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Sent: Wednesday, August 03, 2016 8:22 AM
To: 2025propplan
Cc: Christina Mudd; 'Jennifer Rogers (jrodgers@exeterassociates.com)'; Paul Scheuerman (pgs@starstream.net)
Subject: DOE BSO Comment to Proposed 2025 Marketing Plan

The United States Department of Energy, Berkeley Site Office, offers the following comments regarding the Western Area Power Administration, Sierra Nevada Region's (SNR) Proposed 2025 Marketing Plan ("Marketing Plan") as described in the Federal Register Notice (FRN) dated May 6, 2016 (81 FR 27433). The Berkeley Site Office manages the procurement of electricity on behalf of three major Northern California Laboratories including the Lawrence Berkeley National Laboratory, the Lawrence Livermore National Laboratory, and the SLAC National Accelerator Laboratory. The Berkeley Site Office appreciates the products and services that are provided by SNR, and looks forward to our continued participation in the Marketing Plan as a preference customer.

As provided in the FRN, the electric service contracts will have a 30-year term, beginning January 1, 2025, through December 31, 2054. Given the timeline put forward by SNR for completion of the Marketing Plan, the contracts and agreements established under the Marketing Plan will extend out over 35 years from their conception. As was recognized by SNR in the customer meeting held on June 1, 2016, there is a need for a degree of flexibility in the design of the Marketing Plan. Changes to the operations of the regional power grid, including but not limited to increasing penetration of intermittent resources and technological innovations in grid management, may require SNR to re-visit the products offered and any associated provisions in electric service contracts established under the Marketing Plan. Western should retain flexibility to design future products that reflect the needs of and adapt to an evolving power system. Should there come a time when Central Valley Project power becomes more costly than alternatives supplied by the market, SNR may need to re-evaluate the Marketing Plan products and adapt them to meet the stated objective of marketing power *in a manner that will encourage the most widespread use at the lowest possible rates consistent with sound business principals.*