



April 8, 2025

The Honorable John Hairston
Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Re: Bonneville Power Administration (BPA)'s Day-Ahead Market Draft Policy

Dear Administrator Hairston:

Thank you for the opportunity to meet with you last week and share our perspectives on the Bonneville Power Administration's (BPA) Day-Ahead Market Draft Policy. As discussed, we are writing to underscore the importance of BPA taking a regional perspective on market participation, particularly given the historic budget shortfall facing Washington state and the need to meet rising energy demand amid affordability concerns.

Both of our administrations have a strong commitment to achieving a clean energy transition and meeting our individual state climate goals. The states of Oregon and Washington are committed to the rapid and orderly transition to 100 percent carbon free electricity and have enacted laws and policies to achieve that goal. It is vital that energy prices remain affordable and stable as we make the transition to carbon free energy.

We understand that BPA staff have preliminarily determined that alignment with Southwest Power Pool's Markets+ would be in the best interest of BPA's customers and stakeholders. As a central entity in the Pacific Northwest grid, BPA's market decision has economic and reliability implications for customers across Oregon and Washington. Our agencies collectively have concerns about the cost implications of BPA's decision, and we in particular wish to highlight that regional generation costs are almost \$245 million higher and regional load costs are nearly \$365 million higher in 2026 alone if BPA joins Markets+ over the Extended Day-Ahead Market. Further, as underscored during our conversation, Washington's largest population center would likely see electricity cost increases between \$6 million and \$21 million per year, due to impacts on Seattle City Light.

As you weigh information and analysis against the decision criteria BPA has articulated, we encourage you to consider the national context. On April 2, 2025, the federal government

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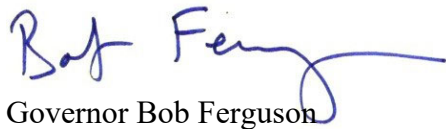
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terminated all staff of the Low Income Home Energy Assistance Program, which critically helps families pay their utility bills. In this time of increasing uncertainty, our administrations are dedicated to centering the needs of the people of Oregon and Washington, especially our most vulnerable.

We look forward to BPA's response to our agencies' joint technical comments on the Draft Policy. In the interim, if you have any questions about this matter, please feel free to contact Kate Brouns, Climate and Energy Policy Advisor to Governor Ferguson, at (564) 250-1890 or kate.brouns@gov.wa.gov and Geoff Huntington, Senior Natural Resources Advisor to Governor Kotek, at (503) 689-5350 or geoff.huntington@oregon.gov.

Thank you for your time and attention.

Sincerely,

Handwritten signature of Governor Bob Ferguson in blue ink.

Governor Bob Ferguson

Handwritten signature of Governor Tina Kotek in blue ink.

Governor Tina Kotek