April 10, 2026

NewSun Energy Transmission Company LLC
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RE: Comments on TC-27 Tariff Proceeding

NewSun Energy Transmission Company LLC ("NSET") submits these comments to the Bonneville Power Administration ("BPA") TC-27 Tariff Proceeding. These comments build on NSET's prior TC-27 filings, the attached materials, and BPA Staff's March workshop presentations. They are offered to articulate NSET's high-level recommendations in advance of settlement discussions and to frame the principles NSET believes are essential to a durable, non-litigated outcome.

Big Picture Goals

NSET continues to believe that meaningful settlement is achievable and preferable, provided that core open-access and non-discrimination principles remain intact. Certain Staff Leanings raise serious concerns, particularly to the extent they introduce backward-looking financial barriers or re-ranking mechanisms, and NSET raises these issues to promote clarity regarding impacts to customers and to support informed, productive negotiations among the Parties.

At the highest level, NSET recommends that BPA preserve open access, strict queue order, and batch processing in queue order as the foundation for both the Transition State and any bridge to the Future State. Customers entered the queue in reliance on the tariff and Business Practices in effect at the time of their Transmission Service Requests ("TSRs"), with the express understanding that service would be evaluated and awarded on a non-discriminatory, first-come, first-served basis. Maintaining queue order through the processing pause implemented on February 2, 2025, and studying requests in ordered batches, is essential to preserving market confidence and investment integrity.

Additional Security

Consistent with these principles, NSET recommends maintaining the status quo with respect to deposits and security requirements for the existing queue. NSET does not support any increase in deposits, readiness security, or other up-front financial commitments tied to the current queue. Customers must be able to receive meaningful study results and conditional service determinations before being asked to post additional financial security. At which point, customers should be able to reject the conditional service at "off-ramps" without queue removal. Premature financial commitments prioritize customers based on capital availability rather than queue order and undermine open-access objectives.

NSET is open to participating in settlement discussions related to the implementation of a new, reasonable assessment or study fee, applied prospectively, to assist BPA in recovering administrative and analytical costs associated with restarting and managing batch studies. A

moderate assessment fee, structured independently from service acceptance, provides BPA support without altering queue position, shifting risk, or distorting competitive access. NSET recommends discussion be based around the non-refundable analysis fee and BPA drop its secondary charge of $1,000/MW study fee addition.

Critically, NSET recommends that BPA adopt a clear and enforceable off-ramp at the point of a conditional offer. Under this approach, customers would (i) receive batch study results and any associated conditional service offer, and (ii) retain the option to decline the conditional offer while preserving their queue position as requests move into the Future State process. Customers who decline would not be removed, re-ranked, or penalized, but would retain their relative queue position for future firm service consideration. This framework allows BPA to advance lower-impact service awards while respecting customer planning horizons and avoiding forced or uneconomic commitments.

NSET does not support mandatory acceptance of interim or conditional service as a condition of remaining in the queue, nor does it support customer removal based on inability to meet new or increased financial requirements prior to study completion. Any such requirement would represent a material, backward-looking change to the rules under which TSRs were submitted and would raise significant competitive and open-access concerns.

Overall
More broadly, NSET recommends that Transition State reforms focus on producing study results and conditional offers efficiently through batch processing in queue order, rather than introducing new commercial readiness, valuation, or maturity screens. Transmission reform should remain neutral to individual business models and instead prioritize timely, transparent allocation of transmission capability to the greatest number of customers.

NSET acknowledges BPA's operational challenges and remains committed to working collaboratively toward pragmatic solutions. Preserving open access, honoring queue order, utilizing batch processing, avoiding retroactive financial barriers, and enabling informed customer decision-making will be essential to sustaining confidence in BPA's transmission access framework and supporting timely development of generation and transmission resources needed to meet reliability, load growth, and regional decarbonization objectives.

NSET continues to believe that there is a path forward within a settlement framework. NSET further details its positions below.

NSET's Priority Recommendations

Below are NSET's priority recommendations: maintain batch studies conducted in strict queue order; preserve open access and competitive principles; eliminate mandatory interim service and overly burdensome security requirements; remove source owner validation and evaluation

criteria related to source and load maturity; and allow point-to-point requests to network transmission points of delivery ("PODs") without additional discriminatory screens or information requirements. In addition, firm service readiness requirements should be eliminated, BPA's leaning to disallow battery-to-battery requests should be reversed, and BPA should immediately begin processing de minimis redirects. BPA should also revise its business practice to allow deferrals to proceed while a redirect request is pending. Lastly, BPA should carefully consider the implications of its proposed definition of "facility" under the new "non-trended" load growth threshold.

a. Study in Batches and Queue Order

Of the utmost importance to NSET is the maintenance of the existing queue and additional studies that take place in batches. This is important for both the transition period and the Future State. Retaining the existing queue order for the near term/transition phase is the best option because all customers in the existing queue entered the queue knowing the rules that applied at the time they entered. Additionally, processing in queue order is the only batching option that does not require a tariff change and is most consistent with the Future State proactive planning design. Regardless of what gets processed and accepted as a conditional offer, any request that does not accept a conditional offer must retain its queue order position as we move forward into the Future State.

Consistent with the queue order, NSET supports staff's leaning of alternatives QM-ECQ-ALT-1, QM-CEC-ALT-1, QM-SQS-ALT-2-SUB-A.

b. Open Access and Competition

Maintaining open access for a competitive transmission market is the single most important outcome BPA's reforms should achieve. The Federal Energy Regulatory Commission ("FERC") concluded that firm transmission customers should not lose their rights simply because they do not use that capacity for certain periods of time and that in the absence of evidence of hoarding, they would not limit the amount of capacity that can be reserved.[1]

This non-discriminatory open access to transmission services is the critical backbone for competitive wholesale markets and the cost savings that can be achieved through competition. Denials of access to transmission, whether blatant or subtle, are fundamentally at odds with these principles of open access.

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[1] Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, 75 F.E.R.C. ¶ 61,080 at 168-170 (1996) ("FERC Order 888").

c. Mandatory Interim Service

Staff's Leaning of IS-MV-ALT-1 to *require* customers to take interim conditional firm service is not an appropriate option. Existing customers in the queue submitted their requests under the current paradigm which allows customers to request service for a date that commences in the future. They should not now be required to take interim service to remain in the queue.

Not only must a requester take interim service to remain in the queue, but BPA is changing the terms of engagement by requiring onerous additional security (discussed further below in part *d*). The TSR requester must put up millions of dollars and then it is required to take whatever BPA offers for bridge conditional firm or leave the queue.

Instead, BPA should *offer* customers the *option* to be considered for interim conditional firm service on a voluntary basis, but customers can elect not to take interim service can maintain their queue position pending further study and development of transmission assets in the Future State. This could present itself in two different scenarios.

First, a customer could be interested in seeing what conditional firm service they could get and elect to participate in the study. Then BPA would provide an off-ramp to allow a customer to receive the study results, have conditional service offered to them, and decline the offer of conditional service. This requester would retain their queue position until firm service can be offered in the future, instead of being removed from the queue entirely.

The second situation involves a customer that already knows they will trigger large upgrades. This customer should be allowed to skip the conditional firm evaluations altogether, including the security requirements. This would allow some self-election that might reduce study size, while preserving sanctity of queue seniority. BPA indicative guidance and consults could help inform customers to make better decisions. This could help customers self-solve and reduce initial study batch by dropping out or electing to wait until later future-state study set, without the loss of position or harm to investments.

Similarly, allowing TSRs which are not maturity criteria eligible (see part *f,* below) to remain in the queue would also address a lot of non-fairness, backward-looking change issues (that undermine future investment, market viability, and customer ability to fund, invest, participate in the future).

Interim service should be offered in essentially the same format as conditional firm offers are made under the status quo: with no new security or deposit requirements. The current commitment to sign a 5-year contract is sufficient "skin in the game" (i.e., security) obligate customers. NSET's opposition to BPA's proposal to add onerous security requirements is discussed further below in part *d.*

Allowing *voluntary* interim service achieves several key goals. First, it allows customers who need service now *the option* of receiving service now. Second, this preserves the rights of customers who proactively planned for their own future transmission needs by requesting transmission ahead of need. Third, it conserves BPA's resources by allowing BPA to award some of the "low hanging fruit" while allowing some of the more difficult transmission awards to be subject to future studies and analysis.

d. Overly Burdensome Security Requirements

BPA's proposed security of three years of PTP transmission service for the MWs requested is far too high. BPA has stated the goal of this requirement as ensuring that the requester has "skin in the game" sufficient to support the investments that BPA is making. However, this will have the practical effect of driving customers out of the queue. Additionally, as mentioned above, the current commitment to sign a 5-year contract is sufficient "skin in the game."

The proposed new security requirement is anti-competitive and against open access principles. It is anti-competitive because it will significantly narrow the range of requesters who are able to obtain the financing necessary to put up this amount of security and thus remain in the queue.

NSET requests that BPA not require any security until after the study. The practices should remain the status quo until discussions of the Future State begin. At that point, it may be necessary to adjust the practices, but BPA should get things moving with the current practices that were in place at the time these TSRs joined the queue.

Requiring the large sum of money (upwards of $8 million in BPA's 100 MW example)[2] before results of the study are known to the requester, the amount of which could be held for up to ten years without interest, and the amount would be forfeited if the requester cannot take the interim service offered, is outrageous. BPA should not remove TSRs with offers of service (which are not yet studied) based on which entities have the money to spare for this security. This approach of early, risky security before useful knowledge of the outcome amplifies the anti-open-access nature of this proposal. It goes away from the queue order and allows other factors unrelated to the source or TSR to control which requesters move forward. This will likely drive away viable TSRs (and associated generator interconnections ("GIs")) by asking those entities to accept unreasonable, untenable risks without any outcome knowledge, much less any ability to analyze or cement any transactions that might rely on that service offer.

[2] Slide 104 of March Workshop Slides.

e. Source Owner Validation Replacing Delivering/Receiving Party Validation

BPA's Staff Leaning is a new alternative EC-PV-ALT-12, which requires (F)TSRs citing a generation source physically connected to BPA's network, to be subject to source owner validation. "This staff leaning is predicated on adopting higher financial requirements and on requirements for PTP [point to point] requests sinking to a NITS [network integration transmission service] POD."[3]

This is a violation of the Open Access Transmission Tariff ("OATT") because it is contrary to the core principle that entities may request any path on the system, meaning 100% "open access." As with the source and load maturity evaluation criteria (discussed in part *f*), here too, simply listing the point of receipt ("POR") and POD is sufficient to verify requests, perform studies, and make awards based on FERC determinations.

Additionally, to the extent that this Staff Leaning "is predicated on adopting higher financial requirements," to which NSET objects (discussed in part *d*), NSET also objects to this Staff Leaning.

f. Evaluation Criteria for Source and Load Maturity

Transmission customers need only provide the POR and POD. Any additional requirements that would require the customer to disclose that the source or load is mature enough to need the transmission are simply a veiled attempt to prevent the customer from accessing transmission and should not be allowed. As such, NSET is against Staff Leaning EC-SM-ALT-1 due to its potential violation of open access. Limiting the grant of service *only* to those TSRs that are also sufficiently advanced in the interconnection queue is a violation of open access.

NSET understands the importance of offering transmission, even conditional service, to those requesters that are likely to be able to come online by 2030. These projects will be critical to helping the region achieve its looming climate deadlines. Projects that can secure interconnection and begin construction by the July 4th deadline are eligible for the tax credits, which can amount to a 30% discount on these critical projects.

A source's maturity should be based on the market, not BPA's arbitrary distinctions. Given the numerous climate goals that require utilities to acquire clean energy, any renewable source is likely to be sufficiently in demand that it is likely to find a buyer. As such, NSET recommends that BPA step back and allow the market to determine which projects are sufficiently "mature." It does not make commercial sense for a project to acquire and pay for interconnection long before it is "mature" by BPA's standards. BPA should not overstep and decide which projects are sufficiently mature to get transmission.

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[3] Slide 40 of March Workshop Slides.

Load maturity requirements may also violate confidentiality between parties which have entered into an agreement, and also may be commercially sensitive, due to the details of the specific transaction. For these reasons, BPA should only require a TSR to provide the POR and POD.

g. Evaluation Criteria for PTP requests to NT PODs

PTP customers should be able to put in requests to any POD based on future commercial need. BPA's criteria for what constitutes a network integration transmission service NITS "only" POD are unclear, as it appears to be simply a naming convention.

As such, any evaluation criteria that seek to prevent these requests is discriminatory and violates open access. The practice of giving a network transmission ("NT") customer complete power over who is able to serve their load is also anti-competitive and against open access.

NSET is open to further discussions of how TSRs that fit this category could be relocated, not rejected or removed from their queue position. For example, there could be a solution where BPA works with transmission customers to transfer the requests to an existing nearby POD or to establish a new PTP POD nearby. Any other retroactive changes cause consequential damage to those with existing requests.

Staff's Leaning of EC-PTP-ALT-1 to require demonstration of interest from NITS customer upon submittal is against open access and is anti-competitive.

h. Evaluation Criteria for Additional Information in the Data Exhibits

Staff's Leaning is EC-ADD-ALT-1, which would modify section 17.2(x) and 29.2(ix) to read "Attachment K and other BPA transmission planning processes." NSET is opposed to this alternative because BPA should not have carte blanche discretion to require that any additional information be submitted via BPA's data exhibit process with a potential ramification being removal of the queue position for not submitting the data. BPA can engage customers on a voluntary basis to provide additional information without removal from the queue as a consequence.

Additionally, whatever data requirements that were in effect at the time the TSR entered the queue are the only requirements to which the TSR should be subject. BPA should not be allowed to move the goalposts after the start of the study process and require additional information that if not provided can have severe consequences. The need for further information needs to be a part of the Future State discussion process, not the transition state.

i. Firm Service Prioritization Readiness Requirements

Again, there should be no requirement to demonstrate that transmission is needed or details of commercial transactions. To do otherwise has serious competitive implications and violates fundamental principles of open access transmission.

j. Evaluation Criteria for Battery-to-Battery Requests

BPA's leaning to outright deny battery-to-battery requests is discriminatory and violates open access principles because it restricts a customer's use of the transmission system.

NSET agrees with comments made during previous workshops, that just because something might be hard does not mean that BPA should not do it. The appeal of batteries is that they provide grid-wide reliability benefits. Batteries can relieve transmission congestion and store energy for times when there may not be enough power on the grid. More batteries will be needed to equalize the grid as more renewable generation sources come online to meet the regional renewable energy goals. If BPA cannot find a way to model battery-to-battery requests, it will miss out on the benefits this technology provides.

NSET understands the technical difficulty of modelling such requests and offers a few suggestions. One option is for BPA to treat batteries like a peaker plant that comes on at unforeseeable times. Another option is for batteries to be treated more as a reliability tool, as is consistent with their nature, and not as a load.

k. De Minimis Redirects and Deferrals While a Redirect is Pending

NSET recommends that BPA immediately begin processing de minimis redirects.[4] Currently, since the queue processing is paused, BPA is not evaluating long-term redirect requests for de minimis status. This means that redirect effects with minimal grid impacts are forced to rely on non-firm redirects instead. This opens up the entity to economic exposure, since most power purchase agreements impose financial penalties for non-firm transmission or resulting curtailment. BPA should begin processing long-term firm redirect requests immediately, as the "low-hanging fruit" that can make a significant impact in getting power flowing (reliably). NSET recommends that this begins immediately and not stall until resolution of the Settlement discussions. This further provides an opportunity to shrink the existing queue, which benefits BPA by easing the administrative burden of the transition studies necessary to make interim service offers.

Within this discussion, BPA should also consider NSET's recent request to change business practice "Deferral of Transmission Service (Extension for Commencement of Service)" version 24, section A.6.b to allow deferrals to proceed while a redirect request is pending.[5] Due to BPA's pause in queue processing, redirect requests have stalled. Since the current practice does not allow any pending redirect requests on the same TSR as a deferral, customers must withdraw

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4 Please see Point to Point customer letter NSE signed onto (Attachment A) and NSET's January Comments (Attachment B).

5 Please see NSE's recently filed Business Practice Change Request (Attachment C).

their redirect requests simply to complete a deferral transaction—even for de-minimis requests. This creates unnecessary disruption, administrative burden, and inefficiency in the queue.

l. Size Threshold for Non-Trended Load Growth

BPA has suggested a change in terminology to call large loads like data centers "non-trended" Load Growth, as opposed to "trended" load growth, which is the expected load growth of residential and commercial retail customers. From NSET's understanding, loads of specific "facilities" over 13 MW are classified as "non-trended" and must go through commercial planning. Once the "non-trended" load has a full plan of service in place, then it can return to being "trended" load growth unless and until the "facility" grows by over 13 MW again.

NSET urges BPA to consider the definition of "facility" carefully. The definition, if chosen poorly, could potentially result in parties taking advantage of loopholes in the definition. For example, if the definition of a "facility" was just each meter, a large entity could have multiple meters growing by 12.9 MW, but the aggregate usage of that entity could be in the hundreds of MWs. This could result in a lack of capacity for other legitimate loads, data centers, and transmission requestors.

Current Potential NSET Support

We appreciate staff's leaning of EC-MCAP-ALT-3, deciding not to impose a minimum capitalization requirement.

Consistent with the discussion of queue order in part *1.a* (above), NSET supports staff's leaning of alternatives QM-ECQ-ALT-1, QM-CEC-ALT-1, QM-SQS-ALT-2-SUB-A.

Future State

NSET reserves taking significant positions on the Future State at this time. Instead, NSET posits that this proceeding should focus instead on processing the current queue, in reasonable batches, and take the necessary time to work through, as a region, what the new Future State will be. Allowing time for the transition period planning to proceed will give the region time to consider the Future State, to establish the new rules of the Future State, and to allow customers to understand what risk, commitment, and rules will be applied for future investment decisions. Entities must retain queue position if they are unable to accept an interim service offer, which will then be processed based on the rules of the Future State process.

Going into settlement discussions, NSET emphasizes the importance of clearly articulating what is a temporary change for the transition period versus what is intended to be a permanent change that will also continue into the Future State.

NSET's current recommendation for Future State queue processing is that any evaluation criteria be consistent with open access principles and that the long-term pending queue would become a

rolling “always open” queue where new requests are added to the end, and each iteration of the commercial study would study the next batch of requests, capped at the amount that BPA can reasonably accommodate based on the to-be-finalized Future State process. As the proactive planning process develops, it will create additional slack in the system and enable BPA to study larger batches, with the goal of ultimately having enough projects in the long-term proactive planning pipeline so that each iteration of the commercial study can study all requests pending at that time.

Closing & Recommendations

NSET recommends that BPA uphold strict queue order and open-access principles, avoid any new anti-competitive security and deposit requirements, while promptly resuming TSR processing during the Transition State. At the same time, BPA should take the necessary time to thoughtfully design the Future State framework.

For the region, the path forward is clear: we must enable the timely development of both transmission and generation resources to meet expiring federal tax credit deadlines, comply with emerging compliance program requirements, serve accelerating load growth, protect system reliability, and investor confidence in our region.

NSET remains committed to working constructively with BPA during the TC-27 transition state and future state processes to ensure outcomes that support reliable, equitable, and affordable clean energy integration.

Sincerely,

NewSun Energy Transmission Company LLC

Comment Letter on BPA's Transmission Planning, Queue Reform Initiatives & TC-27

Subject: Immediate Processing of De Minimis Redirect Requests

Background

The signatories of this letter, representing electric utilities and other Point-to-Point (PTP) transmission service customers, we appreciate the opportunity to comment on Bonneville Power Administration's (BPA) proposed transmission planning reforms, future state vision, and the TC-27 proceedings. While TC-27 encompasses several initiatives, this letter focuses specifically on the immediate need to resume processing of Redirect Requests with *de minimis* system impacts.

These comments are submitted to address this specific issue dealing with Redirect Requests, which is an issue within a broader set of topics currently under consideration by BPA and transmission customers. We emphasize that this important, but limited scope of request does not diminish the significance or magnitude of other outstanding issues of changes being considered. All remaining matters continue to be of critical importance to our organizations and the region. Their resolution remains essential regardless of the outcome of this request.

Previous Rights and Procedural Disparities

Prior to the Transmission Service Request (TSR) processing pause, PTP customers held the right to redirect confirmed Firm Long-Term (LT) transmission service. In evaluating these Long-Term Firm (LTF) Redirect requests, BPA applies specific criteria to determine system impacts, including two distinct tests for *de minimis* status, as detailed in BPA's *TSR Evaluation Business Practice*.

Since BPA paused TSR queue processing, LTF Redirects with *de minimis* impacts are no longer evaluated. While Short-Term Firm (STF) Redirects remain available, the *de minimis* evaluation criteria for STF requests are significantly more stringent than those for LTF requests:

- **LTF Redirects (Net Impact):** BPA calculates the "net impact" by subtracting the impact of the Parent reservation (Path B) from the requested Child Redirect (Path A) before applying *de minimis* tests. This ensures customers are only evaluated on the incremental impact added to the system.
- **STF Redirects (Standalone Impact):** Conversely, the system evaluates the STF Redirect (Child) in isolation. The *de minimis* criteria are applied to the Redirect without regard for the rights held by the Parent reservation.

A detailed comparison of these criteria from BPA's Business Practice is provided in Appendix A, with illustrative examples in Appendix B showing where a request would pass under LTF rules but fail under STF rules.

Current Operational Impact

Due to the stricter *de minimis* criteria for STF Redirects, a significant portion of LTF TSRs cannot be redirected on a firm basis to alternative POR/POD combinations. Consequently, PTP customers are increasingly forced to rely on non-firm redirects, such as Secondary Hourly (1-NS), on a day-ahead basis to deliver power. Beyond the inherent reliability risks of non-firm service, this creates substantial economic exposure; most Power Purchase Agreements (PPAs) and WSPP contracts impose financial penalties for utilizing non-firm transmission or for any resulting curtailments.

TC-27 Proposal on Processing De Minimis TSRs

Within the TC-27 initiative, BPA is proposing a partial reopening to evaluate LTF Redirect TSRs that result in *de minimis* impacts. To manage system constraints and prevent a surge in requests, BPA has proposed limitations, such as restricting customers to one Redirect request per original reservation. While these limitations do not represent a full restoration of PTP customer rights, we strongly support BPA's proposal to begin processing *de minimis* Redirects, effective immediately, during the transition to a permanent transmission policy. We recommend discussion regarding future treatment of Redirect requests and what limitations would be appropriate on a permanent basis.

The following entities support the immediate processing of *de minimis* Redirects:

Company	Name	E-mail
Dynasty Power	Michael Chai	mchai@dynastypower.com
Tacoma Power	Leslie Almond	LAlmond@tacoma.gov
Grant County PUD	James Dykes	jdykes@gcpud.org
Seattle City Light	Michael Watkins	Michael.Watkins@seattle.gov
Portland General Electric	Laura Green	laura.green@pgn.com
Avista Corporation	Chris Drake	Chris.Drake@avistacorp.com
Brookfield Renewables US	Steve Greenleaf	Steve.Greenleaf@brookfieldrenewable.com
NewSun Energy	Alex Swerzbin	aswerzbin@newsunenergy.net
PacifiCorp	Tony Worthington	Tony.worthington@pacificorp.com
Puget Sound Energy	Laxman Subedi	Laxman.Subedi@pse.com
Avangrid	Tashiana Wangler	Tashiana.Wangler@avangrid.com

Appendix A: Comparison of De Minimis Criteria for LT Redirects and ST Redirects

Below is a summary of De Minimis Criteria from BPA's TSR Evaluation Business Practice

Long-Term (LT) De Minimis: Uses Net Impact

For Long-Term requests, the system explicitly subtracts the impact of the Parent (B) from the Child (A) before running the de minimis test.

- **The Calculation**: The test looks at *(A - B),* which is the **Net Impact**
- **The Logic**: You are only tested on the incremental impact you are adding to the system. If your net impact is <=10 MW (and you meet the PTDF or Ratio threshold), you are considered de minimis

Short-Term (ST) De Minimis: Uses Child Impact Only

For Short-Term requests, the system looks at the Redirect (Child) in isolation.

- **The Calculation**: The test looks at *A* only. It does **not** look at *(A - B)*.
- **The Logic**: BPA's BP states: "When evaluating Redirects under de minimis Test 1, the impact of the Redirect is considered on its own **without regard for the impact of the Parent Reservation**".
- **The Consequence**: Even if your net increase is tiny (e.g., 1 MW), if the total flow of the Redirect (the Child) on that path is greater than 10 MW or has a PTDF > 10%, it fails the de minimis test.

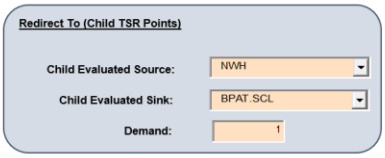
Feature	**Long-Term De Minimis**	**Short-Term De Minimis**
Input for MW Test	**Net Impact** *(A - B)*	**Child Impact Only** *(A)*
Credit for Parent?	**Yes.** You are credited for existing rights on Path B.	**No.** You are treated as a new standalone request for the *de minimis* check.

Appendix B: Examples where LTF redirect would pass but STF redirect could potentially fail

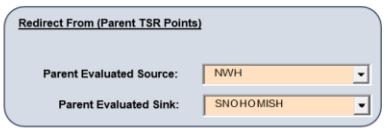
Example 1

Evaluates a TSR redirect from NWH-SNOHOMISH to NWH-BPAT.SCL.

- Despite a minimal net impact on Cascade North flowgate of 0.0037, STF redirect would potentially fail if ATC on this flowgate is 0
    - Child impact > Parent impact
    - Child impact (gross, not net) on flowgate is 0.8247 which is greater than 0.1
- However, LTF redirect would pass due to De Minimis rule.
    - Net impact of 0.0037 is less than 0.1



Redirect To (Child TSR Points)		
Zone	kV	Owner Name
NA	NA	NA
NA	NA	NA



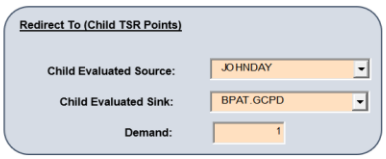
Redirect From (Parent TSR Points)		
Zone	kV	Owner Name
NA	NA	NA
Seattle Area, Olympic Peninsula	115	Bonneville Power Admin

Sub Grid Constrained Area:	ALL MIDC AREA			Sub Grid Constrained Area:	ALL MIDC AREA				
PTDF #:	357	151		PTDF #:	357	40988			
Flowgate	Child Source: NWH	Child Sink: BPAT.SCL	Child Impact	Parent Source: NWH	Parent Sink: SNOHOMISH	Parent Impact		Net Impact	Result
CROSS CASCADES NORTH E>W	-0.0402	-0.8649	0.8247	-0.0402	-0.8612	0.8210		0.0037	Potential LTF
CROSS CASCADES SOUTH E>W	0.0175	-0.0672	0.0847	0.0175	-0.0537	0.0712		0.0000	No Impact
NORTH OF HANFORD N>S	-0.0302	-0.0314	0.0012	-0.0302	-0.0284	0.0000		0.0000	No Impact
RAVER-PAUL N>S	-0.0133	0.0370	0.0000	-0.0133	0.0340	0.0000		0.0000	No Impact
SOUTH OF ALLSTON N>S	-0.0165	0.0754	0.0000	-0.0165	0.0602	0.0000		0.0000	No Impact
NORTH OF PEARL S>N	0.0036	-0.0476	0.0512	0.0036	-0.0381	0.0417		0.0000	No Impact
WEST OF JOHN DAY E>W	-0.0118	-0.0257	0.0139	-0.0118	-0.0207	0.0089		0.0000	No Impact
WEST OF SLATT E>W	-0.0002	-0.0184	0.0182	-0.0002	-0.0142	0.0140		0.0000	No Impact
WEST OF LOWER MONUMENTAL E>W	-0.0341	-0.0258	0.0000	-0.0341	-0.0189	0.0000		0.0000	No Impact
SOUTH OF CUSTER N>S	-0.0070	-0.0323	0.0253	-0.0070	-0.0378	0.0308		0.0000	No Impact
NORTH OF ECHO LAKE S>N	-0.0004	-0.3207	0.3203	-0.0004	-0.3866	0.3862		0.0000	No Impact
WEST OF MCNARY E>W	0.0166	-0.0184	0.0350	0.0166	-0.0151	0.0317		0.0000	No Impact
WEST OF HATWAI E>W	0.0181	0.0461	0.0000	0.0181	0.0565	0.0000		0.0000	No Impact
NORTH OF GRIZZLY N>S	0.0052	0.0017	0.0035	0.0052	0.0008	0.0044		0.0000	No Impact

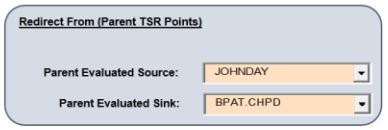
Example 2

Evaluates a TSR redirect from JOHNDAY-BPAT.CHPD to JOHNDAY-BPAT.GCPD.

- Despite a minimal net impact on West of JD flowgate of 0.0015, STF redirect would potentially fail if ATC on this flowgate is 0 due to:
  - Child impact > Parent impact
  - Child impact (gross, not net) on flowgate is 0.1702 which is greater than 0.1
- However, LTF redirect would pass due to De Minimis rule.
  - Net impact of 0.0015 is less than 0.1



Redirect To (Child TSR Points)		
Zone	kV	Owner Name
Southern Oregon	500	Bonneville Power Admin
NA	NA	NA



Redirect From (Parent TSR Points)		
Zone	kV	Owner Name
Southern Oregon	500	Bonneville Power Admin
NA	NA	NA

Sub Grid Constrained Area:		ALL MIDC AREA		Sub Grid Constrained Area:		ALL MIDC AREA			
PTDF #:	40687	351		PTDF #:	40687	361			
Flowgate	Child Source: JOHNDAY	Child Sink: BPAT.GCPD	Child Impact	Parent Source: JOHNDAY	Parent Sink: BPAT.CHPD	Parent Impact		Net Impact	Result
CROSS CASCADES NORTH E>W	-0.1555	-0.0378	0.0000	-0.1555	-0.0547	0.0000		0.0000	No Impact
CROSS CASCADES SOUTH E>W	-0.0449	0.0196	0.0000	-0.0449	-0.0017	0.0000		0.0000	No Impact
NORTH OF HANFORD N>S	-0.6198	-0.0550	0.0000	-0.6198	-0.0165	0.0000		0.0000	No Impact
RAVER-PAUL N>S	-0.0979	-0.0153	0.0000	-0.0979	-0.0003	0.0000		0.0000	No Impact
SOUTH OF ALLSTON N>S	-0.1569	-0.0195	0.0000	-0.1569	0.0044	0.0000		0.0000	No Impact
NORTH OF PEARL S>N	0.1123	0.0045	0.1078	0.1123	-0.0061	0.1184		0.0000	No Impact
WEST OF JOHN DAY E>W	0.1595	-0.0107	0.1702	0.1595	-0.0092	0.1687		0.0015	Potential LTF
WEST OF SLATT E>W	-0.2271	0.0022	0.0000	-0.2271	-0.0028	0.0000		0.0000	No Impact
WEST OF LOWER MONUMENTAL E>W	-0.0448	-0.0266	0.0000	-0.0448	-0.0250	0.0000		0.0000	No Impact
SOUTH OF CUSTER N>S	0.0016	-0.0044	0.0060	0.0016	-0.0094	0.0110		0.0000	No Impact
NORTH OF ECHO LAKE S>N	0.0410	-0.0001	0.0411	0.0410	-0.0305	0.0715		0.0000	No Impact
WEST OF MCNARY E>W	-0.1334	0.0249	0.0000	-0.1334	0.0057	0.0000		0.0000	No Impact
WEST OF HATWAI E>W	0.0852	0.0143	0.0709	0.0852	0.0193	0.0659		0.0000	No Impact
NORTH OF GRIZZLY N>S	-0.6802	0.0030	0.0000	-0.6802	0.0034	0.0000		0.0000	No Impact

January 16, 2026

NewSun Energy Transmission Company LLC

550 NW Franklin Ave., Suite 408

Bend, Oregon 97703

RE: Comments on TC-27 Tariff Proceeding –

NewSun Energy Transmission Company LLC ("NSET") provides these formal comments on the Bonneville Power Administration ("BPA") TC-27 Tariff Proceeding. These comments respond to the presentations from BPA's October, December, and January workshops and provide NSET's current leanings for near-term actions, the Transition State, and the Future State for transmission queue processing. While some alternatives presented have serious anti-competitive effects and would be blatant violations of fundamental open access principles, NSET does see a solution path here that avoids a litigated outcome.

The approach that BPA adopts should align with the following principles:

(1) Triage and immediately begin processing the low-hanging fruit to get BPA off "pause" in processing its current queue,
(2) Support and fairly consider the value the current queue offers in terms of proactive planning and the investments by those in the queue to meet regional needs,
(3) Recognize and be aligned with fundamental principles of open access—namely that all wholesale buyers and sellers of electric energy can obtain non-discriminatory transmission access, and
(4) Ensure any changes do not create an anti-competitive transmission environment.

These written comments are accompanied by the attached spreadsheet in response to BPA's request that responses be provided in that format as well. These written comments aim to capture more holistically the big picture of interdependencies between BPA's myriad of alternatives.

Overall, NSET places the highest value on maintaining open access, processing the current queue in queue order (up to the point of the processing freeze implemented by BPA, 2/5/2025), and keeping evaluation criteria for the current queue at the status quo. Every customer who entered the queue did so based on the requirements that existed at the time they submitted their applications and on the express understanding that capacity is awarded on a non-discriminatory basis by queue order. Backward-looking changes create real harm to customers who made investments into transmission requests based on the rules at the time.

The current queue is also the best information available to BPA about regional needs. NSET agrees that meeting regional decarbonization requirements is a core goal, and doing so sooner rather than later is preferable to ensure that projects can be financed and the region can capitalize on expiring tax credits. No matter what BPA decides, current regional needs and queue size is

not going to materially change—the regional need is significant, and requests will re-materialize even if BPA clears the whole queue. We need to focus instead on processing the current queue, in reasonable batches, and take the necessary time to work through, as a region, what the new world will be (Future State). However, BPA is not in the business of picking winners and losers through discriminatory evaluation criteria that would judge certain classes of customers unworthy of access to transmission. Transmission reform should remain neutral to the business case justifying each transmission request and simply focus on studying and awarding the most transmission to the most customers as quickly as possible. We have a great starting point with the 2023 transmission service request ("TSR") study and expansion process ("TSEP"), which helped establish the Grid Expansion and Reinforcement Portfolio ("GERP")[1] projects, and BPA needs to continue processing TSRs with the goal of using that capacity to award transmission encumbrances and achieve those GERP projects' development timelines. The region is in desperate need of generation and transmission development to meet current and future loads and compliance programs reliably.

Process

Following up on the discussions from these last two workshops in January, including the workshop held on January 15, 2026, where BPA presented additional alternatives, NewSun respectfully requests an additional round of comments after the next February workshop series. There is a substantial amount of material to process and respond to, let alone discuss and coordinate with other stakeholders. In the grand scheme of this reform, an additional round of comments will not result in a material delay.

Additionally, BPA noted that they have some uncertainty regarding whether TC-27 will cover both the Transition State and the Future State. Given the very compressed timeframe in which BPA provided many helpful scenarios, with meetings immediately before and after the holidays, and with complex scenarios with significant cascading effects, we believe that a focus on a short term transition should come first, with a broader stakeholder process focusing on the Future State to follow.

We will need time, after the February 2026 workshops, to provide further comments and consider a settlement path solution. We encourage BPA to start processing TSRs immediately, starting with de minimis redirects and appropriate conditional firm ("CF") offers. We need further details on what those CF offers will look like from BPA. Then, proceed to process the Transitional queue in a batching process in queue order. Certainty of products and rights is the most important aspect to proceed reliably to meet the growing needs of our region.

[1] Formerly known as the "Evolving Grid".

Confidence in Results

Customers need confidence in results to increase confidence in BPA's proposed or a negotiated solution path. BPA is asking customers to put a great deal of trust in BPA that the results will come out, but customers need proof. NSET recommends that BPA do some initial work concurrent with this TC-27 process and provide some indicative and/or actual offers of CF service that are likely to result from the proposed path. This would greatly assist customer confidence in the solution pathway. Furthermore, this will allow customers to understand how BPA will implement their proposed CF solutions and the impacts they will have on customers.

Significant Regional Need

NSET understands the difficult situation BPA faces. The current queue size is large because the regional need is large, and it will continue to grow into the future. This growth is important for the economic development of our region.

Regional clean energy requirements are significant. Per HB 2021, by 2030 Oregon retail electricity providers must reduce greenhouse gas emissions from electricity they sell to customers by 80% relative to a 2010-2012 baseline. The Washington 2030 Clean Energy Requirement effectively requires 80% of electricity to come from clean (renewable or non-emitting) resources by 2030. In Energy+Environmental Economics' ("E3") phase 1 Pacific Northwest resource adequacy study, they project a 9 GW capacity need by 2030.[2] This growth projection reflects similar needs for energy as well. E3, for example, notes that meeting the pace of growth anticipated in utility integrated resource plans would require annual resource additions equal to 4-5x historical levels. So absent major technical advancements or accelerated development timelines for non-emitting baseload resources, BPA should simply accept that its queue size is, by necessity, going to be large. Therefore, even if the current queue is "cleared," the need will not dissipate. Requests will simply be resubmitted, and the risk of reliability events goes up.

Providing transmission to and interconnecting clean energy resources is urgent. The One Big Beautiful Bill Act ("OBBA") accelerated the start of construction date to July 4, 2026 to qualify for Investment Tax Credits and to complete construction by 2030. The region will miss out on millions or likely billions of investment tax credits ("ITC") if new resources cannot contract, start construction, and complete construction within these timeframes. It will be a huge lift to achieve these goals, and the more options we have to try and attempt to meet these targets, the better the region will be able to more cost-effectively meet its targets. BPA should therefore focus on getting transmission into the hands of customers in the current queue without

[2] https://www.oregonlive.com/business/2026/01/a-9-gigawatt-problem-northwests-soaring-energy-demand-supply-constraints-could-spark-new-power-crisis.html.

unnecessarily forcing customers out by changing the rules or delaying the process through the development of complex new procedures.

Summary of NSET Leanings

NSET's recommendation is to focus on beginning to process the queue once again. Beginning with processing of de miminis redirects, commencing a mini pilot proactive planning study, and making offers of interim conditional firm service to customers whose requests present no constraints, followed by a commercial study of the first small batch of the current long-term pending queue.[3] This is a variation of alternative PP-TS-ALT-4. Under NSET's proposal the queue size that goes into the commercial study would be limited to 10 GW to prioritize getting some offers out before the end of 2027. BPA will learn a lot by progressing in this manner. Naturally, some requestors will accept and fund, some customers will drop their requests from the queue, and this will lower the burden on BPA, allowing for an efficient batching process to continue and be implemented.

No additional evaluation criteria would be applied to the current queue (requests in the queue before BPA's announced pause on 2/5/2025) to prioritize and focus BPA's efforts on processing requests and building transmission. Then for the Future State, parties could take additional time to consider appropriate treatment for new requests. NSET's current recommendation for Future State queue processing is that any evaluation criteria be consistent with open access principles and that the long-term pending queue would become a rolling "always open" queue where new requests are added to the end, and each iteration of the commercial study would study the next batch of requests, capped at the amount that BPA can reasonably accommodate based on the to be finalized Future State process. As the proactive planning process develops, it will create additional slack in the system and enable BPA to study larger batches, with the goal of ultimately having enough projects in the long-term proactive planning pipeline so that each iteration of the commercial study can study all requests pending at that time. This also allows requestors to understand what risk, commitment, and rules will be applied for future investment decisions. This pathway further provides the needed time for the region to work through the design and implementation of the Future State process.

Open Access and Competition

BPA can vastly simplify its job by eliminating alternatives that violate fundamental principles of open access transmission—alternatives that would have serious anticompetitive effects. These include, but are not limited to:

- Evaluation Criteria for Source Maturity

[3] Throughout these comments, NSET characterizes the current queue as essentially the requests in the queue up until BPA announced its pause on 2/5/2025.

- Evaluation Criteria for Load Maturity
- Evaluation Criteria for PTP requests to NT PODs
- Evaluation Criteria for Battery-to-Battery Requests
- Evaluation Criteria for Additional Information in the Data Exhibits
- Evaluation Criteria for Delivering/Receiving Party Validation
- Evaluation Criteria for Minimum Capitalization Requirements
- Firm Service Prioritization Readiness Requirements

Maintaining open access for a competitive transmission market is the single most important outcome BPA's transmission reform should achieve. In adopting its open access transmission tariff, the Federal Energy Regulatory Commission ("FERC") considered the information a requester should be required to submit with its service request. Some commenters raised concerns about customers reserving capacity and then not using it or tying up transmission capacity with speculative requests, so some urged FERC to require a showing that there is a need for transmission or details of contractual arrangements. But FERC also recognized that there would have to be a limit on the information provided for competitive reasons. FERC noted that firm transmission customers are in the best position to know the levels of electric energy they will be transmitting.

Ultimately, FERC found that forcing customers to demonstrate that there is a need for transmission or to reveal details of individual transactions is anticompetitive and specifically decided against including such a requirement. FERC concluded that firm transmission customers should not lose their rights simply because they do not use that capacity for certain periods of time and that in the absence of evidence of hoarding, they would not limit the amount of capacity that can be reserved.[4]

This non-discriminatory open access to transmission services is the critical backbone for competitive wholesale markets and the cost savings that can be achieved through competition. Denials of access to transmission, whether blatant or subtle, are fundamentally at odds with these principles of open access.

As applied to BPA's suggested alternatives, any attempt to prevent any customer from using the transmission system is fundamentally at odds with open access. It will be highly contested and undermine the entire reform by delaying implementation.

- **Evaluation Criteria for Source and Load Maturity** – Transmission customers need only provide the point of receipt ("POR") and point of delivery ("POD"). Any additional

[4] *Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, 75 F.E.R.C. ¶ 61,080 at 168-170 (1996) ("FERC Order 888").

requirements that would require the customer to disclose that the source or load is mature enough to need the transmission are simply a veiled attempt to prevent the customer from accessing transmission and should not be allowed. Further, the only options that present no impediments to the power marketer and IPP business model, including but not limited to considering the "NewPoint" issue, would be to adhere to open-access and only require POR/POD criteria.

- **Evaluation Criteria for PTP requests to NT PODs** – Point-to-point ("PTP") customers should be able to put in requests to these PODs based on future commercial need. BPA's criteria for what constitutes a network integration transmission service ("NITS") "only" POD are unclear, as it appears to be simply a naming convention. As such, any evaluation criteria that seek to prevent these requests is discriminatory and violates open access. If, however, the challenge BPA is aiming to solve by keeping these as NITS "only" PODs is one of administrative convenience, there could be a solution path here where BPA works with transmission customers to transfer the requests to an existing nearby POD or to establish a new PTP POD nearby. Any other retroactive changes cause consequential damage to those with existing requests.

- **Evaluation Criteria for Battery-to-Battery Requests** – Outright denying battery-to-battery requests similarly is discriminatory and violates the open access principles above. NSET agrees with comments made during the workshops, that just because something might be hard does not mean that BPA should not do it. There should be no requirement to demonstrate that transmission is needed or details of commercial transactions. BPA should also not assume the responsibility for determining whether a battery-to-battery request business model is "reasonable." If BPA is going to require some additional information about the charging and discharging behavior of the batteries in order to study transmission availability, it should simply accept the parameters submitted by the requester based on the operating characteristics of the unit.

- **Evaluation Criteria for Additional Information in the Data Exhibits** - BPA should not have carte blanche discretion to require that any additional information be submitted via BPA's data exhibit process, with a potential ramification being removal of the queue position for not submitting the data. Especially retroactive changes required to existing requests that remove queue timing rights. BPA is more than welcome to engage customers on a voluntary basis to provide additional information without removal from the queue as a consequence. The data exhibit validation process should only include the minimum amount of information necessary that is not discriminatory and does not violate open access principles.

- **Evaluation Criteria for Delivering/Receiving Party Validation** – Any additional requirements that would require the customer to disclose contractual agreements with intended generation and intended load are exactly the items that FERC found should not be disclosed for competitive reasons. As with the source and load maturity evaluation criteria, here too, simply listing the POR and POD is sufficient. Allowing load serving entities ("LSEs") to serve as the decider of who gets transmission and who does not has serious anticompetitive implications. For example, if an LSE is a regulated public utility that earns a guaranteed rate of return on its capital expenditures, it has an inherent incentive to own resources. The LSE itself competes with the bidders into its requests for proposals. It could simply refuse to provide an attestation to some bidders in favor of itself or other bidders offering ownership options using transmission as a means to weed out its competitors.

- **Evaluation Criteria for Minimum Capitalization Requirements** – Imposing a minimum capitalization requirement is a non-starter. It is financially discriminatory and anticompetitive. This would eliminate an entire business model of developers that fund project development based on loan dollars rather than from their balance sheet. The capitalization requirements for CAISO and PJM referenced by BPA are utilized by those entities for market participants because of the exposure in buying and selling energy in the day ahead and real time market. The CAISO credit requirements are not analogous to the BPA structure with individual transmission rights. They are not used for transmission requests. This idea should be removed from consideration. Minimum Capitalization requirements are not necessary in order to determine whether a particular request is "studiable."

- **Firm Service Prioritization Readiness Requirements** – Again, there should be no requirement to demonstrate that transmission is needed or details of commercial transactions. To do otherwise has serious competitive implications and violates fundamental principles of open access transmission.

In sum, FERC considered and specifically rejected in adopting open access tariffs, a demonstration of need or details of contractual arrangements.

Near-Term

NSET recommends in the near term:

De Minimis Redirects:

Recommendations:

BPA to immediately begin processing de minimis redirects[5] (and allow deferrals to proceed while a redirect request is pending[6]).

Discussion:

Please see the letters referenced in the footnotes for further discussion of this recommendation.

"Pilot" Long-Term Planning Study:

Recommendations:

BPA to immediately begin conducting an initial pilot of the new long-term proactive planning methodology by looking at how much volume can be supported by the Grid Expansion and Reinforcement Portfolio ("GERP")[7] 1.0 and 2.0 projects, reviewing projects already studied, and using the current queue and past TSEP 2023 study as a guide for planning the next phase of transmission projects ("GERP 3.0") to support regional needs.

Discussion:

Based on discussions from the December and January workshops, NSET's understanding is that *all* of the capacity made available by the GERP 1.0 projects is already committed to support existing studied transmission service requests ("TSRs") and that most (but potentially not *all*) of the capacity created by the GERP 2.0 projects is already committed to support existing studied TSRs. Based on this assessment and the goal of being able to get TSR(s) firm service within 5-6 years in the Future State, NSET recommends that BPA immediately identify the next wave of GERP 3.0 projects and begin moving those through engineering and environmental assessment. The current queue is a good indication of regional needs as the current process is set up such that customers who fund preliminary engineering are the trigger for building new transmission capacity. All customers in the current queue entered the queue with this knowledge and understanding, and so the current queue offers a good indication of where/what those GERP 3.0 projects need to be and the viable timeline to develop, thus awarding the additional capacity created by these projects. This information is essential for requestors to decide whether to stay or drop out of the queue.

Voluntary Interim Service to get off "pause":

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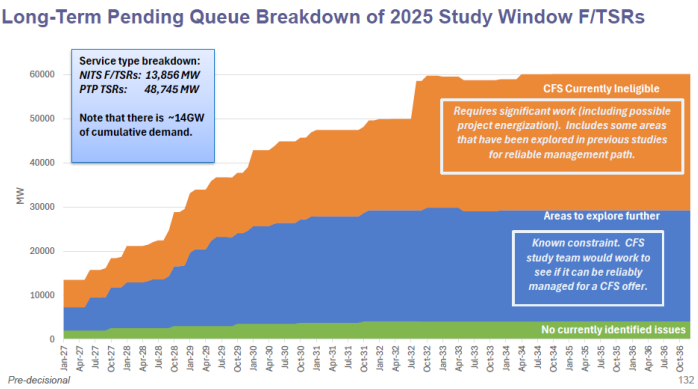
5 Please see Point to Point customer letter NSE signed onto.
6 Please see NSE's concurrently filed comment letter on this topic.
7 Formerly known as the "Evolving Grid".

Recommendations:

Offer customers in the current transition period, long-term pending queue, the *option* to be considered for interim conditional firm service on a voluntary basis if they want it, but customers that elect not to take interim service maintain their queue position pending further study and development of transmission assets.

Offers for interim service will be evaluated according to the green/blue/orange categories presented on slides 129-132 of BPA's updated December slide deck. For example, if the customer elected to receive interim service and is in the green category with no identified issues, then interim service is offered. If the customer is in the orange category, then no immediate interim service is offered, and the customer would be directed back to await the commercial study or further developments that would move the request out of the orange category (like completion of certain builds, etc.). For customers in the blue category, BPA could process on a rolling basis in queue order and make individual determinations about whether the constraint can be reliably managed and what form of CF offer can be provided. In this process of awards, queue order must be maintained, a pathway to LTF must be established, and an understanding of what this CF offer would be must be provided before BPA begins this process. How many curtailable hours is very important to understand the reliability and financial (including the ability to finance) risks.



Finally, interim service would be offered in essentially the same format as conditional firm offers are made under the status quo with no new security or deposit requirements. While it is not clear whether any of BPA's alternatives would impose additional security or deposit amounts, some of the discussion seemed to indicate that either BPA or other stakeholders might be considering layering on an additional security requirement at this stage. But this part of the process is not broken and does not need to be fixed. Presently, the commitment to sign a 5-year contract is sufficient skin-in-the-game (i.e., security) obligate customers.

Discussion:

Allowing this form of voluntary interim service achieves several key goals. First, it allows customers who need service now the option of receiving service now. Second, this preserves the rights of customers who proactively planned for their own future

transmission needs by requesting transmission ahead of need. Third, it conserves BPA's resources by allowing BPA to award some of the "low hanging fruit" (i.e., "green" category) while some of the more difficult transmission awards are subject to future studies and analysis.

Questions:

While this proposal presents NSET's current leaning, we still have the following additional questions about the quality and nature of the CF product that could be offered in the interim, the answers to which may inform and/or modify NSET's current leaning articulated above:

- Will there be any changes to the eligibility criteria for CF awards under an interim service model?
- Will there be a greater frequency of curtailments from the status quo if additional CF interim service awards are granted?
- Could sub-grid curtailment options provide flexibility?

Transition Process

Recommendations:

NSET agrees that existing processes should not be changed for the transition process because doing so would result in long delays and potentially a need to work out new issues with the new process. Getting off the pause and avoiding further challenges is paramount to the region's needs.

As such, once the initial pilot proactive planning study discussed above is complete, BPA would then conduct a full commercial study by starting with the next batch in queue order to develop plans of service for all TSRs in that batch (this is a variation on alternative PP-TS-ALT-4). According to BPA's estimates, this transition study would be complete by November 2029, and BPA would commence the next iteration of its proactive planning study in March 2029, based on the to-be-developed Future State process. NSET proposes that this alternative be modified slightly to cap the size for study at an even smaller number than what BPA stated was possible in its slides with an aim towards getting service offers by year-end 2027. BPA indicated that a 15 MW queue size could be studied under this option, but NSET proposes limiting this further to 10 GW.

NSET proposes that the current queue simply be maintained and added to on a rolling basis as new requests come in, and that BPA simply complete rolling "batches" of commercial studies based on the maximum size that can be completed with each planning and commercial study cycle. This allows BPA to maintain open access, queue order, and

study the slack in the system in a reasonable order and timeline. While finalizing what the Future State will be.

NSET strongly recommends that BPA impose no new evaluation criteria or firm service prioritization readiness criteria or security/study deposits, and keep with the status quo to process the current transition queue.

Discussion:

NSET's recommendation for the transition study achieves several key goals.

First, it prioritizes spending BPA resources where it matters most—planning and building new transmission to support regional needs and studying and awarding the most transmission to the most customers as quickly as possible.

Second, it remains neutral on the business case justifying each transmission request. This is the single most important outcome BPA's transmission reform should achieve because forcing customers to demonstrate that there is a need for transmission or to reveal details of individual transactions is anticompetitive. This fundamental aspect of open access to transmission must not be upset.

Third, it conserves BPA resources that would otherwise need to be expended on requesting data from customers, vetting that data, and removing requests that cannot provide precise certainty around how electrons will flow. As BPA completes more proactive planning studies and completes those builds, it will create more slack in the system which will enable BPA to study larger batches. NSE understands that BPA desires its queue to be "studiable," and best understands this studiability concept as a desire to strike the right balance between making assumptions to inform the study process and having certainty about how electrons will ultimately flow. Historically, BPA has made assumptions about requests in its queue, which served a useful purpose until the queue got too large. BPA now seeks to move away from these assumptions towards having greater certainty by requesting that transmission customers provide precise data to BPA about how customers intend to use their transmission. Of course, absolute certainty about how electrons will flow is not possible, so BPA will always need to make assumptions. It is NSE's understanding[8] that the level of uncertainty BPA is willing to make assumptions around is a function of the slack in the system. So, instead of expending considerable resources and time requesting data from customers, vetting that data, and removing requests that cannot provide precise certainty around how electrons will flow, the approach outlined by NSET instead prioritizes creating additional slack in the system, iterative learning, and coming up with reasonable assumptions about how electrons will

[8] Based on the discussion in the January 7, afternoon workshop.

flow. This allows for the focus to include identifying and building out new resources in a timely manner to meet the region's evolving needs.

Future State

NSET reserves taking significant positions on the Future State at this time. We need to focus instead on processing the current queue, in reasonable batches, and take the necessary time to work through, as a region, what the new Future State will be. Allowing time for pilot proactive planning to proceed and batch studies for the current queue will give the region time to consider the Future State, to establish the new rules of the Future State and to allow customers to understand what risk, commitment, and rules will be applied for future investment decisions.

NSET's current recommendation for Future State queue processing is that any evaluation criteria be consistent with open access principles and that the long-term pending queue would become a rolling "always open" queue where new requests are added to the end, and each iteration of the commercial study would study the next batch of requests, capped at the amount that BPA can reasonably accommodate based on the to be finalized Future State process. As the proactive planning process develops, it will create additional slack in the system and enable BPA to study larger batches, with the goal of ultimately having enough projects in the long-term proactive planning pipeline so that each iteration of the commercial study can study all requests pending at that time.

Closing & Recommendations

- Resume TSR processing (and de minimis redirects). Including allowing deferrals to process while redirect requests are being processed without forcing customers to withdraw their redirect requests.
- Incorporate pilot pre-study.
- Batch studies in strict queue order.
- Do not impose evaluation criteria, minimum capitalization requirements, or firm service prioritization readiness criteria. All of which have serious competitive implications and violate open access principles.
- Comprehensive study models must include GERP 1.0/2.0 and any subsequent additional projects identified.
- Define and disclose revised CF terms, curtailment risks, and projected volume to inform interim service decisions.
- Continue with the current security and deposit requirements under existing practices.

- Timeline needs to be extended, after the Feb 25-26 meeting, before parties are ready to engage in settlement discussions. BPA can take small steps before this, such as processing de mininis requests immediately as we finalize the Transition State process.
- NSET believes we need to resolve the Transition State process and then take the necessary time to create the Future State process and any subsequent needed Tariff changes.

NSET recommends that BPA uphold strict queue order and open-access principles while promptly resuming TSR processing during the Transition State. At the same time, BPA should take the necessary time to thoughtfully design the Future State framework.

For the region, the path forward is clear: we must enable the timely development of both transmission and generation resources to meet expiring federal tax credit deadlines, comply with emerging compliance program requirements, serve accelerating load growth, protect system reliability, and investor confidence in our region.

This requires BPA to advance the Transition-State queue, identify and sequence future GERP-driven system upgrades, develop those upgrades without delay, and maintain financial viability for customers and project sponsors. These steps must proceed in parallel with continued work to define what the Future State will ultimately be.

NSET remains committed to working constructively with BPA during the TC-27 transition state and future state processes to ensure outcomes that support reliable, equitable, and affordable clean energy integration.

Sincerely,

NewSun Energy Transmission Company LLC

Deferral of Transmission Service (Extension for Commencement of Service)

Version Number: 24

Deferral Business Practice Section: A.6.b

Section 5: Objective of Proposed Transmission Business Practice Request

a) **Describe the problem/issue this request will resolve.**

Under the existing rule, a deferral transmission service request ("TSR") is refused if the parent reservation has OASIS actions that decrement capacity before confirmation. While historically a minor issue, this issue is highlighted and has become material due to BPA's pause in queue processing, which stalls redirect requests and forces customers to withdraw them simply to complete a deferral transaction—even for de-minimis requests. This creates unnecessary disruption, administrative burden, and inefficiency in the queue.

b) **Describe the impacts and benefits of the suggested change on Bonneville and stakeholders, to the extent that the submitter may know this information.**

The proposed change will strike an appropriate balance between flexibility and stability during periods of uncertainty, while preserving the overall integrity of the BPA queue for all stakeholders. Absent this change, customers seeking both deferral and redirect options would be forced to abandon existing requests.

This outcome is particularly problematic now that the queue processing is paused due to circumstances outside of customers' control. The forced withdrawals mentioned above unnecessarily disrupt queue order, introduce additional volatility, and require customers to re-enter the queue through new or re-submitted requests.

This increases BPA's administrative burden and drives additional studies that are unrelated to project viability and driven solely by procedural constraints. In contrast, allowing increased flexibility for deferral and redirect requests during such periods benefits all stakeholders.

Customers retain the ability to adapt to evolving commercial and regulatory conditions while maintaining their established queue position, providing critical certainty and predictability. Preserving queue position for customers who have already invested significant time and resources reduces unnecessary churn and avoids repeated restudies that do not advance system planning outcomes. An orderly and stable queue improves administrative efficiency, supports more accurate planning assumptions, and mitigates workload spikes associated with queue disruption.

Overall, this change enhances flexibility during uncertain periods without sacrificing certainty, supports BPA's operational efficiency, and avoids outcomes that would otherwise undermine orderly queue management. Specifically, the proposed change will: preserve queue priority and

capacity rights for customers that have already established a place in the queue, reduce uncertainty for developers and load-serving entities navigating complex and evolving timelines, uphold open-access principles while simplifying BPA's administrative workload and reducing unnecessary process churn, and support BPA objectives by improving efficiency, transparency, and predictability in queue management.

Section 6 – Transmission Business Practice Proposal

In the area below, please copy and paste the transmission business practice sections(s) and language for which you are requesting revisions, with all edits red-lined or the language for the proposed new business practice. If you prefer to use an attachment to provide the proposed revisions, please add the attachment to the email message along with this form.

Deferral of Transmission Service (Extensions for Commencement of Service) Version 24, Section A.6.b

6. A Deferral TSR will be REFUSED if:

a. There is insufficient capacity for the deferred time; or

b. The Parent Reservation has OASIS actions that decrements the capacity needed to enable a Deferral TSR prior to being CONFIRMED, except in the case of unconfirmed redirect requests.