

February 13, 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

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

Lower Valley Energy submits these comments to express strong support for the Northwest Requirements Utilities system size, allocation, and augmentation proposal (the "NRU Proposal"), which NRU submitted to the Bonneville Power Administration on February 8, 2023. The NRU Proposal is consistent with the Public Power Council's (PPC's) Framework and Considerations, which PPC presented to Administrator Hairston and other officials from the agency on February 2, 2023, but the NRU Proposal provides more specific guidance on several issues that will be critical to public power in the post-2028 era. I have been involved in both the PPC Executive Sponsor Group and the development of the NRU Proposal. In my opinion, the NRU Proposal is a good compromise for all involved and has strong regional support.

The NRU Proposal would provide benefits to all preference utilities, whether those utilities are experiencing load growth, have lost loads, maintain relatively flat loads, or have invested significantly in conservation during the Regional Dialogue contract. Further, current modeling shows that all preference customers would be better off under the NRU Proposal than under any of the other models under consideration in the region.

The NRU Proposal represents a careful compromise between its members and strikes an intentional, equitable balance of benefits for all of Bonneville's preference customers. Although my utility would prefer and might benefit from a larger Tier 1 system size, Lower Valley recognizes that such deviations could negatively affect other preference customers and upset the balance that the NRU Proposal strikes.

For these reasons, Lower Valley appreciates the delicate balance that the NRU Proposal achieves and urges Bonneville to incorporate it into its Provider of Choice policy as a basis for post-2028 power supply contracts that Lower Valley will sign.

Thank you for the opportunity to comment. Lower Valley appreciates the great service we have always received from Bonneville and look forward to a mutually beneficial relationship long into the future.

Sincerely,

James Webb President/CEO

Lower Valley Energy