Northwest Requirements Utilities

(503) 233-5823
Fax (503) 233-3076
825 NE Multnomah, Suite 1135
Portland, Oregon 97232

Regional Organization for Western Energy
251 Little Falls Drive
Wilmington, DE 19808

RE: Principal Place of Business for ROWE

ROWE Board of Directors,

Northwest Requirements Utilities (NRU) appreciates the opportunity to engage with the newly formed Regional Organization for Western Energy (ROWE) Board of Directors on elements of the new market important to our members. NRU remains focused on increasing independence of governance and equitable market rules that enable the Bonneville Power Administration (BPA) and its customers to fairly benefit from a western day-ahead market.

While the nuts and bolts of those governance changes are most important, we also note the important opportunity ROWE has to advance independence through selection of an operating base that best enables participation by western market stakeholders. As such, NRU supports Portland, Oregon or Boise, Idaho, as the principal place of business for the ROWE. Both would provide an appropriate Pacific Northwest location for an organization responsible for governing markets across the West. Portland offers particularly strong advantages because of its concentration of public power organizations, major market participants, and BPA.

NRU represents consumer-owned utilities that purchase preference power from BPA and depend on BPA transmission service. Our members have a direct interest in ensuring that ROWE's decisions reflect the needs of public power customers and the communities they serve. The headquarters decision should support regular, practical engagement with these utilities and their representatives.

Public power representatives from across the Northwest meet in Portland monthly. Locating ROWE in Portland would allow its leadership and staff to build on that existing schedule of regional engagement, creating opportunities for in-person discussion without requiring a separate trip for every interaction. This would be especially valuable for smaller utilities with limited staff and travel budgets. Regular access to ROWE would help public power participate consistently as market rules and governance practices develop.

Portland is also home to BPA, the largest transmission provider in the Pacific Northwest and a central participant in the Western transmission system. Two large investor-owned market participants, PacifiCorp and Portland General Electric, are headquartered in Portland, which also serves as a hub for in person meetings with other regional IOU utilities through their membership in PNUCC and other regional trades. This concentration of public and private utility expertise would give ROWE ready access to organizations whose systems and customers will be directly affected by its decisions.

Additionally, Boise is a fast-growing public power hub that lies at the heart of the BPA footprint and brings physical proximity to many public utilities, one participating investor-owned utility, and a tremendous amount of regional load growth. Investment in Boise as a potential headquarters location would bring many of the same

proximity benefits noted above. As such, NRU and our members were pleased to see Boise listed as a candidate for the ROWE.

As stated above, it is crucial that the headquarters decision complements the substantive governance protections needed to ensure ROWE's independence and fair treatment of all market participants. A Northwest location would support those objectives through closer engagement with BPA, public power, and other regional participants. NRU encourages the Board to select Portland or Boise.