maintained and repaired to ensure functionality and reliability heading into the winter months (include proper and adequate lubrication, functioning heater components and weatherizing)
- Crews ensure their vehicles, work equipment, material inventories are stocked and prepared for winter operations

 Crews proactively prepare for emergency response by staging vehicles, equipment and materials prior to major storm events

#### Thanks, John

From: Miller, Mike P (BPA) - TE-DITT-2 < mpmiller@bpa.gov>

Sent: Monday, June 14, 2021 4:07 PM

To: Cooper, Suzanne B (BPA) - P-6 < sbcooper@bpa.gov>

Cc: Lahti, John A (BPA) - TF-DITT-2 < ialhti@bpa.gov>; Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov>

Subject: FW: FW: Talking points for NW wholesale power markets conference

Here is some information from the engineering side of the issue:

In recognizing the importance of maintaining a bulk transmission system overlay with interconnections across the PNW regional power grid, BPA builds transmission lines and substations not only with redundancy to guard against impact from unplanned outages, but for extreme weather tolerance as well. For example, all lines are designed to a minimum 1/2" ice zone (1" glaze ice and 2" rime ice) and 100 mph wind, with extreme exposure locations hardened further. In our substations, we design yard drainage to withstand heavy winter rain events without flooding and our equipment is specified to be capable of operating at -40 °F. In most cases, we design above national electric safety code (NESC) minimum standards as our engineering analysis demonstrates this is necessary to withstand the wide range of weather conditions experienced across the PNW. BPA also builds to limit exposure to cascading failures, where the failure of one element of a transmission line or substation would cause significant additional damage, and assist our federal and nonfederal generation partners in achieving similar hardening and resiliency.

John's folks will probably have more on the things done in the shorter term.

#### Mike

From: Cathcart, Michelle M (BPA) - TO-DITT-2 < mmcathcart@bpa.gov>

Sent: Sunday, June 13, 2021 7:54 PM

To: Lahti, John A (BPA) - TF-DITT-2 < jalahti@bpa.gov>; Miller, Mike P (BPA) - TE-DITT-2 < mpmiller@bpa.gov>

Subject: Fwd: FW: Talking points for NW wholesale power markets conference

I think you two may have better points on ice loading design, danger trees, etc?

Sent from Workspace ONE Boxer

----- Forwarded message -----

From: "Cooper, Suzanne B (BPA) - P-6" < sbcooper@bpa.gov>

Date: Jun 13, 2021 6:23 PM

Subject: FW: Talking points for NW wholesale power markets conference

To: "Federovitch, Eric C (BPA) - PTL-5" <ecfederovitch@bpa.gov>, "Cathcart, Michelle M (BPA) - TO-DITT-

2" < mmcathcart@bpa.gov >, "Connolly, Kieran P (BPA) - PG-5" < kpconnolly@bpa.gov >

Cc:

I'm speaking during Thursday's segment of Clearing Up's wholesale market conference. I'll be on a panel with Roger Gray addressing conditions through this coming winter. Roger is addressing summer conditions, I'll be speaking to winter conditions. I could use your assistance in arming me with some details as noted in these talking points.

Michelle and Kieran, could you provide a couple of examples of winterization actions for transmission and generation assets? By COB Tuesday would be especially helpful.

Eric, it's noted that the comms team is planning to reach out to you for price excursion information for the last 2 winters which may already be in the works for the slide deck.

Thank you! Suzanne

From: Scruggs, Joel L (BPA) - DK-7 < ilscruggs@bpa.gov>

Sent: Friday, June 11, 2021 10:53 AM

To: Cooper, Suzanne B (BPA) - P-6 < sbcooper@bpa.gov>

Cc: Habibi, Maryam A (BPA) - DKP-7 < maasgharian@bpa.gov>; Johnson, G Douglas (BPA) - DK-7 < gdjohnson@bpa.gov>;

Wingert, Kevin M (BPA) - DKP-7 < <a href="mailto:kwingert@bpa.gov">kwingert@bpa.gov</a>; Turner, Kristel L (BPA) - DKP-7 < <a href="mailto:klturner@bpa.gov">klturner@bpa.gov</a>>

Subject: Talking points for NW wholesale power markets conference

Good morning, Suzanne. Here's a set of talking points that we've compiled for you. Obviously, you are able to leverage your own expertise and that of your team for the market outlook and operational conditions. So we focused on some of the major agency-level issues/initiatives, some of which fit naturally with your winter outlook presentation and others are for consideration if you want to bridge to those points/messages or for reference for any questions in those areas. (We refreshed some talking points that John recently used, which received a lot of positive feedback on.) Note: We can dial the organization of the talking points and ensure they line up with the slides once the deck is ready.

We did include some performance and value statements about the LSRDs. While we don't think you should be too heavy-handed talking about their value, we think it's completely appropriate to highlight them in the context of the role they play in the winter. I don't understand the concerns John expressed about that. Maybe he thought someone suggested the LSRDs as a focus area for your presentation? That's definitely not the case. Regardless, it seems safe and appropriate given the context, and frankly would be a missed opportunity to not reference them since the topic is the system outlook through next winter.

A couple of other thoughts; ex parte in effect until the final Record of Decision for BP/TC-22. So you need to avoid discussing the merits of any rate case issues. We kept that in mind as we developed the TPs. The Ex parte status could also reduce the likelihood of some curveball questions during Q&A. However, if you are asked about something you're not prepared to answer, it's completely appropriate to say that you don't know but can look into and get back to the questioner. Doug Johnson, our senior spokesperson, will be listening in on the conference. So, you could also say that BPA Communications staff is listening and taking notes and can follow-up.

Regarding the format/flow, here's what we know.

The panel runs from 10:50-11:30 a.m. on Thursday, June 17.

Content: Roger Gray will focus on summer 2021 and you will concentrate on winter 2021-22. Both of you are planning slide presentations, 10 to 12 minutes each.

Q&A to follow the presentations; Mark Ohrenschall will facilitate Q&A sent via the chat function (and he may ask some questions too).

Finally, we weren't sure how you like to prepare for speaking engagements. But please let us know if you want do a dryrun with our team. Otherwise, let us know if there's anything else you need from us.

Thanks,

Joel Scruggs

Director of Communications | Communications (DK) BONNEVILLE POWER ADMINISTRATION

bpa.gov | P 503-230-5511 | C (b)(6)















From: Energy Law360 < news-q2@law360.com>
Sent: Tuesday, February 15, 2022 12:40 AM
To: Cathcart,Michelle M (BPA) - TO-DITT-2

Subject: [EXTERNAL] Alberta Co. Says Biden Canceled Keystone XL To Boost Image

# **ENERGY**

Tuesday, February 15, 2022



#### TOP NEWS

### Alberta Co. Says Biden Canceled Keystone XL To Boost Image

An arbitration request from a Canadian oil-marketing company over the U.S. cancellation of the Keystone XL pipeline, obtained by Law360 on Monday, alleges that the Biden administration flouted international law for popularity points with little concern for the environment.

Read full article »

### Kazakhstan's Suit Over \$506M Award Survives Dismissal Bid

A hedge fund and its founder have failed to secure an early exit from Kazakhstan's lawsuit accusing them of conspiring with Moldovan oil and gas investors to secure an allegedly fraudulent half-billion-dollar arbitral award.

Order attached | Read full article »

### Energy Co.'s \$287.6M Dominican Republic Claim Denied Again

A U.S. magistrate judge in Miami backed an international tribunal's decision finding the Dominican Republic breached a contract over a wind farm project, but denied a company's bid to recover as much as \$287.6 million in purported lost profits.

Report attached | Read full article »

## Bankruptcy Court Won't Wait For YPF Third Circuit Appeal

A Delaware bankruptcy judge on Monday refused to delay litigation of a \$14 billion environmental liability claim against YPF SA pending the appeal of one of his rulings to the Third Circuit, saying that Argentina's state energy company hadn't shown it would suffer harm if the case moves forward.

Read full article »

### Canadian Watchdog Can Temporarily Halt Mergers, Court Says

Canada's competition watchdog can ask a tribunal to grant a last-minute request to temporarily put a hold on mergers that are undergoing legal challenges from the government, a federal appellate court in Ottawa has ruled.

Decision attached | Read full article »

#### COMPANIES

American Arbitration Association

American Bar Association

American Petroleum Institute Inc.

Apple Inc.

Argentem Creek Partners LP

Bitfury Group Ltd.

Black River Asset Management LLC

**Boston College** 

Center for Biological Diversity

ConocoPhillips Co.

Georgetown University

Hilcorp Energy Co.

International Centre for Settlement

of Investment Disputes

JPMorgan Chase & Co.

LinkedIn Corp.

London Stock Exchange Group

PLC

Maxus Energy Corp.

Mazars LLP

Occidental Petroleum Corp.

Outer Harbor Terminal LLC

Repsol SA

Riot Blockchain Inc.

Sierra Club

TC Energy Corp.

The Florida Bar

#### PETROLEUM

### Oil Group Wants Speedy Appeal In Offshore Lease Ban Row

The fossil fuel industry wants quick action on a recent ruling blocking one of the largest oil and gas lease sales in American history, arguing industry bidders could be hurt without fast action.

Motion attached | Read full article »

### Groups Sue Over Utah Rail Project's Climate Impacts

Conservation groups and a western county have launched lawsuits challenging federal approval for a \$1.5 billion rail line that would connect Utah and Colorado oil and gas resources to the national rail network, arguing that the approval ignored pressing climate change concerns.

Petition attached | Read full article »

#### **UTILITIES & POWER**

### Alto Maipo Lenders Object To Extra Ch. 11 Challenge Time

Senior lenders in an affiliate of a Chilean hydroproject's Chapter 11 case objected to 60 days of extra time being given to unsecured creditors challenging the debtor's claims, arguing that the extension being granted after the previous challenge period expired would be something "no bankruptcy court has ever done."

2 documents attached | Read full article »

### EPA Stands By Its Cross-State Air Emissions Rule Redo

The U.S. Environmental Protection Agency said it followed the D.C. Circuit's instructions appropriately when revising an updated Cross-State Air Pollution Rule to better account for emissions from upwind states hurting the ability of downwind states to meet national 2008 ozone standards.

Brief attached | Read full article »

#### COAL

### Ex-Coal Exec Moves To Stop Partners From Pushing Him Out

The former president of a Pittsburgh-area coal marketing company has urged a Pennsylvania state court to block the company's majority owners from buying out his stake for nothing, and to keep the company from ousting him completely while the parties await arbitration.

Complaint attached | Read full article »

#### **METALS & MINING**

### Metallurgist Gets 30 Mos. For Faking US Subs' Steel Strength

A Washington federal judge Monday sentenced a former director of metallurgy at the U.S. Navy's leading supplier of steel for submarines to 30 months in prison after she admitted to fraudulently passing off low-quality steel as high-quality steel for use in submarines for over 30 years.

Read full article »

#### Alcoa Retirees Want Class Status In Lifetime Benefits Suit

Retirees and the United Steelworkers unions urged an Indiana federal judge to greenlight a class of roughly 2,500 people who say aluminum giant Alcoa USA

Trump Organization Inc. United Steelworkers YPF SA

#### LAW FIRMS

Akerman LLP

Akin Gump

Assouline & Berlowe

Baker Donelson

Benesch

Bloom Firm

**Boies Schiller** 

**Bradley Arant** 

Buchanan Ingersoll

Cadwalader Wickersham

Caplin & Drysdale

Choate Hall

Cleary Gottlieb

Crowell & Moring

**DLA Piper** 

Davis Polk

Dechert

Dentons

Dovel & Luner

Duval & Stachenfeld

Earthjustice

**Eckert Seamans** 

Faegre Drinker

Farnan LLP

Feinstein Doyle

Fischetti & Malgieri

Fried Frank

Frost Brown

Goodwin Procter

GrayRobinson

Greenspoon Marder

Groom Law Group

Habba Madaio

Hagens Berman

Herrick Feinstein

Hogan Lovells

Holland & Hart

Jones Walker

Jordan Ramis PC

**K&L** Gates

Kaplan Kirsch

violated federal law and trampled collective bargaining agreements by cutting back on their health benefits.

Motion attached | Read full article »

### Winnemucca Tribe Wants In On Fight Over Nev. Lithium Mine

A Native American tribe in Nevada is seeking to partake in a lawsuit against the federal government for approving the Lithium Nevada Corp.'s mining project at Thacker Pass, saying the land is sacred and asking that mining operations not commence until the company complies with all legal requirements.

Motion attached | Read full article »

#### **EXPERT ANALYSIS**

### Federal Probe Signals Scrutiny Of Crypto's Enviro Impacts

With Congress now investigating cryptocurrency mining's energy consumption, and the U.S. now leading in global crypto mining activity, it is clear that the industry's environmental impact will continue to attract attention, say Jeffrey Kelly and Jeffrey Joseph at Nelson Mullins.

Read full article »

#### LEGAL INDUSTRY

### ABA Revenue Falls Short Of Goal Amid Membership Dip

Amid a continued slide in membership dues and a decline in meeting revenues, the American Bar Association fell \$4 million short of its budgeted operating revenue during the first four months of the fiscal year, according to a presentation by treasurer Kevin Shepherd at the organization's midyear meeting Monday.

Read full article »

#### ABA Adopts Resolution Pushing For FARA Overhaul

The American Bar Association on Monday adopted a resolution that calls on the organization to lobby Congress to implement a set of sweeping reforms to a decades-old law imposing foreign lobbying registration rules.

Read full article »

### Justice Barrett Talks 'Fidelity To The Text The People Adopted'

U.S. Supreme Court Justice Amy Coney Barrett likened the debate over federal courts' ability to make equitable decisions to the debate over constitutional interpretation during remarks at the University of Notre Dame on Monday, citing a ruling by the high court last year to emphasize that judges don't always have the ability to step in and remedy "unjust results or unfairness."

Read full article »

### Choate Matches Milbank's Associate Salary Scale

Choate Hall & Stewart LLP is raising salaries in line with the prevailing scale that was set by Milbank LLP in January, the Boston-based law firm confirmed to Law360 on Monday.

Read full article »

### Ashurst CEO Reinstated For Third Term

Ashurst's global CEO has been reinstated for a third term, the firm announced Monday.

Klinedinst

Landis Rath

Latham & Watkins

Law Offices of Alan S. Futerfas

Macey Swanson

Marron Lawyers

McKool Smith

Milbank LLP

Miller Law Associates APC

Nelson Mullins

Norton Rose

Paul Weiss

Perkins Coie

Seward & Kissel

Sidley Austin

Steptoe & Johnson PLLC

Stroock & Stroock

Venable LLP

White & Case

WilmerHale

Young Conaway

#### **GOVERNMENT AGENCIES**

Bureau of Land Management

Bureau of Ocean Energy Management

Burns Paiute Tribe

Chelan County Public Utility District

Committee on Foreign Investment

in the United States

Federal Bureau of Investigation

Fish and Wildlife Service

Internal Revenue Service

International Chamber of Commerce

Library of Congress

NAFTA

New York Attorney General's

Office of Energy Efficiency and Renewable Energy

Reno-Sparks Indian Colony

Surface Transportation Board

U.S. Bankruptcy Court for the District of Delaware

U.S. Court of Appeals for the District of Columbia Circuit

U.S. Department of Defense

Read full article »

### **Baker Donelson Picks Vice Chair For Employment Practice**

Memphis, Tennessee-based Baker Donelson Bearman Caldwell & Berkowitz PC has chosen a shareholder who has more than 20 years of legal experience as vice chair of its labor and employment practice group, the firm announced Monday.

Read full article.»

### K&L Gates Recruits SEC Atty For Asset Management Practice

K&L Gates LLP has hired a former senior counsel from the U.S. Securities and Exchange Commission's Division of Investment Management to grow its asset management and investment funds practice, the firm said Monday.

Read full article »

### Greenspoon Marder Adds Latin America Partner In Miami

Greenspoon Marder LLP has lured a new bilingual partner for both its international wealth and asset planning practice group and its wills, trusts and estates team in Miami from GrayRobinson.

Read full article »

### Latham's Prior Sussmann Work May Conflict, Durham Says

Special counsel John Durham has raised potential conflicts of interest in Latham & Watkins LLP's representation of former Perkins Coie LLP attorney Michael Sussmann on a charge of lying to the FBI in the run-up to the 2016 election.

Read full article »

### Apple Slams Hagens Berman \$27.5M Fee Bid In Warranty Row

Apple Inc. urged a California federal judge on Friday to reject Hagens Berman Sobol Shapiro LLP's bid for \$27.5 million in fees for reaching a \$95 million settlement over warranties for iPhones and iPads, saying the outcome wasn't "exceptional" and the lawyers shouldn't get more than 25% of the settlement fund. Read full article »

## Bloom Firm To Pay \$1.1M Settlement For Malpractice Claims

A California federal judge approved a \$1.1 million settlement that will end Koi Design LLC's legal malpractice suit against The Bloom Firm APC and one of its former attorneys for allegedly botching a trademark infringement suit that the company lost by default.

Read full article »

## Mazars Drops Trump Amid NY Suit, Calls Financials Unreliable

Former President Donald Trump's accounting firm severed ties with the Trump Organization and indicated that reports on his finances can't be relied on amid the New York attorney general's probe into his business dealings, according to state court filings Monday.

Read full article »

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Harter Secrest & Emery LLP -, New York

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U.S. Department of the Interior

U.S. Department of the Treasury

U.S. District Court for the Central District of California

U.S. District Court for the District of Columbia

U.S. District Court for the Northern District of California

U.S. District Court for the Southern District of Florida

U.S. District Court for the Southern District of New York

U.S. District Court for the Western District of Washington

U.S. Environmental Protection Agency

U.S. House Committee on Energy and Commerce

U.S. Navy

U.S. Securities and Exchange Commission

U.S. Senate

U.S. Supreme Court

United States District Court for the District of Nevada

United States District Court for the Southern District of Indiana
World Bank Group

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