**Northwest Public Power Association**

**Resolution 2023-05**

**In Support of Local Decision-Making in Energy Policy and Regulation**

**Background**

Current federal policy discussions on issues from transmission cost allocation to incentivizing new generation to integration of distributed energy resources (DERs) highlight significant issues for locally-controlled public utility systems. Many of the solutions offered to address these challenges involve ceding a degree of the local control that is the cornerstone of the public power models.

Regional energy markets represent one potential means to foster efficient variable energy integration by sharing generating resources among multiple Balancing Authorities. However, regional energy markets also raise issues regarding: 1) appropriate governance; 2) regulatory complexity; 3) opaque and potentially large costs; and 4) a loss of customized solutions, accountability, and local decision-making.

**NWPPA’s Position**

* NWPPA supports local utility board decisions regarding solutions that meet the needs of the local entity.
* NWPPA also supports diversified portfolios of fuel types for electric generation, including carbon-free, variable, or distributed resources.
* NWPPA supports the principles of cost causation and opposes policies that assign costs to broadly defined “beneficiaries” without their consent.
* In exploring and evaluating potential market-based options, NWPPA supports the principles of voluntary participation and structured designs that support the public power business model, which focuses on keeping costs low to the consumer and preserving local decision-making.
* NWPPA supports: 1) governance that does not increase FERC or other federal jurisdiction over consumer-owned utility operations; 2) voluntary participation in markets; 3) retention of local decision-making; and 4) protection of the ability to enter into long-term contracts, and of public power’s mission to deliver reliable electric service that is cost-effective.

Origination Date: 2011 and 2012. Revised 2017, 2018, 2020, and 2023.