

April 15, 2026



Bonneville Power Administration  
Attn: Transmission Services  
905 NE 11<sup>th</sup> Ave  
Portland, OR 97232

**via email ([techforum@bpa.gov](mailto:techforum@bpa.gov))**

**Re: Avangrid Comments on TC-27 Staff Leaning**

Avangrid Power, LLC (“Avangrid”) appreciates Bonneville Power Administration’s (“Bonneville”) continued engagement with stakeholders in the TC-27 process. These comments address the Bonneville Staff leaning reviewed during the workshops on March 18, 2026 and March 19, 2026 (the “March Workshops”).<sup>1</sup>

Avangrid recognizes the complexity of the issues facing Bonneville, and the difficulty in developing a framework that meets all stakeholders’ objectives while enabling a process that can provide useful service that customers will want to purchase while the path to firm is determined. While Avangrid supports Bonneville’s objective of improving queue efficiency and advancing near-term projects, the framework proposed by Staff raises significant concerns related to queue prioritization and risk allocation. As currently structured, the proposal risks functioning as a screen that alters queue outcomes in favor of certain customers, disproportionately shifts risk to others, and codifies indefinite uncertainty regarding the path to long-term firm (“LTF”) service.

Avangrid has consistently advocated for a new path to LTF transmission service that aligns with current project in-service dates, including transparent and reasonable security requirements; clear decision points with escalating financial commitments and offramps to balance risk; comparable service for different customer groups; and alignment with open-access principles that allows nondiscriminatory access to Bonneville’s transmission system.<sup>2</sup> Avangrid’s comments build on these themes above/previous recommendations and aim to help identify a workable path to settlement. We look forward to working with Staff through these ideas and developing a workable process going forward.

**I. COMMENTS**

Avangrid includes a number of recommendations for the agency to consider, including that Bonneville should:

- Apply equitable requirements for Transmission Service Requests (“TSRs”) interconnecting to non-BPA Balancing Authority Areas (“BAAs”);
- Provide certainty for the timeline to study TSRs associated with Generator Interconnection (“GI”) requests currently in BPA’s TC-25 Transition Cluster;
- Adjust the proposed timeline to defer security and service-related charges until after Conditional Firm Service (“CFS”) is awarded;
- Provide an offramp after the CFS offer and provide customers regular updates;
- Move forward on processing *de minimis* TSRs;
- Consider cost causation and allocation when assigning service-related charges and costs;
- Provide a path to LTF service and information regarding cost assignment to “firm-up” service;

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<sup>1</sup> Additional details regarding the more than 100 unique reform alternatives considered in the TC-27 Pre-proceeding, including the meeting materials for the March Workshop (“March Workshops Slide Deck”) are available at <https://www.bpa.gov/energy-and-services/rate-and-tariff-proceedings/tc-27-tariff-proceeding>.

<sup>2</sup> See e.g., Avangrid Comments on TC-27 Alternatives and Priorities at 1 (Jan. 16, 2026).

- Award CFS consistent with current queue position with additional deferral opportunities;
- Focus on process efficiency over broad-based screening; and
- Establishing a Business Practice (“BP”) this year for the Customer’s Option-to-Build

These recommendations are explored more fully below, with three priority recommendations addressed first.

**A. Avangrid Strongly Recommends that Bonneville Apply Equitable GI Requirements for Transmission Requests**

*i. Bonneville Should Apply Equitable Requirements for TSRs Interconnecting in Other BAAs*

Staff’s current Source Maturity leaning has two phases. Initially TSRs would be required to either be associated with projects that are already in service, nearly completed with the agency’s GI process (“Late Stage/Bypass”), or interconnecting to another BAA with an identified interchange point as a prerequisite for moving forward into the first Transition Study. Later, after the agency provides official notice, Bonneville would allow TSRs associated with projects that have completed the agency’s GI Phase One Cluster Study and executed a GI Phase Two Cluster Study Agreement (or equivalent) to demonstrate Source Maturity and move forward into a second Transition Study or participate in the Future State.<sup>3</sup>

At the March Workshops, Bonneville Staff acknowledged potential inequity regarding its approach to projects interconnecting to other BAAs, but expressed hesitancy to address other entities’ interconnection processes. Bonneville noted that data validation for external resources may be more difficult given differences in process and visibility across systems and as a result will not be subject to the GI Source Maturity requirements that apply to TSRs associated with GI requests in Bonneville’s BAA.

The proposed approach raises the question regarding why interconnection requests from a non-BPA BAA should advantage requests over similarly situated GI requests in Bonneville’s own queue, which can only demonstrate maturity *after a future notice date from the agency* if the Phase Two cluster Study Agreement has been executed; while GI requests interconnecting to a non-BPA BAA are not held to that requirement and are not required to show any proof or equivalent maturity to move forward in the proposed transmission process.

Avangrid understands that Bonneville Staff expressed hesitancy to address other entities’ interconnection processes, noting that data validation for external resources may be more difficult given differences in process and visibility across systems. Nonetheless, the outcome would be a policy that creates competitive advantages for projects interconnecting to non-BPA utilities as BPA would prioritize transmission to those projects over BPA interconnected TC-25 GI Transition Cluster projects, potentially raising transmission rates for BPA interconnection customers and incentivizing developers to interconnect to a non-BPA utility for faster transmission studies that are not delayed by BPA GI processes. Avangrid recommends that Bonneville ensure that TSRs from external BAAs are not advantaged, or conversely, disadvantaged. In sum, Bonneville should provide a clear, workable path for such requests to be evaluated and advanced on a comparable basis.

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<sup>3</sup> See March Workshops Slide Deck at 35 (suggesting that “Online, Late Stage/Bypass and Not IC to BPA BAA” requests would be studied in the first Transition Study whereas “Completion of GI Phase One Cluster Study AND Execution of GI Phase Two Cluster Study Agreement (or equivalent)” would be needed for TSRs submitted after a notice date”).

*ii. Bonneville Should Provide a Certain Timeline to Study TSRs associated with the TC-25 Transition Cluster and Expedite those Studies to Give the Transition Cluster Projects a Chance to Receive Federal Tax Credits*

Bonneville has indicated that requests in the current TC-25 Transition Cluster might either be studied in a second Transition Study or in a Future State Study. On this subject, Bonneville should confirm whether requests associated with generators in the TC-25 Transition Cluster may be able to participate in a Transition Study.<sup>4</sup> Depending on when the formal TC-27 process concludes, Bonneville estimates that CFS awards may be made in 2027 and 2028—a timeframe in which the TC-25 Transition Cluster may have completed Phase Two and, therefore, be sufficiently advanced to meet Staff’s proposed Source Maturity criteria and move into a Transition Study.<sup>5</sup> If Bonneville would commit to offering those projects a second study, and expedite the studies as much as possible, then there would be a possible hope that the projects associated with the TC-25 GI cluster may qualify for federal tax credits.

Other stakeholders have suggested that ideally transmission requestors would have access to transmission and interconnection upgrade information in close temporal proximity. Avangrid agrees that in an ideal process that information would be available and recommends that Bonneville strive for that goal in the Future State process if impossible to achieve in the Transition period.

**B. Avangrid Strongly Recommends that Bonneville Adjusts Its Proposal Related to the Timing of Collecting Study Fees, Security Provisions, and Service-Related Charges**

Bonneville proposes requiring TSRs that meet Evaluation Criteria and wish to participate in the Transition Study to sign a CFS Analysis Agreement. This agreement would obligate the customer to take-and-pay for conditional firm transmission service at any time offered in the 10 years following execution, pay study-related fees, pay service-related charges, and provide security that will be forfeited if the customer does not take the service.<sup>6</sup> For a 100-MW project utilizing Point-to-Point (“PTP”) service, Bonneville estimates that its proposal equates to nearly \$400,000 in fees and \$8.6 million in security – totaling \$9million due at a point in the process when great uncertainty remains.<sup>7</sup>

Broadly speaking, Avangrid is concerned that risk is being imposed too early in the process before sufficient certainty exists. More specifically:

- Eligibility Criteria that require advanced project maturity before transmission availability is known creates a new circular dependency problem;
- Interim CFS that requires customers to accept unknown congestion risk isn’t financeable; and
- Security requirements tied to participation in the Transition Studies impose substantial financial commitment before study outcomes are known.

Avangrid recognizes the need to develop an approach that enables Bonneville to study TSRs. The proposed requirements, however, collectively reflect a broader shift towards transferring planning, timing, and financial risk to transmission customers. The new CFS offering is intended to provide “earlier access with informed risk”<sup>8</sup> but requires customers to bear new uncertainty associated with congestion and service availability that may make the CFS service that is offered too uncertain for the requestor and their customers to proceed, especially without any information regarding the final cost to serve the customer with long-term firm service.

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<sup>4</sup> *Id.* at 36 (discussing potential additional transition studies).

<sup>5</sup> *Id.* at 33.

<sup>6</sup> *See id.* at 66.

<sup>7</sup> *Id.* at 104.

<sup>8</sup> *Id.* at 5.

To better illustrate these concerns and the requestor’s perspective, consider the imperfect analogy of purchasing a home.

When making an offer on a house, a prospective buyer typically provides earnest money to demonstrate commitment. That amount becomes nonrefundable only after a certain point, and it is far less than three years’ worth of mortgage payments. At the time the offer is made, the buyer does not yet know everything that may be revealed through a home inspection, nor do they necessarily have complete certainty regarding ultimate costs or finance-ability before an appraisal is completed. Accordingly, the buyer is not required at the offer stage to pay in advance the full range of closing costs, title fees, taxes, or the down payment associated with the final purchase. After inspections, after appraisal, and after establishing the costs of financing the purchase, the buyer understands the full cost of purchasing the home and takes possession of the home and its associated costs with confidence in the continued use of it.

By contrast, what Bonneville is asking is more akin to requiring a prospective buyer to pay substantial fees at the time an offer is submitted; to cover in advance the costs of inspections and any initial improvements needed to make the home usable; to provide a nonrefundable earnest deposit and down payment equal to three years of mortgage payments without knowing whether the purchase will ultimately be awarded; to accept a process under which the seller could decide at any point in the next ten years, with a one-year deferral, that the buyer must complete the purchase or forfeit its earnest money and down payment; to agree to the possibility of being required to vacate the home (i.e., curtail residency) for undefined periods after the sale is complete; and, to be subject to unknown costs regarding the total purchase cost of the house on a long-term basis.

Although the analogy is imperfect and the underlying determination of how Bonneville should move through the backlog of requests and develop plans of service to enable firm service offerings is in some ways more complex than a home purchase, the broader principle remains the same: the process for prospective transmission customers to move from request, through study and offer should be structured so that requestors first pay reasonable fees to support the study and then assume progressively greater commitments and security obligations only as Bonneville provides additional information and greater certainty regarding the quality of service to be provided and the eventual all-in costs.

To remedy these concerns, Avangrid recommends the agency establish clear financial escalation points for customers that are tied to increasing levels of information shared by Bonneville about the service that will be offered, including expected service quality, costs, and timing. More details regarding Avangrid’s recommendation are provided below.

*i. Bonneville Should Collect Study Fees Prior to the Transition Study and Defer Security and Service-Related Charges Until After CFS is Offered*

Avangrid recommends that Bonneville consider separating out study fees, security, service fees, and agreement execution to different decision points in the process, such that study-related fees are collected prior to the study and the proposed security and service-related fees are collected when service is offered post-study.

To provide more specifics, Bonneville proposes to collect the new costs associated with the management of the new CFS awards and service before the Transition Study.<sup>9</sup> To the extent these charges are collected from a subset of customers, it makes more sense to collect them from the customers *offered* CFS than those *requesting* CFS, thus moving the collection of these service-related charges to after the Transition Study when Bonneville

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<sup>9</sup> *Id.* at 66.

offers CFS. More discussion is needed about whether these charges should be borne by all transmission customers or a subset, as explored further below.

*ii. Bonneville Should Provide an Offramp After the CFS Offer and Provide Customers with Regular Updates*

Avangrid recommends Bonneville provide customers with an opportunity to exit without penalty, or a much smaller penalty than currently proposed (*i.e.*, approximately \$9M for a 100-MW project), when a CFS offer is made and prior to the requirement to post material financial security or execute a binding service agreement. Making this adjustment will align customer commitments with the availability of actionable information, including whether service is available, the expected quality of that service, and the likely cost and timing of future upgrades. Additionally, providing an offramp at this stage would improve commercial viability, support informed investment decisions, and better align cost responsibility with customers that ultimately elect to move forward. As is, Bonneville’s security provisions inflict premature financial exposure.

Relatedly, at the March Workshops, Staff reviewed the path to transitional CFS awards, indicating that TSRs requiring new operational paths will not be awarded service until the necessary operational constraint management is in place, and that development of such operational paths may take 12-18 months.<sup>10</sup> Avangrid recommends that Bonneville plan for engaging with customers regarding this work in advance, as significant time could pass without customers receiving updates on the status of their requests and market changes could modify the need for the service. Moreover, Bonneville could invest substantial time and resources in developing operational solutions that ultimately do not result in service aligned with customer needs.

**C. Avangrid Strongly Recommends that Bonneville Begin the Anticipated BP Processes Imminently, Well Before Any Settlement Conversations**

PTP customers have consistently urged Bonneville to resume processing redirect requests with *de minimis* impacts.<sup>11</sup> At the March Workshops, Staff confirmed the agency expects to do so once it has established two new BPs, which will occur outside of the TC-27 process.<sup>12</sup> One BP will limit redirects with *de minimis* impacts and the other will establish a Non-Trended Load Growth threshold. Avangrid does not have a position on the latter BP, but expects the redirect limit to require stakeholder discussion beyond what is usually expected in the normal BP process, and thus, urges the agency to either schedule a workshop for redirects or to begin the formal BP processes as soon as practicable so that they can be concluded well in advance of any settlement discussions. Avangrid recognizes the value in establishing limits to prevent queue flooding and looks forward to determining the appropriate approach. Moreover, Avangrid supports establishing parity for NITS and PTP customers and encourages Bonneville to consider whether the *de minimis* definition should align with the NITS threshold of 13 MW.

**D. Other Recommendations**

*i. Bonneville Should Consider Cost Causation and Allocation when Assigning Service-Related Charges and Costs Related to the Transition Process*

As briefly noted above, Bonneville is proposing to allocate the costs related to the new CFS awards to all customers with unstudied TSRs that wish to remain in the queue. As Staff explained in the March Workshops, the new CFS awards will result in new staffing and operations requirements to evaluate system conditions,

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<sup>10</sup> *Id.* at 91 (indicating the development of new operational paths would take 12-18 months).

<sup>11</sup> *Id.* at 107 (“PTP customers strongly support resuming processing of TSRs with *de minimis* impacts”).

<sup>12</sup> *Id.*

manage the new program, issue new contracts, develop new managed paths, maintain an increased number of paths, and manage the increased curtailment risk.<sup>13</sup> The fees appear to be directed at service-related actions that will benefit a larger group paying for service from Bonneville. This creates a mismatch between customers that are paying for these services and those that are receiving the benefits.

Staff's leaning raises significant cost-causation concerns to the extent that costs associated with implementing CFS—including operational tools, congestion management, and incremental staffing increases—will be assigned solely to customers participating in the transition framework. Many of these investments appear to provide broader system benefits, including improved operational capability and enhanced utilization of the transmission system. Assigning such costs to a limited subset of customers risks misaligning cost responsibility, and especially if the new CFS revenues are not similarly allocated to the same cost pool.

On a related issue, while Avangrid recognizes that certain customers eligible for CFS may have previously completed transmission studies under earlier processes, all customers appear to be transitioning to a new service framework that will require a new study, contractual, and operational processes. Since the agency has confirmed that previously studied TSRs may also be offered CFS during the transition, it is difficult to understand why any such customers would not also be asked to pay for these operational costs too.

*ii. Open-Access Principles Should Not be Paused Indefinitely to Resume TSR Processing*

Avangrid recognizes Bonneville's need to address an unprecedented queue and appreciates the urgency of moving beyond the current pause but cautions against framing the proposal as a tradeoff between maintaining open-access principles and resuming TSR processing. In Avangrid's view, this is not a binary choice.

Several elements of Bonneville's proposal raise concerns regarding consistency with core open-access transmission principles. In particular, the use of new Evaluation Criteria to prioritize "most ready" projects, the introduction of substantial upfront financial requirements, and the increased coupling of transmission service to specific sources and uses all collectively risk moving away from a nondiscriminatory framework.

Avangrid is sympathetic to the agency's processing dilemma, recognizes Bonneville's need to manage an unprecedented queue volume, and does not want to beleaguer the agency's ability to resume processing TSRs, but it is critical that reforms preserve transparent and objective criteria and avoid introducing barriers or discretionary elements that could result in undue discrimination among similarly situated customers. This is especially true as these reforms, which have been largely characterized as temporary, will be memorialized in Bonneville's tariff indefinitely.

a. Bonneville Must Provide a Path to LTF Service and Additional Information Regarding Cost Assignment of Upgrades for Eventual Long-Term Firm Service

Avangrid reiterates that customers should not be required to surrender or materially alter their existing queue rights without a clearly defined and workable new path to LTF service. At a minimum, Bonneville should commit to having a new process in place by a certain date.

Moreover, given where this process has ended up, it is not entirely clear why Bonneville needs to invalidate any requests to move forward with Staff's proposed framework. As an alternative, Bonneville could simply use the new Evaluation Criteria as a flag to determine which requests are eligible to be included in the CFS Transition Study while a more durable study process is developed. This would allow ineligible requests to remain in the

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<sup>13</sup> *Id.* at 70.

queue until all of the new Eligibility Criteria are met, the request could be considered for CFS, or a new path to LTF is established.

Last, customers will have no certainty regarding the long-term costs of the service that they accept under the transition process. At the very least, Avangrid would find it helpful, through this process or the Future State process to understand the approach Bonneville will take for assigning costs of upgrades necessary to firm up CFS service to customers accepting service through the Transition process.

b. Bonneville Should Award CFS Consistent with Current Queue Position and Provide Additional Deferral Opportunities

Bonneville intends to apply the Evaluation Criteria to existing requests in queue order but will offer service based on first-ready, first-awarded.<sup>14</sup> Avangrid appreciates the agency's goal to begin providing service as quickly as possible, but recommends that Bonneville establish a clear, transparent process and work to respect queue order, otherwise the approach will look like the agency is picking winners and losers or allowing certain customers to queue jump. Rather than Bonneville identifying and awarding transmission service to TSRs with earlier in-service dates, Bonneville could offer CFS in queue order and offer more deferral opportunities to align transmission service with in-service dates of the projects. There are many reasons that project in-service dates may need more than a one-year deferral, including construction timelines, interconnection delays, power purchase negotiations, utility RFP schedules, and other project-related processes that may not be able to line up in 365 days after an offer of transmission service is made.

Last, assuming Staff will have a process to evaluating whether CFS can be offered, that process should be included in the tariff and fully vetted by stakeholders.

*iii. Bonneville Should Focus on Process Efficiency by Establishing a BP This Year for the Customer's Option-to-Build*

Bonneville's response to the unprecedented number of new service requests suggests the agency may view its current queue volume as a one-off problem rather than the new normal. To the extent that requests continue to increase exponentially in volume, the agency's proposed ad-hoc, interim framework may create an ongoing processing problem rather than resolve one. Avangrid strongly urges Bonneville to benchmark its approach with other transmission providers and continue looking to other planning models for more efficient improvements.

To that end, Avangrid recommends moving forward the self-build option as soon as possible to enable more entities to support the building of capacity. Avangrid understands and supports the agency's efforts to expand its contracting capabilities and to stand up a new process to expand the Customer's Option-to-Build provisions for both GI and transmission that are already in place in Bonneville's tariff.<sup>15</sup> Avangrid also understands that Western Area Power Administration ("WAPA"), a sister federal power marketing administration, has an existing BP that may provide a workable model since WAPA presumably has the same federal contracting requirements and/or similar obstacles. Advancements in this area could help alleviate some of the workload facing the agency, and thus, Avangrid urges Bonneville to consider using WAPA's process as a starting point and initiating a new BP process in parallel with the two BPs the agency is already planning.

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<sup>14</sup> See *id.* at 84 (confirming TSRs will be processed in queue order); *id.* at 91 (noting awards will be made in an iterative process based on service commencement and operational management).

<sup>15</sup> See Grid Access Transformation Future State Workshop Slide Deck at 21 (April 15, 2026) (noting the agency's target to stand up a new process and BPs for the Customer's Option-to-Build by 2027).

## II. CONCLUSION

Avangrid appreciates Bonneville's consideration of these comments and the recommendations contained herein and looks forward to working with stakeholders to reform Bonneville's transmission expansion. Nothing in these comments constitutes a waiver or relinquishment of any rights or remedies provided by applicable law or under Bonneville's tariff or otherwise under contract.

Signed,

*/s/ Tashiana Wangler*

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