

Obsidian Renewables Comments on the BP/TC-27R Workshop of October 19, 2026

GAT: RAPID and Transmission Open Season

October 23, 2026

1. Overview.

Bonneville's major proposed overhaul of how Bonneville Power Administration would connect very large loads, particularly hyperscale data centers, while trying to keep the costs and risks of those loads from being shifted to existing ratepayers is very well done. It is thoughtful, detailed, based on solid policies, evolving best practices being implemented elsewhere in the country, and would be very beneficial for its customers and for the region generally.

The Administrator's opening remarks were clear, helpful and direct.

The major divisions, SPRINT, PLAID, a future Transmission Open Season, and the Ratepayer Protection Pledge make for a sensible structure to develop the final policy.

2. SPRINT. Speed to power using existing capacity, made possible with interim non-firm transmission.

This idea has recently received significant attention from energy thinkers inside and outside government and inside and outside the utility industry. The economic benefit to Bonneville and its customers from greater use of its existing resources to serve new load would be considerable. On the generation side, the new loads are likely to boost the trading prices of non-firm energy, of which Bonneville is a significant market participant.

Across the table, the opportunity for a new large load to come into service years earlier than under our current system has great economic value to loads and they will be attracted to the product. Of course, some customers may not be comfortable with the uncertainty around non-firm transmission, but participation and purchase of the product is voluntary, so the choice is theirs.

The worksheet materials identify "capacity" without detailed discussion of the difference between transmission capacity and energy capacity. The goal of 5 GWs of mostly firm new load on the BPA BA system with only 11 GW of system peak load will require considerable new energy resources, which themselves will need transmission to get to the new loads. Not a small thing.

Co-location clearly helps, and that gets us to the next topic.

3. PLAID. Fast track when load brings generation.

A very good and fairly straightforward idea that can greatly simplify meeting the needs of the targeted new large loads (and because of a 50 MW threshold loads beyond data centers once the idea is put on the table).

The criteria include an electrical proximity standard (more below) and requires one load operator and one resource operator in the same balancing authority area. The materials did not say "in Bonneville's balancing authority."

Does this mean Bonneville customers who operate a balancing authority (I am thinking the Mid-C utilities) would be eligible for PLAID? We expect the answer is yes.

For the next workshop please address the amount of affiliated generation that is required for PLAID. During the workshop the point was made that it can't be an incidental amount, but shouldn't it be a substantial amount? Can an existing generator independent of Bonneville (such as a merchant gas plant) be used? We expect the answer to be yes.

For the next workshop please address the expected procedure to identify electrical proximity. The queue of generation projects under development in the Pacific Northwest are almost all solar, battery and wind. What it will take for them to qualify as "proximate?" It should be noted that data centers cannot locate on farm land and solar and wind farms are not wisely located on industrial land. One substation away is easy to understand and apply, but I can't say if it makes electrical engineering sense. Would a dedicated gen-tie to the substation make the project "proximate?" We assume so.

4. Deposits.

We found the deposit schedule appropriate and consistent with current practice.

5. Transmission Rates.

The proposal to charge for non-firm transmission at firm rates with a credit of interruption seems a sensible choice. Again, participation and acceptance of the service is voluntary.

We need to learn more to comment more fully, but we offer two concerns. First, it seems clear enough that 500MW data centers are a horse of a different color and should be recognized as such. But PLAID applies to loads over 50 MW, which covers a lot of industry away from data centers. It has long been the experience of utilities and their rate regulators that industrial loads are more fairly served with cost sharing. We suggest that a PLAID project could be two (or more) PLAID projects that share infrastructure costs. And could include a generator that served more than one load or more than one customer. For example, a load serving Bonneville customer (such as a PUD or Coop) may want to contract for a portion of the new generation at a PLAID project to serve its other smaller customers. We expect this would be fine.

Second, we did not understand why Bonneville would calculate a net present value for future expected O&M expenses and charge that to the new load as a lump sum before Day 1. We understand that transmission charges are set to include transmission O&M, and these are incremental transmission revenues (so more O&M collected). This seems like a double charge for O&M. I could see a breakage charge for future O&M if the new load only holds its transmission position for a short period of time and it is not promptly picked up by another load.

6. Firm Service. The long-term destination is still firm service?

We are not sure why Bonneville seems so certain that the future state is everyone on long term firm service. Our imagined future state is a regional transmission authority where point to point service is no longer the standard. Very high reliability of 100 percent firm service can be very expensive and there is good reason to expect that some large customers will adjust to at least partial intermittent service.

It may be possible to serve up to 5 GW of new load in the manner envisioned by SPRINT, and we hope to help you figure that out. But getting those 5 GW up to current expectations of firm service after a few years will cost a whole lot of money that cannot be accurately estimated today. If the new load customers are uncomfortable with interim non-firm then they should be allowed to upgrade to firm (at their cost). But if they do not see a good value proposition to building new long transmission lines for slightly better up-time, why insist on it? Build flexibility into the future state to adjust your thinking as to the best type of service as loads materialize and these markets develop.

For further example, the materials say the load with interim service will participate in the Open Season when it becomes available. Do you mean they will not just participate but bid in at least the clearing price? Do you see a harm to Bonneville from continuing non-firm service?

These same questions would apply to new generation facilities on non-firm interim service.

7. Market friction, queue management and large deposits.

Obsidian disagrees with the oft stated position of the industry trade groups that larger early deposits and larger financial penalties are the strategy to manage queue sitting. Higher deposits increase capital invested and raise the economic hurdle to be cleared by a successful project, thereby resulting in higher prices built into less competitive bids for energy.

We are a small company, truly independent, not a subsidiary of a large investor-owned utility from outside the region. These proposals for large deposits and large financial commitments take companies like ours out of the market and reduce competition. Queue sitting is not limited to one company, is not limited to small companies, and will not go away with larger deposits.

We disagree with the conclusion that the cost of securing transmission rights should more closely align with the benefits of being allocated transmission rights. It should be made clear that queue positions by themselves are not valuable transmission rights. The implicit value of a scarce resource (like transmission) should be attached to ratepayers, not to speculators. Award actual transmission rights later in the process using a market allocator like open season that ensures highest and best use of this public resource. Push back hard on the incorrect idea that people who enter the queue thereby obtain some large economic advantage they can exploit. Along the path from application to the actual transmission award, develop guidelines around **readiness, efficient use of existing capacity, transparent milestones, and prompt release of unused capacity.**

Thank you for your consideration of our comments.

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