

P.O. BOX 330 CHEHALIS, WA 98532 • 321 N.W. PACIFIC AVENUE CHEHALIS, WA 98532 (800) 562-5612 • (360) 748-9261 • FAX (360) 740-2455 • www.lcpud.org

April 11, 2025

Governor Bob Ferguson Office of the Governor PO Box 40002 Olympia, WA 98504-0002

Dear Governor Ferguson;

Thank you for receiving this letter and for your continuing support of locally-owned public power. As General Manager of one of a public power utility brethren in Washington I feel the need to respond to the April 8, 2025 letter you and Oregon Governor Kotek sent to the Bonneville Power Administration (BPA) with statements that were not informed by all perspectives, including the majority of the utilities which rely on their statutory right to BPA power and represent their communities' interests in maintaining these rights.

There is a broad consensus among the majority of Northwest utilities about how to best provide value to, and protect the investments of, the ratepayers we serve. As we have stated both individually and in comments submitted on our behalf by regional trade associations including the Public Power Council (PPC), Western Public Agencies Group (WPAG), and Washington Public Utility Districts Association (WPUDA) we support BPA moving forward with a decision to participate in Markets+.

We are at a pivotal moment, with an unprecedented opportunity to advance regional markets in the Northwest in an effort that has broad support from both consumer-owned and investor-owned utilities in the Northwest. Acting promptly to confirm BPA's decision to join Markets+ is essential to securing the benefits of day-ahead market participation for our customers.

I appreciate the efforts of Oregon and Washington state officials and are equal in urgent action and commitment to maximizing benefits for Northwest ratepayers their environment. However, after years of rigorous market design and analysis I strongly reiterate my perspective that the independent governance and the inclusive, representative policy development process embedded in Markets+ have produced a well-balanced market—one that is best positioned to deliver those benefits. The majority of utilities in Oregon and Washington are on record supporting this conclusion, as well.

Public Utility No. 1 of Lewis County (LCPUD) is entrusted by our community to provide reliable, low-cost service. We serve a wide distribution of residential, commercial, industrial, and irrigation ratepayers totaling approximately 35,000 customers. Inclusive of our large residential sector, LCPUD maintains a rich history of facilitating growth in the commercial and industrial sectors. These include serving a wide variety of lumber product producers, big box distribution centers, glass products, furniture, PVC, frozen foods manufacturing, farmers and co-ops; the list is as diverse for what can be done in rural communities like ours as it is deep for how long we have been able to serve our community. Lewis County is also a hub for power generation utilized in many sectors and we access power markets across

the region. Affordable and reliable electric service is critical for the community that I serve and contributes to health and economic wellbeing both locally and statewide. Service to this community is paramount in my mind as I support BPA's decision to pursue participation in Markets+.

BPA is not making this decision lightly or suddenly. The agency is concluding its decision process after nearly two years of continued transparent engagement and ample opportunity for stakeholder comments. It remains unclear what additional value would be gained from a 30-day extension for comments or a delay of BPA's decision. The Pathways timeline makes it clear that changes beyond the current Step 2 proposal—which falls short of meeting the independent governance expectations for BPA or our utilities—will not be achievable.

I appreciate the engagement of regional stakeholders on this issue, including the positive actions contributed by elected officials from Oregon and Washington. However, I respectfully disagree with some of the perspectives expressed by those officials and continue to support BPA moving forward with its day-ahead market decision as proposed.

I look forward to engaging with the Governor's office and representatives from other state agencies in the future to ensure that the perspectives of all stakeholders within the state, particularly those holding the obligation to provide affordable and reliable electric service, are consulted on state positions.

Sincerely,

David Plotz

General Manager

Cc: John Hairston, BPA Administrator

Kenneth Martin, Deputy Policy Director

Rose Minor, Director of Federal and Interstate Affairs

Kate Brouns, Climate & Energy Policy Advisor

Scott Simms, PPC CEO & Executive Director

Lauren Tenney Denison, PPC Director of Market Policy & Grid Strategy

