From: TX NW I LLC
To: Tech Forum
Cc: EChristensen@bdlaw.com
Subject: Proposed TC-27 tariff settlement.
Date: Friday, October 16, 2026 4:52:09 PM

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Dear BPA,

TX NW I LLC ("TX NW") submits this letter as its formal objection to the proposed TC-27 settlement and Transition Planning Process.

As a member of the PRITCA coalition, TX NW adopts in full by reference the opposition and comments PRITCA filed today.

TX NW holds both confirmed service and a significant queue of pending requests on the Bonneville Power Administration (BPA) transmission system:

Transmission Position	**Approximate Quantity**
Confirmed long-term firm service	80 MW
Pending transmission service requests (TSRs)	830 MW
Total	**910 MW**

More than 90 percent of TX NW's position is in the queue. Every megawatt, confirmed and pending, was acquired or requested, and capital committed against it, under the tariff, business practices, and study processes then in effect. Those rules allowed confirmed service to be redirected or deferred and guaranteed that pending requests would be studied in queue order. The settlement takes away all three.

Effect on TX NW's Pending Requests

Removal and subordination: TX NW objects to Sections 2.b.ii, 2.b.iv, 2.b.v, 2.b.vi, 2.b.x, 2.c.ii, 2.c.vii, and 2.d.iv, under which BPA may remove, reorder, or subordinate existing TSRs that fail the new criteria or do not enter the conditional firm process on BPA's terms. For 830 MW of pending requests, being pushed gigawatts back in the queue has the same practical effect as being removed from it. The settlement gives customers no option to decline the transition process and retain their original timestamp and queue position.

New requirements on old requests: Data exhibit, validation, maturity, and continuing compliance requirements are applied retroactively to requests that BPA already accepted, with cure periods that are not realistically achievable (Sections 2.b, 2.b.i, 2.b.ii, 2.b.iii, 2.b.iv, 2.b.viii, 2.b.xii). A customer that makes a conforming change to a TSR to

match an updated data exhibit, such as a revised POR/POD or start date, loses its timestamp for doing so.

Uneven eligibility: The settlement favors incumbent generators, late-stage interconnection requests, and designated locations, while limiting the use of virtual hubs (Sections 2.a.i.2, 2.a.i.3, 2.b.v, 2.b.vi, 2.b.vii). Load maturity depends on BPA finishing its own system impact studies, which is outside the customer's control. The framework therefore allows later and preferred requests to obtain long-lived transmission rights ahead of earlier, similarly situated requests like TX NW's.

Resource- and load-specific requirements: The right to transmission service should not hinge on a particular load or generator. Point-to-point service is designed to let customers move power between points for a variety of commercial purposes: market hubs, load-serving entities, storage, and multiple suppliers over time. Requiring each request to be tied to one resource or load undermines the flexibility and commercial viability of requests, discourages transactions that would serve the region, and leaves transmission capacity underutilized.

No date for studies: While BPA commits to a new planning framework by November 2029, it does not commit to studying actual TSRs by any date (Sections 1.3, 2.a.iii, 3.f). The future framework could prioritize system-level studies or omit TSR-specific studies altogether, leaving TX NW's 830 MW of pending requests unresolved for many years.

Conditional firm terms: The conditional firm offer would require TX NW to pay fees, post security, and risk forfeitable deposits for a product whose managed constraints, relieved flowgates, and mitigation priorities remain unidentified (Sections 2.c.iv, 2.c.v, 2.c.vi, 2.c.vii, 2.d.ii, 2.d.v). The initial 24-month service-start window is narrow enough that later requests can effectively leapfrog earlier ones in subsequent windows.

Effect on TX NW's Confirmed Service

Redirects: Redirect rights are part of what makes firm transmission valuable. Under the settlement, long-term redirects requiring study remain effectively frozen, and only those submitted before the eligibility cutoff may be considered in the transition (Sections 2.a.i, 2.a.i.1, 2.b.xi). TX NW's 80 MW of confirmed service is locked in place, even though BPA's new conditional firm and flowgate methodology is well suited to evaluating these very requests. Customers that need firm delivery for resource adequacy and clean energy compliance go without it, and transactions that would make better use of existing transmission cannot move forward.

Deferrals: To defer underlying service, TX NW must first withdraw its pending redirects and give up their priority (Section 2.e.ii and related business practices). That requirement was workable when BPA studied redirects regularly. With those studies halted, each withdraw-and-refile cycle simply moves TX NW further back. TX NW accepted the risk of a negative study result; it did not accept that redirects would go unstudied indefinitely.

ATC and curtailment: Conditional firm awards to other customers, together with the redirect restrictions, can be expected to shrink available transfer capability and increase curtailment of TX NW's firm, short-term, non-firm, and redirected service (Sections 2.a.ii, 2.d.iii, 2.d.iv, 2.e.i). BPA has acknowledged that it has not quantified these effects on the short-term ATC market.

Market effects: The settlement grants conditional firm service to competitors while freezing redirects and relegating existing requests. Those awards will reduce the ATC that TX NW and other market participants depend on for short-term firm, non-firm, and redirected service, and raise curtailment exposure on those products above historical levels. By shifting queue value, transmission capacity, and market access among similarly situated customers, the settlement picks economic winners and losers, alters competitive market dynamics, and confers undue preference on select customers and resource classes, contrary to open-access principles.

Conflict with Open Access Principles

Under BPA's tariff, eligible customers may request and receive transmission service between points on comparable, non-discriminatory terms, and requests are studied and processed in queue order. The settlement replaces that with new eligibility screens, moves earlier requests behind later or preferred ones, and suspends study of long-term requests and redirects for an indefinite period. Each change departs from the open-access, first-come, first-served framework that TX NW and other customers relied on.

Absence of Supporting Record

BPA has not identified which flowgates it intends to relieve, which paths or how many megawatts would be enabled, or which customers would benefit. Without that information, nothing in the record shows that the settlement's benefits outweigh its costs to transmission customers, generators, load-serving entities, and other market participants, or that BPA evaluated less restrictive alternatives.

BPA's reliance on a future planning framework and future policy development does not fill that gap. Those assurances are not backed by data or analysis, and there is no certainty as to what the framework will include, when it will be implemented, or how it will treat the rights and requests affected by the current action. Undefined future processes cannot justify the immediate harms the settlement creates.

TX NW believes the following targeted changes would substantially address these concerns:

1) Eligibility for redirects of confirmed service submitted through the Record of Decision, and preservation of pending redirects during deferral;

2) A customer opt-out that preserves queue position;

3) A date-certain, TSR-specific study of the remaining queue; and

4) Bounded TSR and data exhibit updates without loss of timestamp, along with a broader initial service-start window.

Conclusion

TX NW objects to the proposed TC-27 settlement and requests that BPA resume studying transmission service requests and long-term redirects under its current authority and open-access principles, rather than adopting changes that impair existing rights without adequate support. The settlement as proposed causes ongoing financial harm to TX NW and to other transmission customers.

TX NW reserves the right to supplement these objections and to request clarification of how the settlement terms would be implemented. This letter does not waive any of TX NW's rights under BPA's tariff, business practices, existing transmission service agreements and requests, or applicable law.

TX NW expressly reserves all rights, claims, and remedies available to it, at law or in equity, with respect to the TC-27 settlement and any BPA decision adopting or implementing it, including without limitation the right to participate in and challenge the TC-27 proceeding, to seek administrative and judicial review, and to pursue any other relief available under applicable law. The absence of an objection to any specific provision in this letter shall not be construed as acceptance of that provision.

Sincerely,

Authorized Representative

TX NW I LLC