

July 23, 2025

NewSun Energy
550 NW Franklin Ave., Suite 408
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Subject: Comments on BPA Business Practices – Transition Process V2, Site Control V2, Commercial Readiness V2, and LGIA V13

To the Bonneville Power Administration (BPA):

NewSun Energy appreciates the opportunity to provide comments on BPA's proposed updates to its interconnection business practices. While we support BPA's efforts to modernize and streamline the interconnection process, we believe it is essential to slow down the implementation of these changes to ensure they align with other ongoing processes and reforms currently underway at BPA including BPA's Grid Access Transformation Project (GAT), which has overlapping implications with the proposed business practices.

BPA's business practice updates must not undermine the intent or terms of the negotiated settlement with the region.¹ These practices embody the collaborative spirit and commitments made during that process. Any deviation risks damaging trust and creating inequities in the interconnection framework. The proposed changes also appear to raise the standard of compliance and the burden of documentation that Interconnection Customers must provide, which may adversely impact or disqualify Interconnection Requests that were previously validated by BPA.

Timing Comments

These business practice proposals should be considered at the same time as the GAT reforms so that overlapping implementation issues can be considered together, but in any event this process should be given no less than an additional 30 days for review. NewSun officially requests that the proposed business practice changes be delayed so that Developers and Load Serving Entities can fully assess the proposed business practices and their impact on the region.

The proposed changes to the interconnection business practices will unduly harm Interconnection Customers and power supply to the region in numerous ways outlined below:

¹ See TC-25 Settlement Agreement available at <https://www.bpa.gov/energy-and-services/rate-and-tariff-proceedings/tc-25-tariff-proceeding>.

- The changes in the business practices are likely to harm already validated queue positions by implementing drastic business practice changes with extraordinarily little time before the start of the second transition cluster validation period. At a minimum, BPA should provide an update on its expected timing for returning the Phase One Cluster Study Report, so that the region can understand the extent to which there is an urgency here.
- The business practice modifications drastically increase the volume of workload and documentation that is required to keep the interconnections valid with no precedent for why the additional models and supporting documentation are needed.
- The proposed changes lock in developers to a standard that is not feasible and could cause withdrawals late into the process causing uncertainty for the future power supply.
- The accelerated timeline of the proposed changes creates risk for serious and stable projects to be removed from the queue, further exacerbating the power supply needs for the region.
- The changes described also introduce a large amount of financing risk to developers and could make PPA negotiations and project financing impossible.
- The newly requested limits to the acceptable documentation severely limit the paths towards project completion and reduce the diversification of projects and the stability that provides to the interconnection process.
- In light of changes to the federal investment tax credit and the continued need for additional generation in the region, it is imperative to preserve the options that are in the queue and buildable within the next 10 years.

With the multitude of business practice changes, in multiple forums being proposed, we urge BPA to slow the processes down. We need to ensure alignment and unintended consequences are adequately discussed and understood before finalizing such impactful decisions. The diversity of business models, inter-relatability of processes, investments, and potential consequences needs further regional consideration before finalizing these business practices.

Business Practice Comments

We offer the following detailed comments to support a transparent, equitable, and inclusive interconnection process that accommodates a diverse range of project developers and load-serving entities (LSEs):

Transition Process V2

- **Section H.3.c.i** – BPA’s email-only communication policy may hinder efficiency. We recommend allowing optional customer meetings or calls during the Customer Review Period to facilitate understanding and expedite revalidation.
- **Section H.3.d** – ASPEN, Dynamic, and EMT models should be due at signing of Phase Two agreements rather than at the same time as the Phase One Cluster Study

Redemonstration form. If projects are invalidated or withdrawn, then there is no need to supply BPA with the models so the redemonstration and validation process should proceed first.

- **Section H.3.d.v** – As it has been historically, ASPEN models should not be required at this phase.
- **Section H.3.d.vii** – The proposed language suggests that BPA unilaterally determines the Point of Interconnection (POI) in the Phase One Cluster Study report without consultation with the impacted Interconnection Customer and even if the requested POI is feasible. This approach contradicts the express intent of the TC-25 settlement, which stated that “[i]n the event that Bonneville determines that a requested [POI] is not feasible or may need to be relocated, Bonneville will make reasonable efforts to consult with the impacted Interconnection Customer, so long as these meetings will not delay the issuance of the Phase One Cluster Study Report.”² Customers should retain their requested POI (with cost responsibility) so long as it is feasible or have the option to accept a new cluster POI if the POI is not feasible and BPA has made reasonable efforts to consult with the impacted Interconnection Customer. A change in a POI materially affects the ability of associated transmission service requests (TSRs) to represent valid commercial readiness criteria (CRC) (see **Transition Process V2, Exhibit A, Section 3.A.b** – noting that if the Point of Receipt of the TSR does not match the POI as identified in the most recently issued study report) and diminishes the value of transmission investments.
- **Section L.2.b.3** – Clarify how plant size reductions affect interconnection size and whether this impacts the ability to file separate requests or share facilities.
- **Exhibit A, Section 3.a** – Clarify if there are any issues with the current term sheet format or required information.

Site Control V2

- **Section A.1.b** – Clarify that this section applies only to an Interconnection Request relying on more than one non-contiguous site.
- **Section A.1.c** – This requirement does not align with how Generating Facilities are sited and permitted. There are various ways to obtain land use authorizations, not all of which are re-zoning of property, and most facilities are sited through conditional use permitting or state-level site certificates. Whether a facility can be permitted within a zone depends on each individual county’s zoning code. BPA should clarify what this proposed requirement is intended to address and BPA’s proposed evaluation criteria. Requiring an Interconnection Customer to explain its proposed permitting pathway is unreasonable and

² TC-25 Settlement Agreement at Appendix 1, p. 3.

unnecessary as BPA is not a land-use authority and interconnection and site control may occur in advance of facility permitting as the BPA interconnection process often takes much longer than the permitting process.

- **Section A.1.d** – Clarify minimum requirements for Co-Location agreements. See comments on Section A.4 below.
- **Section A.1.e** – Clarify layout requirements for shared site control. Is a general project boundary sufficient?
- **Section A.3.a** – Include a cross-reference to Section A.4.
- **Section A.3.b** – Section A.3.b.viii.3 should be deleted because project specifications – especially nominal facility capacity – provided in a Plan of Development are *preliminary* and can change throughout the right-of-way review process with BLM.
- **Section A.3.c.i.5** – Clarify whether this section (“Request to a public land entity for site control”) is the same or different as Section A.3.c.ii and what types of site control evidence this section is intended to exclude.
- **Section A.3.c.ii** – Licenses or similar documents issued by a state agency where the underlying property is owned by such agency should qualify as evidence of site control. State land agencies own hundreds of thousands of acres in locations that may be served by BPA. Disallowing state authorizations arbitrarily removes valid land positions from qualifying as site control, and conflicts with BPA’s proposal to include BLM site control.
- **Section A.3.c.iii** – BLM should accept purchase agreements as valid early-phase site control. Purchase agreements are binding commitments to purchase property and are akin to an Option to Purchase, which BPA allows under Section 3.b.iv. It would be illogical to allow an Option to Purchase but not a Purchase Agreement, especially when Section A.5 addresses ongoing validity of the Option Period. BPA could include a similar requirement to demonstrate that a Purchase Agreement remains valid or has been extended.
- **Section A.4** – Accept documentation under affiliated legal entities if corporate control is demonstrated.
- **Section A.5** – Allow estoppel letters or signed landowner confirmations as valid proof of extension.
- **Section A.6** – Clarify that multi-LGIR per site tests are acreage-based.
- **Section A.6.b** – Modify the standard for usable acres that qualify as site control. Existing land features such as roads (especially if private), smaller water bodies, and other physical characteristics *can be modified or moved* during the development of a project. More importantly, existing Rights of Way or Easements can be modified or extinguished.

BPA should conduct further evaluation to understand what physical site characteristics are *not* changeable such that they should be excluded from usable acreage.

- **Section B.1.b** – Define “material change” and relevant update timeframes.
- **Section B.3.a.ii.1** – Clarify if parcel number refers to tax lot ID or other systems.
- **Section B.3.a.iii** – See comments on Section A.6.b above.
- **Section B.3.a.iv** – What is the purpose of requiring Interconnection Customer to identify nominal locations of collector stations and lines at this stage in development?
- **Section D.1.a.ii.1** – Preliminary PE-stamped layouts should suffice for early development stages.

LGIA Business Practice V13

- BPA’s ability to move the POI without customer input contradicts the reform intent. Customers should retain POI choice and bear associated costs. Otherwise, BPA must revise how TSRs meet CRC. This is an example of how we must consider the multiple reform processes currently underway together because they are aligned and have cross-impacts.
- Customers should have an automatic right to downsize without losing queue position if criteria are met.

Commercial Readiness V2

- **Section A.2.a-c** – Recognizing the 5-year term of sale for commercial readiness is not a substantive addition in this redline, NewSun asks BPA to reconsider whether a 5-year term should be required and consider allowing 3-year terms.
- **Section A.2.b** – Original intent allowed commercial readiness to be demonstrated via active negotiations. The current approach may disadvantage projects in good-faith negotiations and unnecessarily increase costs.
- **Section A.2.e.i** – BPA’s requirement that purchase order agreements be executed by the Interconnection Customer may limit flexibility. BPA should clarify that multiple projects under one offtake structure will be accommodated.
- **Section A.2.e.i.2** – BPA should specify what evidence is acceptable for meeting the equipment readiness via master supply agreements when the equipment was ordered and accepted under as specified in the agreement.
- **Section A.2.e.v.4** – BPA should clarify that intermediate transformer reservations meet commercial readiness for 500 kV interconnections.

July 23, 2023

- **Section A.2.f.i** – As noted above, if BPA moves the POI, BPA should clarify how TSRs will be handled to avoid penalizing customers.
- **Section A.2.f** – We request BPA explain how “New Point” will be treated in all three of BPA’s queues (GI, Transmission, LLIR).

Conclusion

With the multitude of business practice changes, in multiple forums being proposed, we urge BPA to slow the processes down to align it with the GAT or at a minimum provide an additional 30 days for comments and hold enough workshops to discuss all these changes holistically. We need to ensure alignment and unintended consequences are adequately discussed and understood before finalizing such impactful decisions. The diversity of business models, inter-relatability of processes, investments, and potential consequences needs further regional consideration before finalizing these business practices.

We appreciate BPA’s consideration of these comments and look forward to continued collaboration to ensure a fair and efficient interconnection process.

Sincerely,

NewSun Energy Team