

Remarks by Travis Kavulla, BPA Administrator and Chief Executive Officer

June 29, 2026

Swearing-in Ceremony

Thank you, Joel, Robin and Kyle for the warm introduction.

And thank you to the Department for the great honor and awesome responsibility of leading the Bonneville Power Administration at this pivotal moment for the industry. I served nearly a decade previously in public service, on behalf of the people of Montana; and to join the senior executive service of the United States Government to serve the nation and this region feels like a continuation of that vocation – a calling I could not resist.

I will have more to say about our important role in the ongoing American project, whose 250th Anniversary we are celebrating this weekend, during our staff town hall on Thursday. As the kids say, it's an AMA: Ask Me Anything type of event, and I encourage you to submit questions in advance—or stump me live! I am up for either, and I genuinely look forward to getting to know you all.

For now, however, thank you for your hard work. Your work is a public service, and it is a rare occasion that one can invoke patriotism in the context of the workings of an electric utility, but Bonneville is one of those times. I don't think it is lost on anyone in this room or online the essential role Bonneville played in America's race to win the last century's most serious conflict. Bonneville's speed to power created out of nothing an industry that allowed the United States to overcome a disadvantage of materiel and win that war. The statistics of the era truly are shocking. As BPA's own Gene Tollefson observed, BPA went from a few hundred miles of transmission in 1940 to over 2,000 miles in 1945. Into the 1970s, fully 40% of Bonneville's power sales went the aluminum industry.



The American Northwest itself was developed in no small part because of BPA. Well into the Twentieth Century, the region was “a poor, hardscrabble place,” in the words of one historian. Electricity is the foundation of a modern life, but the utilities serving this region a century ago were insular and focused on small, urban areas.

In fact, America was underdeveloped compared to its neighbors in Canada, where the average residential consumer used twice the electricity, as Franklin Delano Roosevelt observed in a famous speech in this city in 1932. Into this breach, BPA introduced competition, “a public agency that exists to transmit electricity to markets and to create markets to which it can transmit electricity.” While most commentators would identify the power-industry’s restructuring and the introduction of competition as a product of the late 1990s and early 2000s, it was in some sense the formation of Bonneville that was its seminal act, creating a source of power for numerous up-start utilities.

That legacy of our customers’ freedom to choose a supplier of their power is still alive today. I’m delighted that many of our customers have expressed enthusiasm for BPA’s Provider of Choice contracts. I am equally happy, however, to facilitate others’ power-generation investments on the Bonneville system. And I’m particularly thrilled that many of Bonneville’s customers have created retail rate designs that not only allow but require large users of power to take a direct assignment of costs for incremental supply.

This framework of choice should provide the ingredients to facilitate growth in demand for power. The hard truth of this region’s more recent history is that after the 1970s, growth in demand was primarily met by the closure of some of the region’s largest users of power—the same industry that won America’s wars. We are all out of the headroom provided by the decline of that industry, just as we face a rising demand for power from a novel industry, artificial intelligence, which Secretary Chris Wright, who oversees our entire enterprise, has called the Manhattan Project of our time.

The steps Bonneville staff have started through the investments of the Grid Expansion and Reinforcement Portfolio and the ongoing Grid Access Transformation proceeding are the beginnings of BPA's response to this remarkable upward turn in demand. My vision for the administration is for it to be bolder still. We cannot allow BPA to be a barrier to economic development. We cannot allow a backlogged interconnection queue to frustrate all power generators. By the same token, we cannot pretend as if all large load requests can be accommodated. We must find a way to rationalize the additions of demand and supply to the system, through a process that allocates scarce capacity to the highest value uses of the system.

The same policies should facilitate either a direct assignment of costs to new users of our grid, or a market-based value with that access, while protecting existing ratepayers that live and work in our region. Those are the twin goals I have in mind for major BPA initiatives in this space—facilitating growth while protecting legacy customers—and they are inspired from the lessons I take from BPA's history.

We cannot be complacent about reliability in this region. It is extremely important that we not allow the Northwest's unique policy framework, which should be a source of strength, to instead become a liability or a source of underinvestment. Both the Northwest Power and Conservation Council in its ongoing draft plan and private consultants have assessed an alarming need for both capacity additions and economically efficient demand-side conservation in the region. Under my leadership, Bonneville will encourage the development of transmission, power generation and storage for or by those utilities who need it, and I will convey through the rates that I establish the value of saving a megawatt-hour of power at the margin when demand is soaring.

A reliable utility not only has to grow to accommodate new demand, it must safely maintain what it has. As the region's largest transmission provider, BPA's safety and reliability record has been excellent. Careful maintenance of the grid is not glamorous work. It doesn't deliver the shiny new objects

that so many stakeholders are clamoring for. But utilities in the West have learned the high price of being distracted from the mission-critical maintenance of existing assets.

I look forward to learning more and supporting Bonneville's culture of safety as the foremost value of the utility. In my previous work for a power generation company, I heard the best people talk the most passionately when they spoke about safety. And the reason is simple: Valuing safety in everything you do demonstrates your commitment to the people and communities you serve, as well as our respect for each other.

Many people have shared their views about how Bonneville's and the region's generation and transmission assets should be situated in the context of broader wholesale markets for power. Let me stress that these markets are the software that runs the hardware. They can help squeeze more out of hardware that is stretched thin, as is now the case. But in the current situation, it does not matter whether the computer is in Vancouver, Little Rock, or Folsom if the hardware is inadequate.

I will have more to say soon about BPA's intentions on wholesale markets, after discussing the matter with BPA staff and BPA's customers and stakeholders. But from my long and sometimes trying experience on the topic of electricity markets, what I can tell you now is that efficient markets must have trust in the durability of the rules that governs trade in the market; they must have adequate depth and liquidity; and they must not allow interactions with adjoining electrical regions, sometimes called seams, to compromise the value proposition they otherwise would offer.

As in much of life, these variables trade off against one another. But I will make a studied, independent judgment on this matter, and will do so with the best interests of the region and the history of Bonneville in mind.

Finally, I understand that any decision I make must align to BPA's varied mission objectives, with careful attention to fish and river system operations. I know these are topics full of trade-offs, and I take seriously

the multiple uses that a thoughtful stewardship of our natural resources must provide for.

As a Westerner and a historian, I want to express my sincere commitment to give effect to tribal rights, including for those tribes who have a right to “hunt and fish in usual and accustomed places.”

In the coming months, I look forward to getting to know Bonneville’s customers, the region’s members of Congress, and our state and tribal partners. I trust you will not be circumspect about your opinions, and as anyone who knows me can attest, I value an open dialogue, a good debate, and even friendly disagreements as we together work to accomplish shared goals.

We have hurdles to overcome, and I am clear-eyed about the enormous task ahead of us. But I am also filled with optimism for BPA’s and the region’s future. My confidence stems in large part from BPA’s workforce, which has a strong reputation for being highly skilled and deeply committed—driven intrinsically to succeed on behalf of the millions of people relying on you.

Thank you. God bless you and the United States of America.