October 16, 2026

Communication: Via Email

U.S. Department of Energy
Bonneville Power Administration
techforum@bpa.gov

RE: Objection to Proposed TC-27 Settlement and Transition Planning Process

NewSun Energy Transmission LLC (NSET) objects to the proposed TC-27 Settlement.

NSET has been a BPA transmission customer since 2016 and has participated in nearly every transmission study process since then. It holds a mix of transmission that has been confirmed, is pending, deferred, and redirected. NSET transmission positions support operating projects with existing contractual PPA arrangements with multiple LSE customers, support $100s of millions of dollars of energy storage project(s) currently under development, and support other trading and market participant arrangements. Some of the above have been directly or materially adversely harmed, directly and/or indirectly relative to active commercial interest in support of generation, transmission, and other business activities both with affiliated and unaffiliated contract entities. NSET has been harmed by BPA studies, removal of TSRs, pauses, and failure to conduct or process studies for redirect requests currently, in the past, and projected forward with this settlement proposal.

NSET has unique interest, knowledge, history, and harmful impacts dealing with BPA activities.

The Settlement materially alters existing rights, expectations, and contractual value without sufficient explanation of how the settlement will remedy the identified challenges. The Settlement's terms lack evidentiary support, technical analysis, or demonstration that the claimed benefits outweigh the resulting discriminatory harm.

The undersigned also objects to the Settlement on the grounds that the proposal imposes retroactive requirements, grants BPA substantial future discretionary authority, restricts existing transmission rights, creates disparate treatment among similarly situated customers, and alters the economic value of existing transmission arrangements. BPA has not provided sufficient quantitative analysis, economic evaluation, discrimination assessment, reliability assessment, or benefit-cost justification demonstrating that these extreme measures are necessary, reasonable, or proportionate to the harms imposed on affected customers.

The undersigned further objects that the Settlement is arbitrary and capricious, discriminatory in effect, vastly deviates from the existing OATT principles, unsupported by substantial evidence, inconsistent with customer reliance interests, and contrary to fundamental open-access transmission principles.

The objections contained within this letter are a non-exhaustive list of the issues the proposed Settlement presents to the undersigned and its business. The undersigned objects to the provisions identified below, together with all related provisions identified in Appendix A and any provisions that implement, incorporate, or rely upon the same concepts, standards, authorities, or discretionary powers.

Retroactive Application of New Requirements to Existing TSRs

The undersigned specifically objects to **Sections 2.b, 2.b.i, 2.b.ii, 2.b.iii, 2.b.iv, 2.b.v, 2.b.vi, 2.b.viii, 2.b.x, 2.b.xi, 2.b.xii, 2.c.ii, and related provisions**, which collectively authorize BPA to retroactively impose new standards, eligibility requirements, validation obligations, maturity standards, evaluation criteria, and continuing compliance requirements on TSRs that were previously submitted, accepted, and in many cases validated, under previous BPA tariff and business practice requirements.

Customers submitted requests and invested capital based upon the tariff, business practices, and queue administration framework in existence at the time of submission. The Settlement fundamentally alters those expectations, creating material harm by imposing new requirements on existing TSRs.

Elimination of Existing Queue Rights

The undersigned specifically objects to **Sections 2.b.ii, 2.b.iv, 2.b.v, 2.b.vi, 2.b.x, 2.b.xi, 2.c.ii, 2.c.vii, 2.c.viii, 2.d.iii, 2.d.iv, and related provisions** that permit BPA to authorize the taking of property, removal, forfeiture, reordering, or elimination of existing TSRs, thereby materially impairing the economic value of vested transmission rights, queue positions, and associated commercial expectations.

Impairment of Existing Contract Rights and Reliance Interests.

The undersigned specifically objects to **Sections 2.a.i, 2.a.ii, 2.b.i, 2.b.ii, 2.b.iv, 2.b.v, 2.b.vi, 2.b.vii, 2.b.x, 2.b.xi, 2.b.xii, 2.c.ii, 2.d.iii, 2.d.iv, 2.e.ii, 3.a, 3.b, 3.c, 3.d, and related provisions** because they establish or enable disparate treatment among similarly situated customers and resources. In practice, these provisions permit later-requested transmission service and certain preferred resources to receive advantages unavailable to similarly situated customers with earlier-filed requests and established reliance interests. The resulting framework produces disparate treatment among market participants without

a sufficient showing that such discrimination is necessary, reasonable, or supported by corresponding system benefits, thereby creating undue preference and competitive distortions within the transmission marketplace.

Impairment of Existing Contract Redirect Rights

The Settlement materially affects rights and expectations acquired by existing long-term transmission customers and TSR holders. Of particular concern is BPA's stated inability or unwillingness (pause) to process long-term redirect studies for extended periods of time.

The inability to obtain redirect analysis, redirect transmission service, modify delivery arrangements, or otherwise utilize existing contractual transmission rights materially diminishes the value of executed transmission agreements and interferes with established commercial expectations.

Preferential Treatment of Certain Resource Classes, Discriminatory Outcomes, and Market Power Implications

The undersigned objects to **Sections 2.a, 2.a.i, 2.a.ii, 2.b,2.b.i, 2.b.ii, 2.b.iv, 2.b.v, 2.b.vi, 2.b.vii, 2.b.x, 2.b.xi, 2.b.xii, 2.c, 2.c.ii, 2.c.vii, 2.d, 2.d.iii, 2.d.iv, 3.a, 3.b, 3.c, 3.d and related provisions** because they create discriminatory outcomes among market participants, alter competitive market dynamics, confer preferential treatment upon certain classes of customers and resources, and permit BPA to influence commercial outcomes in a manner inconsistent with open-access transmission principles.

The Settlement creates economic winners and losers by reallocating queue value, queue position, and transmission opportunities among similarly situated customers.

Provided Analysis, Constraint Management and Conditional Firm Service Remain Insufficiently Defined

The undersigned objects to **Sections 2.c, 2.c.v, 2.c.vi, 2.c.viii, 2.d, 2.d.i, 2.d.ii, 2.d.iii, 2.d.iv, 2.d.v, 2.e.i, and related provisions**. Customers are asked to commit capital and relinquish rights in exchange for *the chance* to receive Conditional Firm service. This Conditional Firm service is insufficiently defined to justify such commitments. Without understanding how the proposed Conditional Firm framework will operate, it is improper to ask customers to surrender what could be millions of dollars. BPA has not adequately identified or discussed material aspects of the Conditional Firm transmission process, including, but not limited to, which constraints will be managed, which flow gates are expected to be relieved, and the criteria BPA will use to prioritize mitigation. Overall, BPA’s proposal lacks the adequate technical, operational, and economic analyses to support the Settlement proposal.

Unsupported Financial and Security Obligations

The undersigned objects to **Sections 2.c.ii.1, 2.c.ii.2, 2.c.iv, 2.c.v, 2.c.vi, 2.c.vi, 2.c.vi.2, 2.c.vi.2.a, 2.c.vi.2.b, 2.c.vi.3, 2.c.vi.4, 2.c.vii, 2.c.viii, 2.b.ii, 2.b.iv, 2.b.viii, 2.b.x, and 2.b.xii, 2.d.ii, 2.d.iii, 2.d.v, and related provisions** because they impose substantial financial obligations that a TSR is required to make before BPA makes an award of service. These obligations include study fees, security requirements, compliance costs, curtailment risks, and potentially forfeitable deposits. All of which a customer is required to pay without assurances from BPA that customers will receive commensurate benefits or transmission service in return, nor has BPA justified this revenue (customer cost) as meeting appropriate cost recovery principles.

Lack of Certainty, Excessive BPA Discretion, and Future Business Practice Change

The undersigned objects to **Sections 1, 1.2, 1.3, 2.b.i, 2.b.iv, 2.b.xii, 1.c, 1.d, 3, and related provisions** because they do not create a predictable environment. A settlement should establish certainty and resolve disputes. Instead, this proposal creates an environment where customers continue to be targets of unjust changes impacting existing requests. Establishes a framework of shifting rights and requirements, gives BPA substantial future authority to change the rules of the agreed-upon settlement, and provides no certainty for future studies.

Elimination of Protection of Existing Queue Rights and Previously Validated Requests

The undersigned objects to **Section 2.b.ii, 2.b.iv, 2.b.viii. 2.c.ii, 2.c.ii.2, and related provisions** because they effectively eliminate the protection of existing queue positions and previously validated transmission requests. Under the Settlement, customers are required to either enter the Transition Planning Process and accept substantial new financial, operational, and procedural obligations, or risk removal from the queue altogether. As a result, rights and expectations that were established under the rules in effect at the time of submission are no longer recognized absent compliance with newly imposed requirements.

These provisions improperly condition the continued validity of existing requests on acceptance of a fundamentally different regulatory framework. Rather than preserving established queue positions and study progress, the Settlement forces customers to requalify for consideration under new standards that did not exist when their requests were submitted. This approach undermines predictability, diminishes the value of previously validated requests, and unfairly shifts the consequences of BPA's policy changes onto customers who relied on the existing process in making significant commercial and development investments.

BPA Has Not Demonstrated That the Benefits Outweigh the Harms

The undersigned objects to the Settlement in its entirety because BPA has not produced sufficient evidence demonstrating that the claimed benefits justify the adverse impacts raised by stakeholders throughout the process, including the undersigned.

BPA has acknowledged that it has not quantified many of the Settlement's expected benefits or impacts including impacts to the short-term ATC market. Nevertheless, stakeholders are being asked to accept significant changes to transmission rights, queue administration, financial obligations, evaluation criteria, redirect opportunities, and secondary transmission markets without sufficient analysis demonstrating that the proposal will improve reliability, reduce study burdens, increase efficiency, or produce benefits that outweigh the resulting harms.

THE COMMENT PERIOD SHOULD BE EXTENDED

BPA released the settlement proposal on October 2, 2026, and set October 16, 2026, as the deadline for objections, providing interested parties only two weeks to review and evaluate extensive and complex settlement and tariff provisions.

Many stakeholders that may be significantly affected by the settlement, including regulators, load-serving entities, legislators, landowners, public officials, energy investors, and others, did not participate in the settlement negotiations and have not been provided sufficient information regarding the settlement’s contents, rationale, expected impacts, or any analysis supporting BPA’s conclusions.

Accordingly, BPA should provide this information and extend the comment period for 30 days after such information is made available, allowing stakeholders a meaningful opportunity to review the proposal and submit informed comments. At a minimum, BPA should confirm that objections submitted by the October 16, 2026 deadline will preserve parties' rights to supplement their objections, submit additional evidence, and fully participate in any subsequent contested TC-27 proceeding before the settlement is adopted.

Conclusion

The proposed TC-27 Settlement seeks to address legitimate transmission planning and queue management challenges but does so improperly by retroactively imposing new requirements on existing customers, materially impairing reliance interests and previously

established transmission rights, imposing significant new costs and risks, and granting BPA broad discretionary authority over future implementation.

The Settlement alters the economic value of existing queue positions, creates discriminatory outcomes among similarly situated customers and market participants, restricts the exercise of existing transmission rights, and shifts the consequences of BPA's evolving planning framework onto customers who acted in good faith under the rules in effect at the time their requests were submitted.

Moreover, BPA has not established an adequate evidentiary record demonstrating that the claimed benefits of the Settlement outweigh its adverse impacts. The proposal lacks sufficient analysis quantifying its expected benefits, evaluating less restrictive alternatives, assessing impacts on existing customers and transmission rights holders, or demonstrating that the resulting discrimination, costs, and market impacts are necessary and justified.

Accordingly, NSET objects to the Proposed TC-27 Tariff Settlement.

Reservation of Rights

The undersigned reserves all rights to supplement these objections, challenge any inconsistent tariff interpretations, and seek clarification regarding implementation of the TC-27 Settlement Terms. Nothing herein shall be construed as a waiver of any rights under Bonneville's Tariff, applicable business practices, existing transmission service requests, or governing law.

Authorized Representative

NewSun Energy Transmission LLC

APPENDIX A

Section Number	Section Title
1	Bonneville Commitments
1.1	Tariff Revisions
1.2	Business Practice Revisions
1.3	Future Implementation Actions
2	Reforms to Implement the Transition Planning Process
2.a	Transition Planning Process Eligibility
2.a.i	Eligibility of Applications
2.a.i.1	Application Submission Dates
2.a.i.2	Previously Studied Applications
2.a.i.3	Applications Not Subject to Transition Planning Process
2.a.ii	Forms of Transmission Service Available
2.a.ii.1	Conditional Firm Point-to-Point Service
2.a.ii.2	Conditional Firm NITS
2.a.ii.3	Long-Term Firm Service Awards
2.a.iii	Transition Planning Process Sunset
2.b	Evaluation Criteria
2.b.i	General Evaluation Authority
2.b.ii	General Application Requirements
2.b.iii	Initial Evaluation Cure Period
2.b.iv	Ongoing Compliance Requirements
2.b.v	Source Requirements
2.b.vi	Load Requirements
2.b.vii	Limitations on Use of Virtual Hubs
2.b.viii	Additional Data Necessary for Transmission Planning
2.b.x	Notice of Cumulative Demand Issues
2.b.xi	Transition Planning Requests and Exempted Applications
2.b.xii	Future Evaluation Criteria Development
2.c	Conditional Firm Service Analysis Agreement
2.c.i	Preliminary System Constraint Analysis
2.c.ii	Offers of CFSA Agreements
2.c.iii	Form and Terms of CFSA Agreement
2.c.iv	CFSA Agreement Fee
2.c.v	Conditional Firm Service Analysis
2.c.vi	Security Obligations
2.c.vii	Customer Off-Ramps and Withdrawal Rights
2.c.viii	Awards of Service
2.d	Conditional Firm Analysis
2.d.i	Phase One CFSA

2.d.ii	Phase Two CFSA
2.d.iii	Awards of Conditional Firm Service
2.d.iv	Cumulative Demand Actions Following Study
2.d.v	RAS Requirements
2.e	Additional Terms for the Transition Planning Process
2.e.i	Mid-Term Offers of Service
2.e.ii	Deferral Limitations
2.e.iii	Individual Studies
3	Workshop and Process Commitments
3.a	Battery Policies Workshop
3.b	Virtual Hub Policy Workshop
3.c	Non-Trended Load Growth Policy Review
3.d	Transmission Product Conversion Process
3.e	Customer Build Option
3.f	Future State Policy Development
4	Matters Expressly Outside Scope of TC-27
4.a	Transmission Rate Revisions
4.b	Day-Ahead Market Participation Revisions
4.c	LGIP Revisions