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TACOMA PUBLIC UTILITIES

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Comments of Tacoma Power in response to TC-27 Pre-Proceeding Workshop held March 18-19, 2026

Tacoma Power (Tacoma) welcomes this opportunity to again submit comments in the BPA TC-27 Pre-Proceeding workshop series. Tacoma appreciates the amount of time that BPA staff has applied to the question of transmission reform and BPA's desire to come to settlement terms. However, Tacoma remains concerned about several of BPA's suggested provisions, including the continued disparity between Point to Point and Network customers in being able to meet the needs of their retail load customers. Tacoma is also concerned about proposals that move BPA further away from day-ahead market applicability and against technology trends in the Pacific Northwest. Tacoma is not addressing all of its concerns here but is rather highlighting the areas that it believes are the biggest impediments to settlement.

First and foremost, Tacoma is concerned about BPA's refusal to come off pause and process the *de minimis* Redirect requests in its queue. BPA in December asked for specific customer comments as to whether and when it should process the *de minimis* Redirect requests in the queue. This request was based on the number of previously-submitted comments asking BPA to come off pause and process the *de minimis* Redirect requests. The response was universal in support that BPA should process the *de minimis* Redirects in the queue immediately. BPA then tied the processing of these *de minimis* Redirects to NT Load and Resource Commitment (LaRC) requests, stating that to do one without the other would create inequity. This statement is flawed in many respects. First and foremost, the *de minimis* Redirect requests are in a public queue and utilities can and have adopted workarounds to effectively encumber the load in those requests with start dates that have already passed. By processing the *de minimis* Redirect requests, BPA is formalizing what is already happening on the system - it is not granting additional transmission capacity. Secondly, the LaRC requests more properly belong in the Reliability Transmission space. There is no disagreement that BPA should process LaRC projects, but there is no linkage between those requests and the *de minimis* Redirects in the queue. To date, BPA remains on pause, not having processed any requests in its transmission queue, despite the repeated requests of its customers to process the *de minimis* Redirect requests. Tacoma does not believe there is a path forward to Settlement until BPA acts in good faith to get itself off pause and begin processing the *de minimis* Redirect requests in its queue.

Secondly, Tacoma is concerned about BPA stepping away from open access principles with several of its proposals. While Tacoma appreciates that BPA has concerns about earlier-queued TSRs "blocking" later queued projects, that is the nature of the queue

process. BPA does not have the authority to reject an earlier-queued complete TSR that meets all of the other criteria BPA is proposing, because it fails this additional validation BPA proposes, which is in contravention of open access principles. Further, BPA cannot reject a TSR to a battery simply because BPA has not resolved how to study the load characteristics of energy storage devices. Batteries are rapidly becoming a backbone of reliability in the Pacific Northwest and it is perplexing that BPA would suggest denying transmission service to a stand-alone battery. Tacoma is concerned that BPA is taking steps that will impair a resource that will likely be important in maintaining regional resource adequacy.

Tacoma also has concerns about the introduction of a new NT CFS product. Tacoma's understanding is that this service would be granted to NT projects over the 13MW threshold, thereby making them "large" projects. This additional grant of CFS service will reduce the pool of available CFS to Point-to-Point customers, who only have CFS service as a potential path to firm service. Tacoma is also worried that, as BPA enters Markets+, it will be the only entity with customers that have NT CFS service. Congestion rent awards and WRAP forward-showing requirements are both applicable to CFS, but not other non-firm products. By creating an NT CFS product for BPA customers, BPA is introducing unforeseeable inequities in Markets+ as no other NT customers will be able claim congestion rent or make a forward showing with less than 7NN service. Further, BPA was unclear as to whether a tariff revision would be proposed for this new product. Tacoma believes that an OATT revision would be necessary for NT CFS service, especially given its market implications.

Next, Tacoma questions the fee structure for engaging in a Contingent CFS study. BPA has stated that the request is per TSR and there is both a $1,000/MW and non-refundable $50,000 fee to engage in the study. For entities that have multiple TSRs in the queue, they will be responsible to pay the $50,000 fee per TSR, even if BPA studies the TSRs in a cluster. Tacoma believes that this fee structure is excessive, if not punitive, and notes that BPA has not indicated how these dollar amounts were set. Tacoma appreciates that BPA will incur costs in completing this study but does not believe that individually per TSR $1,000/MW or $50,000 are justified and combined are unreasonably excessive. Tacoma requests that BPA provide the determinants for this fee structure and consider, at minimum, making the $50,000 non-refundable fee per entity for a defined time period, two to five years.

Finally, Tacoma is concerned that BPA is delaying a known planning issue by proposing to offer mid-term reassessment CFS without sub-grid checks. While Tacoma realizes BPA may state this is a future planning issue, the mere fact that BPA has suggested this 'solution' in TC-27 indicates that BPA is well aware of its constraints and need to study its grid below 210kV. While BPA may see this proposal as a lifeline, Tacoma views it as minimal life support that does not provide any actual process improvement. Tacoma recommends that BPA get to the heart of this issue through reliability planning, and offer solutions for the short and long term, which involves studying the lower voltages of the transmission grid. Reassessment CFS does not provide value to a customer with longer

term needs, and it certainly does not provide a path to firm service for Point to Point customers.

Tacoma would also like to reiterate its request that BPA provide clear definition of which of its proposals are intended to be applied only in the short term and which of those are intended to extend into the future state.

Tacoma Power appreciates this ability to comment on TC-27 issues and looks forward to engaging in Settlement discussions, provided that there is resolution on the *de minimum* Redirect issue. Tacoma is well aware that there are many more issues to discuss and resolve, but these are at the forefront of Tacoma's concerns. Tacoma appreciates the time and effort BPA has put into providing space and potential solutions to its transmission issues and hopes to see movement in the near future.

Sincerely,

/s/ Leslie E. Almond

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