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To: techforum@bpa.gov

Re: Comments related to BPA's TC-27 Pre-Proceeding workshops on Mar. 18-19, 2026.

Portland General Electric (PGE) appreciates the opportunity to comment on Bonneville Power Administration's (BPA's) TC-27 pre-proceeding workshop and recognizes the agency's effort to engage stakeholders on a set of complex, high-impact transmission policy and operational issues. PGE supports BPA's articulation of the problem statement and its intent to find solutions to process its rapidly growing transmission service request (TSR) queue in a way that supports our region's economic needs.

PGE urges BPA to establish clear and enforceable timelines and commit to near-term actions that provide certainty for resource and planning decisions. BPA should establish clear, enforceable timelines across the TC-27 process and associated near-term actions, including interim transmission service offerings including *de minimis* redirects, standard redirects, and conditional firm service (CFS). These timelines should include defined milestones from proposal development through implementation, with transparent tracking and accountability. Absent this structure, customers lack the certainty necessary to make informed procurement, interconnection, and investment decisions—ultimately exacerbating delays in restoring meaningful access to transmission.

In parallel, BPA must prioritize near-term actions that unlock latent capacity on the existing system. Actions like targeting deployment of grid-enhancing technologies, refining real-time operational practices, and reassessing conservative planning and operating assumptions can materially increase available transfer capability without compromising reliability. These actions represent the most cost-effective and immediate pathway to expanding access to transmission service in the transition period.

BPA should also revisit previously proposed mechanisms under the Grid Access Transformation (GAT) initiative like reverse open seasons and customer-funded upgrades as practical tools to accelerate capacity availability. Advancing targeted upgrades to known constrained flowgates, in coordination with TC-27 and TC-28, would deliver tangible system benefits while reinforcing stakeholder confidence. Demonstrating measurable progress on these near-term solutions is critical to restoring trust and ensuring BPA's transmission system

can respond with speed, flexibility, and scale required by the region's evolving energy landscape.

PGE's comments seek to be responsive to BPA's initial staff leanings and indicate important issues to PGE during the upcoming TC-28 settlement negotiations:

A. Prioritizing Load Readiness
B. Resuming processing of *de minimis* transmission service requests and Redirects.
C. Northwest Hub and Mid-C Virtual Points
D. Conditional Firm Service (CFS)
    a. Financial Obligations
    b. Constraint Management Tools
    c. Remedial Action Schemes (RAS)
E. Battery to Battery Policy
F. Non-Trended Load Growth
G. Day Ahead Market Alignment

A. Prioritizing Load Readiness

PGE supports BPA's objective of implementing evaluation criteria that result in a disciplined, studiable, and executable transmission queue. PGE also agrees that generation resource maturity is an important screening mechanism. However, the framework must be calibrated to reflect the fundamentally different nature of load-driven transmission requests and the statutory and operational obligations of load serving entities (LSEs).

Unlike merchant generation developers, LSE transmission service requests (TSRs) are anchored in an obligation to serve forecasted customer demand, that is both real and time-bound, that is not always tied to a single identified resource when entering the queue. Utilities meet these obligations through a portfolio approach that evolves over time, including owned resources, contracted supply, and market access. A framework that conditions queue viability primarily on near-term resource specificity risks systematically disadvantaging load-based requests, delaying service to actual customer load, and producing outcomes that are misaligned with how utilities procure and manage resource adequacy. This, in turn, increases the risk of inefficient system use, exacerbates flowgate constraints, and undermines the reliability outcomes BPA is seeking to improve.

To address this, BPA should explicitly recognize load readiness as a core pathway to queue eligibility—on par with generation maturity. Demonstrated near-term load forecasts, supported by integrated resource planning processes and regulatory obligations, should

qualify as valid indicators of readiness for point-to-point (PTP) TSRs. LSEs facing material load growth must already secure incremental resources to meet reliability needs; requiring those entities to re-enter or fall back in the queue due to evolving resource selection is neither practical nor consistent with the current transition constraints or future system needs.

Further, these load readiness principles should apply consistently across both the transition state and future state frameworks. At the same time, BPA should develop robust, load-specific evaluation criteria—including data validation, forecast transparency, and accountability mechanisms—that preserve queue discipline while recognizing the distinct role of LSEs.

Finally, PGE strongly encourages BPA to incorporate flexibility within the transition construct that allows customers demonstrating credible load readiness to maintain queue position, even as underlying resource strategies evolve. This includes the ability to update key TSR attributes without forfeiting queue standing where generation-specific maturity thresholds are not yet met. This approach aligns queue management with real system needs, supports timely service to load, and ensures that BPA's transmission framework remains both disciplined and responsive to the region's future growth.

B. Resuming *de minimis* transmission service requests and all redirects

BPA must immediately reinstate processing of *de minimis* redirect requests and decouple the issue from the broader TC-27 proceeding. By definition, these requests do not introduce material system impacts and therefore pose negligible reliability or planning risk. Yet, the current pause is preventing customers from optimizing existing transmission rights and extracting value from already-contracted capacity.

Delaying action on a low-risk, high-impact operational fix unnecessarily constrains efficient system use, increases customer costs, and limits the ability to conduct effective near-term planning. It also undermines confidence in BPA's ability to take pragmatic, incremental steps to restore transmission access while longer-term reforms are developed.

PGE urges BPA to treat *de minimis* redirects as an immediate, standalone solution, one that can and should be implemented independent of more complex policy changes under TC-27. In parallel, BPA should enhance the *de minimis* evaluation process by deploying a more transparent and streamlined calculator. Improving this tool would reduce administrative friction, minimize iterative exchanges between customers and BPA staff, and accelerate decision timelines, delivering a more efficient and predictable customer experience.

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C. NWHUB and MIDC virtual Points

PGE does not oppose efforts by BPA to simplify and modernize scheduling constructs where such changes enhance efficiency and support forward-looking system planning. If BPA is able to align the Northwest Hub (NWHUB) constructs without diminishing the flexibility, deliverability, or rights currently afforded under Mid-C (MIDC) Remote, PGE can support this direction. Any transition, however, must preserve the full range of optionality that customers rely on to manage diverse and evolving supply portfolios. The ability to access and utilize MIDC virtual trading points remains foundational to efficient procurement, reliability management, and responsiveness to dynamic market conditions—both in long-term portfolio construction and in day-ahead and sub-hourly operations.

For PGE, MIDC virtual hubs function as a critical integration point between owned and contracted resources, bilateral transactions, and wholesale market activity. They enable portfolio optimization across a wide geographic footprint, facilitate risk management through optionality in sourcing and delivery, and provide the operational flexibility needed to respond to real-time system conditions. This functionality is particularly important as resource portfolios become more dynamic, with increasing reliance on variable energy resources, storage, and market-based transactions to meet reliability and cost objectives.

PGE has significant concerns with proposals that would limit new service at NWHUB to Conditional Firm Reassessment products or otherwise require removal of TSRs from the queue. Constraining access to firm transmission—or even bridge CFS—at a major regional hub introduces several risks:

- Weakens contract certainty – Most MIDC trading is bilateral (not centralized like some ISOs/RTOs), and firm transmission is crucial because contracts often require physical delivery guarantees. Curtailment of transmission at MIDC under CFS could create significant contractual issues by violating the fundamental requirements of firm transmission as defined by regional market standards, resulting in costly backup arrangements or penalties for non-delivery.
- Undermines reliable physical delivery – MIDC prices reflect not only supply and demand, but also the availability of transmission. When firm transmission is limited, power can become effectively stranded within the region, driving down prices at the MIDC hub and causing divergence from other interconnected markets or hubs. This erodes the integrity of MIDC as a dependable point of delivery.
- Impacts Market Liquidity – A shift away from firm transmission introduces material uncertainty into the market. If sellers cannot ensure reliable delivery, buyers may be

less willing to transact at MIDC. Over time, this lack of confidence can reduce participation and liquidity, diminishing the hub's effectiveness as a key trading point in the region.

These outcomes would be inconsistent with the region's increasing need for flexibility and could introduce inefficiencies that ultimately raise costs for customers.

Accordingly, PGE strongly encourages BPA to preserve a clear pathway to firm transmission service at NWHUB or, at minimum, provide enhanced flexibility that allows customers to materially modify TSRs, including changing POR, that allows a pathway to long-term firm transmission without forfeiting queue position. More broadly, BPA's future state design should explicitly incorporate the role of virtual hubs in enabling efficient market access and system operations or ensure that any alternative construct maintains equivalent levels of flexibility, deliverability, and operational reliability.

D. Conditional Firm Service

PGE continues to emphasize that restoring access to long-term firm transmission service—at the earliest practicable timeline and at a justifiable cost—must remain a central objective of BPA's TC-27 process. BPA should structure interim solutions to advance this objective, not defer it, by enabling customers to move forward with actionable pathways while BPA advances proactive planning and longer-term system upgrades. In this context, PGE supports BPA's efforts to re-evaluate previously constrained paths and expand transmission availability, particularly where sub-grid constraints can be managed through targeted operational or planning solutions.

Consistent with prior comments, PGE supports the broad deployment of CFS as a transitional mechanism, provided it is paired with enhanced operational tools to actively manage congestion. Offering CFS in queue order, aligned with each customer's TSR start date, creates a pragmatic pathway for customers to access the system while transparently managing curtailment risk. PGE further supports a framework in which Bridge CFS is made available to all queued customers, with acceptance required to maintain queue position. This approach introduces a market-based screening mechanism, identifying customers prepared to move forward and enabling near-term use of existing system capacity.

PGE would strongly prefer a Bridge CFS construct that incorporates defined curtailment parameters like maximum allowable curtailment hours rather than relying solely on broadly defined system conditions. Establishing clear, bounded risk parameters is essential to

support planning, contracting, and investment decisions, particularly for LSEs managing long-term reliability obligations.

Conversely, PGE does not support a framework that requires customers to accept Reassessment CFS or forfeit their queue position. Reassessment CFS represents a materially different and significantly diminished product that lacks the stability and predictability required for long-term planning and capital deployment. For LSEs in particular, such an approach fails to align with their obligation to serve load and undermines the ability to make prudent, forward-looking resource and transmission decisions.

a. Financial Obligations

Any financial framework supporting CFS analysis must be transparent, proportionate, and aligned with the level of certainty provided to customers. Requiring customers to post substantial financial commitments early in the process before a defined service start date and while material uncertainties remain, creates unnecessary financial exposure and introduces avoidable cost risk to ratepayers.

Specifically, initial study fees should be modest and not scaled to the size of the TSR. Incremental financial obligations such as security postings and service-related payments should only be required after establishing a defined start date and making a service offer. At a minimum, BPA should not impose analysis funding requirements that exceed those outlined in Attachment O of the currently approved OATT.

PGE also has significant concerns regarding the requirement to post large-scale, long-duration (e.g.,10-year) financial security in circumstances where service availability remains uncertain or may be delayed for a substantial portion of that term. This construct introduces a material mismatch between financial commitment and service certainty.

To address these concerns, PGE recommends the following enhancements:

- Flexible forms of credit – BPA should allow alternative security instruments such as parent guarantees or surety bonds. Given the magnitude and duration of required collateral, relying solely on cash security creates significant carrying costs that ultimately flow through to customers.
- Interest-bearing treatment of deposits – Any required cash collateral should be held in an interest-bearing escrow account. It is essential that customers are

compensated for the opportunity costs of funds, particularly when deposits are held over extended durations.

Absent these modifications, the proposed framework risks imposing material and unnecessary cost burdens on customers without a commensurate increase in service certainty.

b. Constraint Management Tools

As reflected in BPA workshop materials, initial CFS offerings could take up to 32 months to materialize, representing an additional 2.5+ year delay on top of existing delays already experienced by customers. This timeline is not consistent with the urgency of regional load growth and transmission access needs. PGE strongly encourages BPA to accelerate this schedule and prioritize near-term deployable solutions.

In particular, BPA should expedite developing and implementing constraint management tools in close collaboration with customers. These tools are foundational to enabling CFS at scale and should not become a gating item that delays service availability.

c. Remedial Action Schemes (RAS)

PGE is also concerned that the proposed reliance on RAS, as outlined in the BPA materials, could further delay service if not carefully scoped and implemented. BPA should clearly define the specific conditions under which it would require RAS and evaluate whether more immediate and flexible alternatives like leveraging market-based congestion management through the Energy Imbalance Market (EIM) and future day-ahead markets could address those needs more efficiently.

As with constraint management tools, the development of RAS-related requirements and alternatives should occur in collaboration with customers to ensure solutions are practical, timely, and aligned with real-world operational needs.

E. Battery to Battery Policy

PGE acknowledges BPA staff's inclination to develop a formal policy on battery-to-battery TSRs before allowing them into the queue. Battery-to-battery transactions represent an emerging and potentially valuable use case that can enhance system flexibility, improve use of existing transmission capacity, and support evolving reliability and market needs. As such, to develop a formal policy, PGE believes BPA should initiate a structured, transparent, and stakeholder-driven process to evaluate these transactions.

PGE encourages BPA to convene broader regional discussions to develop a policy framework that is technically sound, operationally feasible, and equitable across customer classes. Establishing clarity in this area will be essential to ensure that BPA's transmission framework remains responsive to the increasing role of storage and dynamic resource optimization across the region.

F. Non-Trended Load Growth

PGE objects to the revised definition of "facility" in BPA's March proposal, as it creates a structural pathway to mask material, non-trended load growth. By enabling aggregation of multiple large discrete loads beneath the 13 MW threshold at a single delivery point, the proposal risks systematically excluding significant new demand from commercial transmission planning processes.

This approach is particularly problematic in the current environment, where load growth is increasingly driven by non-linear, site-specific developments (e.g., data centers and advanced manufacturing) that do not conform to traditional, incremental forecasting methodologies. Aggregating these loads in a manner that avoids triggering planning thresholds undermines visibility into true system needs, delays necessary transmission investments, and increases the risk of localized constraints and reliability challenges.

PGE recommends that BPA anchor transmission planning requirements to the actual projected load at each physical point of interconnection between BPA facilities and the Network Integration Transmission Service (NITS) customer system. Evaluating load growth at the equipment level rather than through aggregated or administratively defined constructs ensures that planning signals accurately reflect real system impacts and infrastructure needs.

Accordingly, BPA should retain the existing definition of "Network Customer Facilities" as outlined in its OATT, which provides a more appropriate and transparent framework for identifying when load growth necessitates transmission planning and upgrades. This approach better aligns with the realities of non-trended load growth and supports proactive, reliable, and efficient system development.

G. Day Ahead Market Alignment

TC-27 is exploring fundamental changes to the way transmission rights are requested, vetted, and awarded. These transmission rights may potentially be optimized and financially hedged later in SPP's Markets+ and CAISO's EDAM. For example, if a key benefit of Markets+ for BPA and its customers is its congestion rent design that allocates rents to transmission rights holders, then the ability for BPA customers to secure service through TC-27, particularly at

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virtual hubs like NWHUB, will inform whether (and how effectively) they will hedge their positions through congestion rent allocation. PGE recommends that both working groups collaborate to ensure that all changes made now in the TC-27 and TC-28 proceedings are durable to all proposed day-ahead markets.

In closing, PGE notes that these preliminary comments are based on the proposals currently available in the record. PGE maintains the right to supplement, clarify, or modify its position as the record develops during this proceeding.

Sincerely,

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