

Bringing public power together

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April 28, 2021

John Hairston Administrator and Chief Executive Officer Bonneville Power Administration P.O. Box 3621 Portland, OR 97208

Dear Administrator Hairston:

The long and connected history between Northwest public power and BPA has now stretched well beyond 80 years. During this time, BPA has been the provider of choice for Northwest public power utilities as we have sought to deliver an affordable, reliable, and environmentally responsible power supply at cost to the communities and businesses we serve. Through ups and downs, this shared mission of public service has created a lasting legacy.

We recognize there are many priorities and challenges facing the agency and the region during this time of unprecedented uncertainty and industry change. The same is true for your preference customers. Among all of these uncertainties, the expiration of current power supply arrangements and the development of new contracts and products for post-2028 is among the most urgent of our priorities.

Simply stated, development of post-2028 options are crucial for preference customers as we prepare for a different future less than ten years away. In utility planning terms, we are approaching a critical juncture for resource planning and decision making. It is of the utmost importance for utilities to have as much information and certainty on the core elements of the deal within the next 6-12 months. This will allow for timely decision making on potential resource development in accordance with local community needs and governance, and/or diversification strategies.

A clear and concise package of products and key terms is needed that does not leave essential customer interests to resolve later. Of course, there is a tradeoff between certainty and flexibility to meet evolving conditions. We look forward to working collaboratively to achieve this balance while meeting customer needs.

Further, we believe the best path forward is a customer-centric process. We have appreciated the engagement thus far with staff within the northwest requirement marketing department at BPA and look forward to working collaboratively using PPC forums as a nexus for discussion between public power and BPA.

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As part of a customer-centric approach, we also emphasize that we expect BPA to be responsive to customer concepts and to dedicate the necessary resources throughout the agency to address customer priorities. This will certainly include expertise from across the power business line, but will reach into other functions of the agency as well – up to the highest levels of leadership. Public power is dedicating the full spectrum of our leadership, technical, and legal capabilities to this effort and BPA must do the same.

PPC and its diverse membership of preference customers are dedicated to achieving post-2028 outcomes that support affordable, reliable, and environmentally responsible power supply. We look forward to working together in the coming months towards this common goal. Although the world is changing at an extraordinary pace, success for BPA and public power remain intertwined.

Thank you for your consideration.

Sincerely,

Roger Kline, Chairman, PPC Executive Committee

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Annette Creekpaum, Vice Chair,

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PPC Administration and Budget Committee

Debra Smith, Vice Chair,

PPC Long Range Planning Committee

John Dietz, Vice Chair,

PPC Allocation, Rates, Contracts Committee

Bryan Case, Vice Chair,

PPC Fish & Wildlife Committee

Kevin Nordt, Vice Chair,

PPC Market Development Committee

Scott Simms, Executive Director,

Public Power Council

cc: Dan James, Deputy Administrator

Joel Cook, Chief Operating Officer

Robin Furrer, Chief Administrative Officer

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> Michelle Manary, Executive Vice President and Chief Financial Officer Mary Jensen, Executive Vice President and General Counsel Suzanne Cooper, Senior Vice President, Power Services Kim Thompson, Vice President, Northwest Requirements Marketing