

Pacific Northwest Renewable & Transmission Customer Advocates

**Presentation to Customer Workshop
BPA Grid Access Transformation Project**

Portland, Oregon

September 10, 2025



Agenda

1. Principles
2. Specific Criticisms of CRC
3. Alternatives

Principles

CRC are wrong as a matter of principle:

- BPA-T is not a commercial enterprise, so shouldn't be making judgments about commercial readiness,
- Shouldn't pick winners and losers
- No clear line between projects that are "ready" and projects that are "too speculative" – generation development is inherently speculative
- No FERC requirement for CRC
- FERC CRC requirements were ineffective in reducing queues

BPA Policies should

- a. promote generation market competition
- b. provide stable investment platform through OATT
- c. promote market liquidity
- d. support regional decarbonization/climate goals

Specific Criticisms of CRC

Attacks the wrong problem

- CRC aims to chop the queue down to a size that will “solve”
- Wrong target: BPA software/policies must recognize new world
 - Rapid renewables growth
 - Decarbonization mandates
 - Large new loads (data centers)

CRC is anticompetitive:

- a. Creates artificial barriers to entry
- b. When combined with huge deposit requirements, favors deep-pocketed developers and consumers at the expense of smaller developers and consumers, especially COUs
- c. Artificially favors integrated utilities, which can more easily satisfy PPA requirement
- d. Favors latecomers over those who have long been in queue and have invested heavily in system expansion
- e. Arbitrarily disfavors certain business models, e.g., merchant generation
- f. Even FERC rejected CRCs ⁽¹⁾

The Catch-22 Problem

You can only get a PPA if you have transmission, you can only get transmission if you have a PPA.

- a. RFPs generally require developer to have transmission rights ⁽²⁾
- b. CRC requiring PPA creates artificial, potentially insurmountable, barrier to entry (except for IOUs)

Retroactive changes should be rejected

- a. Undermine confidence in integrity of OATT, so undermine investment in regional industry
- b. Violate rule against retroactive ratemaking, legal principles disfavoring retroactive changes in rules

Additional Criticisms

- a. Counterproductive: forcing viable projects out of the queue creates unnecessary restudies
- b. Undermines regional goals for renewable energy/decarbonization
- c. No proven risk of stranded assets ⁽³⁾

Alternatives

Alternatives:

1. Maximize value of existing system:

- E. Hart: "Historical path flow and transmission curtailment data suggests that BPA's system is much less physically constrained than it is contractually constrained. For most paths, the lack of long-term ATC has not translated into frequent congestion or transmission curtailments." ⁽³⁾

2. Shift away from Project-by-Project paradigm:

- BPA reports 65 GW in queue
- NWPCC projects peak demand of 47-60 GW by 2046 -- an increase of between 14 & 27 GW over current peak demand
- BPA therefore assumes a transmission system built out to somewhere between 2X and 5X of projected increase in peak demand

Alternatives:

3. Shift away from unrealistically conservative assumptions

- Renewables rarely generate at full capacity coincident with system peaks
- Transmission portfolio approach v. project-by-project
- Evolving Grid projects are progressing to this end state. Build off that.
- Do not retroactively apply damaging changes to those that came in line first and are willing to invest in the system.

4. Recognize that transmission upgrades benefit all customers

Questions

Thank you!



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Notes

(1) Order No. 2023, *Improvements to Generator Interconnection Procedures & Agreements*, 184 FERC ¶ 61,054 at PP 690 *et seq.* (2023).

(2) Recent Examples: (a) Portland General Electric's All-Source RFP, issued on July 31, 2025, requires bidders relying on BPA for transmission service to have either previously been granted transmission service or have an eligible and active OASIS status TSR participating in the 2023 or prior BPA TSR TSEP. PGE All-Source RFP (July 31, 2025), App. A at 5-7 (available at: <https://portlandgeneral.com/about/who-we-are/resource-planning/procuring-clean-energy>) (note that the Oregon Public Utility Commission added a new requirement in this solicitation to require PGE to evaluate transmission non-conforming bids for inclusion on the shortlist) (b) PacifiCorp's Draft 2025 RFP (currently pending before OPUC) seeks Long Term Firm Transmission for 100% of the project's output. *PacifiCorp's 2025 RFP*, OPUC Docket No. UM 2383, PacifiCorp's Reply Comments at 20-21 (Jul. 24, 2025) (available at <https://edocs.puc.state.or.us/efdocs/HAC/um2383hac338513035.pdf>).

Notes, p. 2

(3) Elaine Hart, *Toward a More Holistic and Adaptive Treatment of BPA Transmission Rights in Northwest Utility Planning and Procurement Processes*, GridLab & Sylvan Energy Analytics at 1 (March 2025).

(4) *Id.*