PUBLIC UTILITY DISTRICT NO. 1 of Cowlitz County, Washington

Bonneville Power Administration

905 NE 11th Ave

Portland, OR 97232

April 8, 2026

Submitted via TechForum email:

RE: Cowlitz PUD Comments on BPA Staff Leanings Discussed During the March 18-19 TC-27 Pre-Proceeding Workshops

Public Utility District No.1 of Cowlitz County (the District) is aware of the complex and significant challenges that the BPA transmission system faces due to the considerable and rapid growth occurring throughout the region. The District further understands that this rapid growth has exceeded the capabilities and means of BPA to process its increasingly growing transmission service request queue within the timeframes needed to support the region's economic needs. Accordingly, we agree and support BPA's efforts to address these challenges, transitioning from the current paused state to a more functional and needs responsive process of proactive planning and accelerated transmission system expansion to meet urgent regional needs.

In order to transition from the current paused state, BPA identified several near-term actions to deal with the queue of unstudied long-term transmission service requests (TSRs) and preserve effective congestion management without degrading the quality of existing long-term firm transmission rights. As part of these actions and through previous discussion on this topic, BPA introduced the concepts of "trended" and "non-trended" load growth, determined on a per-facility basis, for its Network Integration Transmission Service (NITS), which delineates the conditions in which a NITS customer would need to complete a more elaborate commercial planning process to secure firm transmission service. This delineation has been proposed by BPA staff at an increase of 13 MW of peak demand and is applicable to new NITS loads as well as existing NITS loads.

As BPA is aware, the District has a number of existing large CF/CT loads that are long standing end-users of BPA power. We believe that BPA's trended/non-trended proposal and BPA staff's identified leanings to not consider the unique Northwest Power Act status of CF/CT loads in making trended/non-trended determinations creates a number of challenges and will incumber legacy large load customers unreasonably with the costs and risks associated with new large load growth, particularly load growth from data centers. These impacts could be materially harmful to these long-standing end-users of BPA power and transmission, potentially threatening their viability and jobs in Cowlitz County in order to address challenges arising from

new large loads and data centers, elsewhere. As such we would like to highlight for BPA staff's consideration of the CF/CT load treatment in the TC-27 Pre-Proceeding, the following contemplations with respect to the shared staff leanings on CF/CT customers and rationale for such leanings:

1. As AWEC noted in its comments provided to BPA on January 16, 2026 in regard to BPA's TC-27 December and January 2026 workshops, a "CF/CT load is a load that existed prior to September 1, 1979, that was either 'contracted for' to be served by a Bonneville customer, or 'committed to' by a Bonneville customer to be served. Thus, CF/CT loads are legacy loads that BPA (and its NITS customers) have long planned for, and that BPA's existing transmission system was sized and designed to accommodate." Accordingly, the transmission assets to serve CF/CT facilities have long been accounted and paid for by CF/CT loads through the BPA transmission rates they have paid through their host utility over approximately the last fifty years or, in some cases, a much longer period. By doing so, these CF/CT loads effectively helped finance and build the region's transmission backbone, including infrastructure necessary to serve up to designated CF/CT amounts. This stands in stark contrast to a new large-load customer that has not made any financial contributions to the existing transmission system.

2. Existing CF/CT customers can be subject to cyclical variability due to economic conditions that are inherent to their respective business as well as outside of their control, for example due to global pandemics and/or economic downturns. This has been recognized by BPA in the Provider of Choice contract development, in which BPA extended an option for such customers to regain access to BPA CHWM through a demonstration of load recovery. Accordingly, it seems principled that BPA should recognize this variability in some capacity in both Power and Transmission BPA Business Practices and/or policies.

3. Public power utilities with CF/CT customers have an obligation to take and pay for BPA power services up to their CHWM and potentially beyond, depending on the utility's Tier 2 election, which are calculated assuming CF/CT loads. Furthermore, it is the District's understanding that BPA Tier 2 power would be a delivered product, on firm transmission. It seems unreasonable for BPA to contractually require a utility with a CF/CT customer to purchase a BPA power product to serve that load that could not be delivered.

4. Some of the District's CF/CT customers often attain annual peak demand at levels consistent with historical peak amounts, independent of the annual average load consumption. Accordingly on an annual basis, load growth could occur and not materially change the CF/CT customer's peak demand. In these circumstances additional transmission infrastructure improvements would not be needed. Accordingly, we believe that variations in peak demand should be solely considered for existing or previously encumber loads, and only to the extent that such peak amounts would exceed the existing determined CF/CT commitments for such customers.

5. The District has historically reported its average load and peak demand forecast through its annual Load and Resource Consolidated Data Collection Tool (LaRC) submittal as an aggregation for the total District, which considers coincidence of large customer peak demand rather than unique representation of individual customer demands. At this time, it is unclear how LaRC reporting, including calculation of a baseline, will be applied to CF/CT loads. Because the transmission system is planned for and sized based on peak MWs, if BPA will not exempt CF/CT loads from non-trended load growth facility determinations, the baseline for CF/CT loads should be determined based on peak MW and compared to actual peak demand increase for such customers.

The District appreciates BPA's outreach and solicitation for comment on the TC-27 Pre-Proceeding Workshops hosted March 18-19, 2026. The District would like to work collaboratively with BPA to solve the pressing transmission challenges facing the region but believes that it is important to proceed in a principled manner consistent with BPA's obligations and historical business practices. Furthermore, we believe that unique consideration for CF/CT loads is warranted and consistent with the long-standing provisions of the Northwest Power Act, which recognizes these qualifying legacy loads distinctly. Additionally, we believe it is important to also recognize the significant historic and continuing financial payments that these customers have made to BPA in order to construct and maintain BPA's transmission system and to ensure that there is suitable transmission to serve their legacy loads. As such, we urge BPA to reconsider the previous staff leanings shared during the recent March 18-19, 2026 workshops and not include CF/CT loads as part of the trended load growth evaluation proposal, as was previously contemplated earlier on in this process and shared in the July 9-10, 2025 GAT workshop, in which at that time BPA had noted that its staff's NITS forecast leaning was that it would not be retroactively applied to existing or previously encumbered loads.