

September 22, 2026

Attn: Regional Organization for Western Energy Formation Board

Re: Puget Sound Energy Comments on September 2026 ROWE Independence Policy

Puget Sound Energy (“PSE”) appreciates the opportunity for stakeholder review and comment on the Regional Organization for Western Energy (“ROWE”) Board Independence Policy. PSE recognizes that the Formation Board is working to meet a deadline to have the Independence Policy in effect for implementation in October 2026, but making time for stakeholder review is critical for creating confidence in the ROWE and the stakeholder process. It would not have been appropriate for the Formation Board to vote on the Independence Policy in their September 8 meeting since stakeholders had never seen or reviewed the policy, and the Formation Board did not have an opportunity to consider comments on the policy. PSE encourages the Formation Board and future ROWE to establish a stakeholder process that supports a transparent and participatory process. Similarly, a robust Independence Policy is also important for creating confidence in the ROWE. PSE largely supports the language in the Independence Policy but recommends a few modest changes to provide greater specificity. Lastly, PSE takes this opportunity to recommend that the Formation Board post this Independence Policy and other information on the ROWE website by November 30, 2026, to improve stakeholder visibility into the ROWE development process.

Section 4.3 of the Board Independence Policy outlines prohibited relationships for Directors of the ROWE, defined as a serving as an employee, director, or officer for any entity or affiliate engaged in the generation, transmission, marketing, or distribution of electricity within the geographic area of the Western Electricity Coordination Council. While this definition is certain to capture many who would do business with the ROWE, the complex and changing nature of the energy industry will mean there will be entities who will interact with the ROWE in ways other than generating, transmitting, distributing, or marketing energy. Some of these entities may be those within the Stakeholder Representative Committee (SRC), such as large customers or distributed energy resources, that have a large interest in the market as participants. A relationship of this kind would harm confidence in the ROWE’s independence if a sitting Director was an executive in a company that was a member of the SRC, or otherwise significantly involved in the market.

As such, Section 4.3 should include market participants as part of the prohibited relationship. Additionally, while the ROWE does not currently plan to offer ancillary services, the language should include ancillary services within the list of prohibited activities to robustly account for potential future services as well as maintain alignment with the Code of Federal

Regulation Title 18 Section 35.34 definition of a market participant.¹ The suggested additions are outlined in red below:

A Prohibited Relationship exists if a Director serves as an employee, director or officer for any entity, or any parent, subsidiary, or affiliate of such entity that is a Market Participant, or is engaged in the generation, transmission, marketing or distribution of electricity or provides ancillary services within the geographic area of the Western Electricity Coordinating Council.

In addition to these changes, the Formation Board or ROWE should define what body holds the authority to enact and enforce the Independence and Conflict of Interest policies, and who will perform the functions therein.

Shortly after the submission of these comments, the Formation Board will be voting to appoint the initial Board of Directors for the ROWE and the Pathways Launch Committee will dissolve. Stakeholder awareness and common understanding of the foundation of the new Board of Directors is critical and is consistent with the principles of independent and stakeholder-driven governance in the Bonneville Power Administration's September 3, 2026, letter to the ROWE. Additionally, as the Formation Board and Launch Committee transfers its activities to the ROWE Board, there is a risk that continuity will not be maintained in the stakeholder process. To support stakeholder confidence during the transition from the Formation Board and Pathways Launch Committee to the ROWE Board, PSE recommends the following transparency measures be enacted by November 30, 2026:

1. The comments submitted on the Independence Policy and other foundational policies.
2. A recording of every Formation Board and Future ROWE Board meeting.
3. Approved meeting minutes for every Formation Board and future ROWE Board meeting. Currently, meeting minutes are only posted for some of the meetings.
4. Meeting minutes should contain a high-level description of what was discussed in public comment - including supportive or oppositional views. Prior Formation Board meeting minutes only include a mention that public comment was taken.
5. A section of the ROWE website for "Foundational Governance Documents" which contains the final approved Board Briefing Book and an aggregated list of all governing documents and policies for the ROWE. These documents should each have an approval date, and the forum in which they were approved. This list should include historical documents approved by the Launch Committee and/or the Formation Board as well as policies or draft tariff language that are under development.

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¹ 18 CFR 35.34(b)(2)(i) defines market participant to include entities that provide ancillary services.

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Thank you for the opportunity to comment. Please contact Cameron Reed at john.reed@pse.com or (425) 588-9785 for additional information about these comments. If you have any other questions, please contact me.

Sincerely,

/s/ Jessica Zahnow

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