



Big Bend Electric Cooperative, Inc.

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March 16, 2023

John Hairston
Administrator and CEO

Suzanne Cooper
Senior Vice President, Power Services

Kim Thompson
Vice President of Northwest Requirements Marketing

Submitted via email to post2028@bpa.gov and direct emails

Dear Mr. Hairston, Ms. Cooper and Ms. Thompson:

Big Bend Electric Cooperative (BBEC) is a load following customer served by both transfer and directly by the BPA system. We provide service to approximately 10,000 meters in rural eastern Washington. BBEC has experienced consistent growth over the last 10 years as farming needs have increased and residential areas have expanded into our service area. In FY24, BBEC will have 10% of our power requirements above our current rate period highwater mark and, due primarily to a lack of viable options, placed in BPA's Short-Term Tier 2 product. While we have been exploring several non-federal generation options over the last few years, we have been unable to secure or construct long-term, non-federal resources due to constraints within the Regional Dialogue (RD) Contract.

Significant time has been invested in the Provider of Choice (PoC) process as it is a significant component - regulatory and financial - of our resource plan. BBEC has been actively working for the last couple of years within various public power groups and directly with BPA to find ways to improve on the RD contract for the *benefit of the region*. We have not focused only on BBEC's interests. It has been our hope that the PoC policy development would lead to such a contract. After the workshop on March 9th, we have very serious doubts that this goal will be achieved.

It goes without saying that the PoC contract that results from this process is of vital importance to BPA, BBEC and the region as a whole. BBEC is committed to a process that ensures all preference customers have (1) equitable access to federal and non-federal power; (2) the upcoming contract is statutorily sound and enforceable; (3) that BPA has the necessary certainty and risk mitigation; and (4) is as administratively efficient as possible. **These outcomes can only be achieved through a collaborative process where all parties listen to each other and are willing to make compromises.** BBEC appreciates BPA's outward acknowledgement of the importance of this. However, it is our opinion, that thus far BPA has shown little interest in **genuine collaboration and compromise** through the PoC process.

On February 09, 2023 BBEC submitted comments in support of the NRU Proposal package. Again, we are expressing support for that proposal. The NRU proposal is the result of much compromise and collaboration between many utilities and organizations that are reflective of the majority of public power.

During the March 9th workshop, BPA acknowledged, issue by issue, the feedback received from its preference customers. Then, proceeded to categorically reject the feedback because preference customers were not 100% in agreement; even though several issues have widespread support across customers. In turn, BPA asserted that its original position on each matter was preferential, and in the region's best interest. This is not collaboration and will certainly not achieve BPA's stated goals for the PoC process. In the spirit of collaboration, BBEC will be submitting, separately, detailed comments on the March 9th workshop.

It appears that BPA is relying on the small remaining disagreement among its customers and stakeholders to embrace policy which serves BPA, rather than the region. It is our hope and frankly our expectation, that the balance of the PoC contract development process shows more **collaborative and responsive action** on BPA's part. BBEC recognizes that this won't necessarily be evidenced by BPA agreeing on every 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 Proposal represents just such a compromise. There are elements of it which every stakeholder will like and dislike, including BBEC. As a whole, it reflects a compromise that is likely the most equitable an outcome as the region can hope for.

BBEC offers these comments as constructive criticism. A more collaborative and constructive conversation must occur. Absent this, the tone of future workshops risks becoming increasingly divisive.

Thank you for your consideration of these matters.

Respectfully submitted,

A handwritten signature in cursive script that reads "Yvette Armstrong". The signature is written in black ink and is positioned above the typed name and title.

Yvette Armstrong
General Manager / CEO