



March 17, 2023

John Hairston  
Administrator and CEO

Suzanne Cooper  
Senior Vice President of Power Services

Kim Thompson  
Vice President of Northwest Requirements Marketing

*Submitted via email to [post2028@bpa.gov](mailto:post2028@bpa.gov)*

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

Northern Wasco County People's Utility District (District) is a consumer-owned utility that serves more than 10,000 customers in city of The Dalles, OR and surrounding areas within Wasco County, OR. The District is a uniquely situated Load-Following customer of BPA's, who manages a substantial energy and capacity resource portfolio from both federal and non-federal wholesale suppliers in the Pacific Northwest. To date, the District has been an active and collaborative contributor in the BPA Provider of Choice policy development process. Keeping true to form, we offer remarks in response to the Provider of Choice (PoC) workshop facilitated by BPA on March 9, 2023.

In the spirit of openness and transparency, the District provides its perspective on recent developments in the PoC policy framework discussions. In recent months we have noticed a sizeable shift in the tone of conversation between BPA and public power. From the District's perspective the collaborative conversation has quickly eroded and replaced by a more dismissive tone coming from BPA. This is overly concerning and calls into question how the PoC process will render a durable, fair, and equitable outcome that benefits all public power through compromise.

## NWCPUD BPA Post2028 Comments

As an example, the District and many other utilities submitted comments in support of the Northwest Requirements Utilities (NRU) proposal that was delivered to BPA on February 08, 2023. The NRU proposal represents a careful compromise among public power and strikes an intentional, equitable balance of benefits for all of BPA's preference customers. Consistent with sound public policy development, there are elements of this proposal that require compromise to obtain general agreement among public power. Admittedly, it is not perfect, but it does provide a solid foundation for the future.

Unfortunately, BPA has thus far shown little interest in the NRU proposal and uses the "lack of unanimity" to categorically reject preference customer recommendations in favor of BPA's own position. Perhaps an unintended consequence of BPA's approach is the silencing of preference customer voices, which is leading to increasing levels of frustration and creating division among public power. This is not a sustainable outcome and we encourage BPA to consider facilitating a collaborative process that identifies where interests differ, implements objective measures to weigh merits on a case-by-case basis and provides a platform for public debate.

Furthermore, the District would also like to reinforce our concerns that BPA's Provider of Choice process has failed to develop a comprehensive proposal that explicitly addresses policies surrounding Tier 2 services, Non-federal resource integration, or equitable treatment for dedicated resource investments. Preference customers have repeatedly been met with opposition from BPA staff regarding the inclusion of Tier 2 pricing policies, resource acquisition and integration strategies within the PoC Policy Record of Decision. BPA has maintained these details will be addressed "in the future", however, from our point of view these policy details must be developed as part of the comprehensive policy framework to provide the necessary certainty for sound contracting decision making.

To reiterate, Northern Wasco County People's Utility District appreciates and supports the approach that the NRU Proposal achieves and further recommends that BPA use this proposal. We strongly urge BPA to consider the issues we have raised in this letter to develop a more comprehensive policy framework that will address future needs and result in a fair and equitable outcome for public power.

Sincerely,



Roger Kline  
General Manager  
Northern Wasco County PUD