

Load Area Reinforcement Studies (LARS) Customer Meeting

August 5, 2026

Objectives

- Provide a description of LARS study cost allocation methodology
- Share BPA's LARS selection considerations
- Announce LARS 2026 Selection
- Next Steps

LARS Cost Methodology

- Customers will provide a \$25K deposit to participate in the LARS, through a LARS agreement.
- The actual costs will be trued-up based on the ratio of individual requested MW to the total group MW studied.
 - Transparent and repeatable across future LARS.
 - Practical to implement, administer, and sustain.
 - Aligns cost causation principles and common utility practice.

LARS Load Area Selection Considerations

- Rapid growth in the area (forecasted load);
- Challenging activity in the Generator Interconnection (GI) and Line and Load Interconnection (LLIR) queues;
- Constraints identified in the 10-year transmission plan;
- Known service quality issues or operational challenges in the area;
- Commitments from all impacted customers in the load area to fund LARS;
- The number of customers expressing interest in the load area;
- Comments provided from customers.

LARS Selection

- Selected Load Area: **Tri-Cities Load Area**
 - Decision reflects the load area selection considerations presented earlier.
 - BPA will continue evaluating load area needs for future LARS selections.
- Load Area Customers
 - Benton PUD
 - Benton REA
 - Big Bend Electric Coop
 - City of Richland
 - Columbia REA
 - Franklin PUD

What's Next?

- For the Tri-Cities Load Area customers:
 - BPA will prepare study agreements and associated implementation materials.
 - BPA will schedule meetings with load area customers after agreement execution.
 - Customers will receive study result information that they may use when submitting LLIRs.
- For other interested customers:
 - Continue utilizing the LLIR process.
 - Continue engaging with BPA regarding local area needs.
 - BPA will continue to evaluate other load areas for future LARS.

QUESTIONS?