

## **PUBLIC UTILITY DISTRICT NO. 1**

OF MASON COUNTY N. 21971 Hwy. 101 Shelton, Washington 98584

## BOARD OF COMMISSIONERS

MIKE SHEETZ, Commissioner JACK JANDA, Commissioner RON GOLD, Commissioner

April 10, 2025

The Honorable Bob Ferguson Office of the Governor P.O. Box 40002 Olympia, WA 98504-0002

Dear Governor Ferguson,

Mason County Public Utility District No. 1, along with our counterparts from Oregon and Washington are compelled to respond to the April 8, 2025 letter from you and Oregon Governor Kotek, sent to the Bonneville Power Administration (BPA) with statements that were not informed by all perspectives of the utilities in these states, including the majority of the utilities which rely on their statutory right to BPA power to serve their communities. This oversight is regrettable and results in the Governors' positions not being informed by those who would be most directly impacted by BPA's decision. Your letter quotes regional numbers which are not clearly cited and which we expect are based on a study with questionable assumptions, as has been discussed in depth as part of the BPA decision process.

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), Washington PUDs Association (WPUDA), and Washington Public Agencies Group (WPAG), we support BPA moving forward with a decision to participate in Markets+ as proposed.

Failing to make a decision on BPA's proposed timeline comes at a cost. It would create additional uncertainty for both BPA and its customers and the region as a whole. 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. We are also approaching the renewal of 20-year power agreements with BPA. The day ahead market details are important and relevant to these negotiations.

Mason PUD 1 appreciates the interests of Oregon and Washington state officials and shares your commitment to maximizing benefits for Northwest ratepayers. However, after years of rigorous market design and analysis we strongly reiterate our 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. Most utilities in Oregon and Washington are on record supporting this conclusion as well.

Mason PUD 1 is entrusted by our 5,600 electric ratepayers to provide them with reliable, low-cost service. Affordability and reliability are the foundations of the electric service we provide to our disadvantaged community that we serve. This is why we support BPA's decision to pursue participation in Markets+.



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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. We respectfully disagree with the argument for an extension and continue to support BPA moving forward with its day-ahead market decision as proposed.

We 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,

Ron Gold Board President

Mike Sheetz Vice President

Jack Janda Board Secretary

Electronic cc:

- John Hairston, BPA Administrator, jlhairston@bpa.gov
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