

March 14, 2023

Suzanne Cooper Senior Vice President of Power Services

Kim Thompson Vice President of Northwest Requirements Marketing

Submitted via email to post2028@bpa.gov

Dear Ms. Cooper and Ms. Thompson:

Columbia REA (CREA) is a load-following customer of BPA. We provide electric service to approximately 6,500 members in southeastern Washington and northeastern Oregon. CREA is a growing system with over 10% of our load served by non-federal AHWM energy.

CREA submits these comments in response to the Provider of Choice (PoC) policy development workshop facilitated by BPA on March 9, 2023. The comments we offer are general in nature. While related to the information presented to the region at that meeting, these comments are also more broadly applicable to the process of developing the draft PoC Policy BPA intends to present to the region in April of this year.

It goes without saying that the PoC contract that results from this process is of critical importance to BPA, CREA, and the region as a whole. CREA is committed to a process that ensures all preference customers have equitable access to federal and non-federal power, that the contract which results is statutorily sound and enforceable, that it provides necessary certainty and risk mitigation for BPA and is as administratively efficient as possible. These are not easy outcomes to achieve. They can only be achieved through a collaborative process where all parties listen to each other and are willing to make compromises. CREA appreciates BPA's outward acknowledgement of the importance of this.

Columbia REA is also committed to collaboration and compromise. It is in this spirit that we have participated in BPA's PoC workshops, worked with PPC, joined the AHWM Group, and collaborated with NRU on the development of its PoC Equity Proposal submitted to BPA for consideration. This represents a significant investment of time for a utility of our size and proximity to Portland. Others have made similar investments. We have all done so because of the importance of the matters at hand to our respective utilities.

The interests of public power are diverse and complicated. On any given policy matter, not all preference customers, or BPA for that matter, will be in full agreement. Rest assured, there are a great number of policy positions BPA has proffered with which CREA fundamentally disagrees. I'm sure other preference customers likewise have their own disagreements with various policy positions in this process.

In the spirit of landing on a policy framework that could meet the objectives set forth above, PPC presented a general framework that resulted from the recommendations of the Executive Sponsors Committee. NRU then presented a proposal that relied on that framework. The NRU proposal had the support of most members,

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PNGC, and the AHWM Group. Admittedly, there are elements of it that other preference customers disagree with. There are also elements that CREA disagrees with. While we would prefer more recognition for the growth our system is experiencing, a later test year than proposed, and other related considerations, CREA accepted that it represented as fair, equitable, and balanced an outcome as could be hoped for. We compromised, and we know that others have as well in supporting this proposal.

Unfortunately, and frustratingly, BPA has thus far shown little interest in genuine collaboration and compromise through the PoC process. While making outward claims of the importance of doing so, the positions it has taken on a great number of matters demonstrates otherwise. This was evident during the March 9, 2023, PoC workshop. Issue by issue, BPA acknowledged the feedback it received from its preference customers and then proceeded to categorically reject them on the basis that not all customers agreed. In turn, BPA asserted that its original position on each matter was preferential and in the region's best interest. Having 100% agreement is an impossible ask, instead BPA should look at what the significant majority of its customers want and need to sign another 20-year contract and assure stability for the region going forward.

Bluntly stated, BPA's unwavering preference for its own positions on PoC policy matters where disagreement among preference customers exists is not collaboration. Rather, BPA is seemingly relying on the disagreement among its customers and stakeholders to embrace policy which serves it quite well. Taking this approach and considering the diversity of interests which exists among the various stakeholders in this process, BPA has latitude to do what it wants...and perhaps has intended all along.

This is historically uncharacteristic of BPA. It is our hope and expectation that the balance of the PoC contract development process resumes a more collaborative tenor on BPA's part. CREA recognizes that this won't necessarily be evidenced by BPA agreeing on every (or any) position we proffer. It will be evidenced by the adoption of policy positions that strike a balance between those that are of interest to BPA and those of the greatest number of its preference customers possible.

To reiterate, the NRU Equity Proposal represents just such a compromise. There are elements of it which every stakeholder will like and dislike. As a whole, it reflects a compromise that is likely the most equitable outcome that the region could hope for. Instead, the policy BPA is supporting serves it well but few others.

Columbia REA offers these comments as constructive criticism in the spirit of resuming a more collaborative tone. Absent this, the tone of future workshops risks becoming increasingly divisive, and the positions taken by stakeholders less interest based. It would also call into question the value of further engagement with BPA and lead us into discussions with the PNW congressional delegation.

Thank you for your consideration of these matters.

Respectfully submitted, Scott Peters

CEO