

September 15, 2021

Submitted via email to inquiries@nwpp.org

I. Introduction

Northwest Requirements Utilities (“NRU”) submits these comments in response to the Northwest Power Pool’s draft Detailed Design document, which provides a draft framework for the Western Resource Adequacy Program (“WRAP”).

NRU represents the interests of 55 Load Following customers that hold NT Transmission contracts with the Bonneville Power Administration (“BPA”). Of primary importance to NRU members is BPA’s ability to offer affordable and reliable power supply and transmission to its Load Following customers. As such, NRU has a strong interest in ensuring that the WRAP enhances regional reliability, provides measurable benefits to BPA and BPA’s Load Following customers and provides fair treatment within the program’s governance structure to those customers.

NRU does not oppose the region moving forward with Phase 3A of the WRAP, but, prior to advancing to further stages of the program, the Northwest Power Pool must refine the program’s governance structure to allow for BPA’s Load Following customers to have a guaranteed and unique voice within that structure.

II. NRU Does Not Oppose the Region Moving Forward with Phase 3A of the RA Program.

NRU believes that the RA Program has the potential to be an efficient way to better ensure regional reliability and bring both reliability and financial benefits to BPA’s Load Following customers. Participation in Phase 3A will be a relatively low-cost, low-risk way for the region to determine long-term viability and to improve the design of the program. Phase 3A also allows participants to gain operational experience with the program and to make more informed decisions about participating in future phases, but participation in Phase 3A implies no commitment to participate in further phases of the program. For these reasons, NRU does not oppose the region moving forward with Phase 3A.

III. Refinement of the RA Program Governance is Needed to Guarantee Load Following Customers a Voice.

RA Program designers have done an excellent job so far of creating a governance structure that allows for truly independent management decisions and has a high likelihood of meeting regulatory requirements, but at least one refinement to the governance structure in the draft Detailed Design document is necessary.

Because BPA will be participating in the program on behalf of Load Following customers to enhance the reliability of serving the loads of these customers, Load Following customers must have specific and guaranteed voice within the RA Program governance structure. BPA's Load Following customers will have unique interests in the operation of the program that cannot be adequately represented by BPA or by any other entity. Other stakeholder groups, including the Public Power Council¹ and the Northwest Energy Coalition,² also support a more defined role in the governance structure for BPA's preference customers.

The current version of the Detailed Design document does not provide for a guaranteed seat for Load Following customers on any of the governing committees. The Program Review and Nominating Committees, as currently envisioned, appear to be the appropriate forums for Load Following customers to express their concerns and interests. However, neither of those committees currently have seats set aside specifically for Load Following customers. Participation of Load Following customers on the Program Review Committee, in particular, will be critical to having those customers provide meaningful input into WRAP governance and to ensure the overall success of the program.

The Northwest Power Pool and stakeholders should revise the Detailed Design document so that Load Following customers have guaranteed seats on the Program Review Committee and the Nominating Committee or are otherwise guaranteed adequate participation in the RA Program governance structure after Phase 3A of the program. Representatives of Load Following customers would, of course, be willing to agree to any reasonable nondisclosure and confidentiality requirements that are necessary to participate in the Program Review Committee, the Nominating Committee, or any other appropriate part of the WRAP governance structure.

¹ Comments of the Public Power Council to the Northwest Power Pool, September 15, 2021.

² Comments of the Northwest Energy Coalition to Bonneville Power Administration regarding the Draft Decision by the Bonneville Power Administration to participate in Phase 3A Non-Binding Forward Showing Program of the Northwest Power Pool Western Resource Adequacy Program, September 3, 2021.

IV. Conclusion

Thank you for the opportunity to provide comments on the Detailed Design document. NRU does not oppose the region moving forward with Phase 3A, but refinements to the governance structure will be crucial to NRU's support for the program's further stages.

Please feel free to contact me if you have any questions or would like to discuss these comments.

Sincerely,

/s/ Zabya Towner

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