



February 17, 2023

Bonneville Power Administration
905 NE 11th Ave.
Portland, OR 97232

To: Post-2028 BPA Team

PNGC is providing comments to the Post-2028 BPA Team to express support for the NRU Proposal submitted to BPA on February 8, 2023. The proposal was crafted with significant regional input and consideration for all preference power interests. We believe it represents the most equitable balance of stated interests across all parties that has been presented to date. Of significant note, this proposal represents a careful balance of interests such that support for parts and pieces in isolation would be less forthcoming than acceptance of the proposal as a whole.

In addition, PNGC would like to reiterate the importance of addressing AHWM needs as part of the Policy phase of this new contract. We think it is paramount at this time to understand: 1) on what basis Tier 2 power is going to be priced, what types of offerings will be made available, and at what intervals choice will be granted; 2) what type of non-federal resource integration terms are going to be supported by BPA (for example, does it make sense to consider the EIM market as the cost of integrating resources going forward, and if so, can we relax the requirement to bring new resources to load with fixed generation profiles?); and 3) how supply-side resource additions are going to factor into future CHWM resets. Of paramount importance is not to create financial or logistic barriers to public power's ability to leverage federal funding opportunities to add renewable resources to the region, nor to create perpetual disincentives to adding resources to meet load growth.

Lastly, we would like to again express concern over the potential long-term implications of creating vastly different service terms and pricing for Tier 1 preference service and AHWM preference service options. We do not see this outcome as sustainable over the course of the next contract and beyond.

Sincerely,

PNGC Power and its Members