



STATE OF WASHINGTON  
— OFFICE OF GOVERNOR JAY INSLEE —

January 26, 2024

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

**Re: Concerns with Bonneville Power Administration's Day-Ahead Market  
Participation Evaluation**

Dear Administrator Hairston:

I am writing to express my concerns regarding the Bonneville Power Administration's (BPA) day-ahead market (DAM) evaluation. My administration has communicated our concerns and provided comments throughout this process. Given its importance and the lasting impact this decision will have on the Pacific Northwest, I want to personally share Washington state's priorities to inform BPA's decision-making.

Of utmost importance is creating a single West-wide day-ahead market footprint that includes California. The Western Market Exploratory Group's Day-Ahead Market Study found that a single footprint that includes California provides the greatest economic benefit for both the BPA and its customers. Having two separate day-ahead markets serving the West will create significant implementation challenges and result in an inefficient distribution of resources. A two-market structure also poses reliability concerns, undermining the very purpose of creating a regional market.

A single West-wide market offers the greatest opportunity to achieve the emissions reductions required by Washington and Oregon state laws. The power sector presents the third largest source of emissions in Washington. My state has stringent requirements to ensure electricity is powered by clean, non-emitting resources. Having a single market with a footprint that includes significant renewable energy generation is critical to meeting state statutory requirements and to furthering the Biden Administration's emissions reduction commitments.

I respectfully request that you center these critical factors in your decision-making process. I also ask that you extend your evaluation schedule to allow market options more time to mature. I anticipate significant developments in the next several months with respect to governance and

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market design that will have meaningful impacts on the evaluation of costs and benefits of a day-ahead market decision.

Thank you for your consideration and continued leadership. If you would like additional information or have any questions about this matter, please feel free to contact my Senior Climate Advisor, Anna Lising, at (360) 870-8671 or [anna.lising@gov.wa.gov](mailto:anna.lising@gov.wa.gov).

Very truly yours,

A handwritten signature in black ink, appearing to read "Jay Inslee". The signature is fluid and cursive, with a large initial "J" and "I".

Jay Inslee  
Governor