Northwest Requirements Utilities

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Submitted via techforum@bpa.gov

Re: Northwest Requirements Utilities Comments on BPA's Grid Access Transformation Future State Concepts

Northwest Requirements Utilities ("NRU") appreciates the opportunity to provide these comments in response to BPA's presentation on the Proactive Planning and Accelerate Expansion elements of the Grid Access Transformation ("GAT") Project at its July 10 workshop ("Workshop"). NRU represents the interests of 58 Load-Following preference customers and one generation and transmission cooperative, all of whom depend on Network Integration Transmission Service ("NITS") contracts with BPA for reliable load service. As a result, NRU and its members have a vested interest in the underlying methodologies that BPA uses to plan and expand its transmission system in response to NITS customer load and resource forecasts.

Below, we offer feedback to the Proactive Planning and Accelerate Expansion aspects of BPA's GAT Project, as described on July 10th.

Proactive Planning

Overall, NRU strongly supports what BPA has shared about its Proactive Planning concept. As we stated in our comments submitted on May 2, 2025, we agree with BPA's proposal to identify transmission needs that are primarily driven by the load growth of BPA's transmission customers and that are informed by queued service requests. Although we await further detail, our general comments follow:

- At the outset, we underscore BPA's tariff obligation to endeavor to plan its transmission system and provide sufficient transfer capability to meet its NITS customer load forecasts. To this end, we request that BPA articulate how it will continue to satisfy its planning obligation to NITS customers through the Proactive Planning process. BPA should at a minimum make explicit that it will rely on its NITS customer load and resource forecasts as a foundational input into its 20-year assumptions and ensure that projects resulting from the Proactive Planning studies will provide sufficient transfer capability to satisfy such forecasts. Along these lines, we recommend that BPA provide additional details on how it intends to allocate capacity that results from transmission upgrades identified through the Proactive Planning process among its customers and queues.

- In recognition of the preceding bullet and the readiness criteria that BPA intends to apply, we would oppose circumstances where BPA expands its transmission system through the Proactive Planning process based in part on forecasted load growth of its NITS customers but exhausts the resulting project capacity before NITS customers are able to meet the readiness requirements. The transmission projects selected through the Proactive Planning process must provide sufficient transmission capacity to satisfy BPA's planning obligation to NITS customers under its tariff, assuming all readiness criteria are met.
- We support BPA's pledge to conduct meaningful stakeholder engagement in identifying key expansion drivers and the development of long-term scenarios. We also support and look forward to additional engagement around BPA's process to identify transmission expansion portfolios and decisions to build. Embedded in these aspects of Proactive Planning are critical elements related to how BPA will perform its "least-regrets" analysis, how project benefits will be calculated, and ultimately how the rate determinations will be made. It is imperative that robust customer and stakeholder engagement take place to provide stakeholder transparency into these elements, and we are encouraged by BPA's statements during the Workshop on this aspect.
- As much as possible, we encourage BPA to leverage existing work to-date in other forums related to establishment of long-term scenarios in the Pacific Northwest. This may include scenarios developed through WestTEC's long-term planning study, the development of WECC's 20-year Foundational Case, as well as Pacific-Northwest-specific long-term scenarios that may be developed through NorthernGrid's compliance with FERC Order No. 1920. We recommend BPA avoid, insofar as practicable, developing long-term scenarios from scratch, given both the existing workstreams already engaged in developing long-term scenarios and BPA's current resource constraints.
- We also encourage BPA to consider broadening the scope of its Proactive Planning element, to include transmission facilities beyond the main BPA network. Specifically, we point to the Portland Area Reinforcement Study (PARS) as a meaningful example of how BPA could plan proactively at individual load areas based on long-term load projections. Because BPA's Proactive Planning element will include these long-term NITS load forecasts, it appears logical to conduct both main grid as well as local load area studies that account for that load growth. Doing so likely would result in procedural and planning efficiencies and identify right-sized transmission reinforcements to accommodate transmission service all the way down to the local delivery area. This may potentially avoid time-consuming and separate load-area studies, and may also better capture sub-grid constraints and their transmission solutions.
- At the Workshop, BPA staff articulated its goal of five years to have a fully mature proactive planning study process. While we reiterate our support for BPA's efforts, we encourage BPA to take any necessary steps to accelerate this workstream. The Proactive Planning element holds tremendous potential to address the load service needs of BPA's NITS customers over the long term and would allow BPA to pivot away from solely

responding to new transmission requests. We therefore would support BPA condensing this timeline as much as possible to initiate these types of studies sooner and transition away from studies that rely primarily or solely on customer transmission requests.

Accelerate Expansion

We generally support BPA's intent to redesign its plan, design, and build processes. Given the critical demand for new transmission infrastructure in BPA's footprint, we encourage BPA to explore all available means to enhance its capability to accelerate new transmission expansion, including by reliance on third-party developers. Though we await additional detail, below are the aspects that we support and encourage BPA to continue evaluating.

- We support BPA's timeline of 2030 to fully implement this initiative but, like above, encourage BPA to evaluate opportunities to further shorten this timeline given the near-term and urgent need for BPA to expand its transmission system.
- We support BPA expanding its use of the Secondary Capacity Model to allow additional experienced regional vendors to take on certain BPA transmission projects where BPA lacks sufficient primary resources. BPA must expand the resources on which it relies to complete transmission infrastructure critical to load service and system reliability.
- We would also greatly support BPA developing a mechanism to allow its customers to build BPA network assets. We note that, as it relates to generator interconnection procedures, the Western Area Power Administration, a fellow Power Marketing Administration, maintains a business practice that addresses the option for its customers to construct Stand Alone Network Upgrades pursuant to requirements under FERC Order No. 845. We urge BPA to provide for this same opportunity to all interconnection customers (both load and resources) as a means to accelerate transmission asset development. Allowing its customers to construct network upgrades could also free up BPA's scarce engineering resources to accelerate the construction of higher priority, high-voltage transmission projects.
- Along these lines, we recommend BPA evaluate the viability of relying on competitive solicitations and allowing third-party, independent transmission companies to construct assets that would later be turned over to BPA to own and operate. Competitive transmission development occurs throughout much of the country and could significantly expand the candidate pool to execute transmission projects on BPA's transmission system. BPA could, for instance, run a competitive solicitation for third-party transmission companies to construct transmission projects for which BPA lacks sufficient resources and that score lower on BPA's capital prioritization process. In such cases, BPA could provide the technical specifications and construction requirements to ensure that the project would be built to BPA's standards, but otherwise turn over construction to an independent developer. Additionally, in many cases, independent transmission companies include binding cost caps intended to help mitigate cost overruns and prevent such costs from being allocated to transmission customers – a meaningful tool for maintaining reasonable rates for consumers.

- Although BPA staff stated that it would not be able to "shorten" the agency's NEPA responsibilities, we nevertheless urge BPA to seek efficiency gains in how it conducts that process and not assume that it cannot be shortened in every case. There are numerous federal agencies across the Pacific Northwest that may require involvement in environmental reviews, so enhanced coordination and engagement between BPA and these other federal agencies may be appropriate and reduce timeline impediments. We note that the Department of Energy has established the Coordinated Interagency Transmission Authorizations and Permits ("CITAP") Program, designed to coordinate, centralize, and accelerate federal environmental reviews and permitting processes for certain transmission facilities. While the CITAP Program may not be a perfectly comparable process for BPA to utilize, it may represent a useful framework for BPA to mimic for transmission expansion across its network throughout the Pacific Northwest and allow for a more efficient conducting of environmental review when such review requires involvement by other federal agencies.
- A final observation is that the critical need for BPA to accelerate its expansion capabilities may eventually be assisted by its Proactive Planning process. To the extent that BPA's Proactive Planning is successful in identifying transmission needs over a 20-year horizon, such needs would likely begin to be identified later in the long-term horizon, allowing more advanced notice and the ability for BPA to stage or sequence projects. This could reduce the pressure on BPA and allow it to avoid immediate-term urgency and allocate its engineering and construction resources more efficiently.

Conclusion

Although the future state concepts BPA has presented to-date have remained at a high level, we are encouraged by the vision and objectives for the Proactive Planning and Accelerate Expansion elements. We greatly appreciate BPA's focus on and engagement with the GAT Project, and we look forward to further collaboration in establishing the details of these future state proposals. As we stated previously, we believe that Proactive Planning holds tremendous promise for long-term, cost-effective and reliable load service. If you have any questions related to these comments, please don't hesitate to contact us.