Mid-West Electric Consumers Association 2023 Priority Resolutions

Federal Power Marketing Administrations

Mid-West believes the core mission of WAPA is the delivery of federal hydropower to preference power customers. No other WAPA activities should detract from WAPA's core mission nor should costs associated with other activities be included in WAPA's preference power customers rates.

Mid-West vigorously opposes the sale of the federal power marketing administrations or divestiture of their power and transmission facilities.

We reaffirm our support for the longstanding congressionally approved standard of cost-based rates for electric power generated at federal projects.

We will, under all circumstances, work to improve the efficiency of federal power operations, protect the contractual federal power supply rights of its members, and resist any unjustifiable increases in electric rates to the ultimate consumers.

Federal Transmission Investments

Mid-West urges the federal government to continue to provide adequate funding to support timely joint planning studies, adequate staffing levels and construction of Western Area Power Administration (WAPA) transmission facilities needed for delivery of federal power to preference power customers.

We encourage WAPA to partner with their customers on funding, constructing or owning transmission additions.

We call on Congress and the Administration to ensure any federal transmission incentives would require a study that shows a need for federal power delivery prior to federal funds being used to build transmission.

<u>Hydroelectricity – A Reliable Renewable Resource</u>

Mid-West urges Congress, the Administration and states to take action to classify hydroelectric power from projects both large and small, existing and future, as a renewable resource and that hydroelectric power be treated equal to other forms of renewable energy.

Hydroelectric power resources contribute significantly to the operation of the grid, providing reliable energy, capacity, ancillary services and black start (restoration) services along with eligibility for renewable energy certificates.

Hydroelectric Power Benefits

The value of the hydroelectric power benefits of the Pick-Sloan Missouri Basin including any renewable energy attributes, should be reserved to benefit the Firm Power Customers of the region. The Firm Power Customers pay 100% of the costs of the hydroelectric power program under long-term contracts. The Firm Power Customer's also fund capital investment of

the hydroelectric power portion, with interest, along with the annual share of the operation and maintenance costs of those multi-purpose facilities.

Diversion of Federal Power Revenues

Mid-West urges Congress and the Administration to adhere to principles and policies of federal law governing designation of project uses, allocation of costs and irrigation assistance repayment for existing and future federal projects related to the Missouri River Pick Sloan program.

Adequate Funding at Federal Hydropower Projects

Mid-West strongly supports appropriate federal funding of federal hydroelectric facilities for the power marketing administrations, the Bureau of Reclamation and the U.S. Army Corps of Engineers through Congressional appropriations. In the absence of sufficient federal funding, however, we believe financial support is best provided by those most closely associated with and affected by it, and that local support by the preference power community through Western States Power Corporation is the most effective and efficient means of maintaining the Missouri Basin Pick Sloan Federal power system. We oppose additional borrowing authority for the Pick-Sloan Missouri Basin Program portion of the Western Area Power Administration. We support asset partnerships between power customers and the Federal power agencies to provide for new and additional facilities. We do not support alternative financings by interests that have limited exposure to the Federal power system, that are unaffected by the condition and cost of federal facilities, or that would cause PMA customers to pay for unnecessary costs without offsetting benefits, including Western Area Power Administration's access to receipts and/or alternative financing by third parties.

Mid-West appreciates the opportunity to review federal agency capital programs and urges those federal agencies to continue a collaborative process to develop mutually-beneficial solutions to its funding needs.

Payment of Non-Reimbursable Costs

Mid-West opposes any administrative changes or legislation that requires payment of non-reimbursable costs at federal multipurpose water projects by power and water consumers.

Dam Safety Cost Allocation at Federal Hydroelectric Projects

Mid-West supports the allocation of dam safety modification costs in accordance with the non-reimbursable provisions of the Dam Safety Act of 1986, thus limiting the allocation of these costs for project purposes to 15%, consistent with the law.