# BPA Response to Customer Comments from February 2025 Transmission Planning Reform Public Meeting

May 8, 2025

Following is an aggregation of customer comments<sup>1</sup> and BPA responses to the materials and information shared at the February 11 workshop and initial announcement of the Transmission Planning Pause and Reform Processes. All materials and customer comments are posted to the <u>Transmission Planning Reform webpage</u>.

## Benchmarking

- Consider inviting other regional entities to present their process for addressing transmission planning at a high level. SCL suggests a minimum of three entities including CAISO, MISO, and SPP. Benchmarking education should occur at April workshop. (SCL)
  - Bonneville welcomes these and other entities being invited to customer led workshops by customers. Bonneville has been and will continue to conduct benchmarking.
- Encourage BPA staff to explore the planning and transmission expansion methodologies (and cost allocation mechanisms) implemented by independent system operators and regional transmission operators around the country and consider whether any of those models can be adapted to meet the transmission needs of the Pacific Northwest (NIPPC)
  - o Thank you for your feedback. As noted above, Bonneville is conducting benchmarking. We will consider this after an alternative is chosen, including any necessary rate design as part of the 7(i) process.
- Conduct an industry survey of similarly situated transmission providers and their processes for planning and queue management and provide results for evaluation and recommendation. (Snohomish)
  - Bonneville is conducting an industry scan and will share findings at an upcoming workshop.
  - Bonneville invited customers to present their benchmarking findings at customer led workshop in May and encourage customers to share their findings in the customer led workshop in July.

<sup>&</sup>lt;sup>1</sup> All customer comments are attributed to the originating commentator either inline or in parentheticals

# **Business Impacts**

- Neither a marketer, like SENA, nor a load serving entity, like SENA's customers, would be able to explore alternatives to their existing contracts for the duration of BPA's suspension of its processing of transmission service requests. (Shell)
  - Bonneville agrees, the concept of a transition process was presented at the April 21st workshop.
- This retroactive lock of the transmission service request queue dating back six months – raises significant obstacles for transmission customers like Shell who are attempting to finalize wholesale energy transactions in the coming months.
   Aggravating this retroactive suspension is the lack of any timeline by which BPA will resume processing of transmission service requests. (Shell)
  - Bonneville disagrees that this pause is a retroactive lock. This pause is necessary because it is impossible to process a queue of this size under Bonneville's current processes. We need to look at the impacts and possible reforms to Bonneville's planning processes holistically.

## **Engagement**

- April and July workshops would be more effective if conducted over two days with adequate time for discussion, contemplation, and feedback within the workshop. (SCL)
  - o Bonneville is open to adjusting workshops as needed based on content.
- SCL additionally suggests BPA consider rapidly moving through the reform process.
  - Timeline and pace for TPR customer engagement was shared in the April 21st workshop. Bonneville is open to customer feedback on the current TPR timeline.
- Public process should be expedient and conducted with urgency (Snohomish)
  - Timeline and pace for TPR customer engagement was shared in the April 21st workshop. Bonneville is open to customer feedback on the current TPR timeline.
- NIPPC is concerned that this timeline is simply too long and that BPA must resume processing some transmission service requests earlier.
  - Timeline and pace for TPR customer engagement was shared in the April 21st workshop. Bonneville is open to customer feedback on the current TPR timeline.

#### **Tariff Strategy**

- Shell encourages BPA to identify changes that it can implement within the existing tariff structure that will allow BPA to resume as many processes as possible as a transition process pending development and implementation of more comprehensive reforms on a durable basis
  - BPA appreciates this feedback and will consider this in alternatives development, such as proposals for a transition process introduced at the April 21st workshop.

## **TSR Processing & Studies**

- Shell urges BPA to:
  - resume processing requests that customers submitted months ago in expectation that those requests would be timely processed.
  - do not suspend all processing of the transmission queue from August 14,
     2024 until the completion of a tariff revision process at some time in 2026.
  - move swiftly to limit the number of processes it must suspend and the duration of those suspensions
  - BPA appreciates this feedback and will consider this in alternatives development, including for developing a transition process as introduced at the April 21st workshop.
- Snohomish sees a mismatch between TSR cut-off date of 8/15/24 and LaRC submittal deadline of 9/30/24 - encourage BPA to move TSR cut-off to 9/30/24
  - Please refer to the Pause Q&A posted to the <u>Tx Planning Reform webpage</u>.
     BPA expects to address this comment more directly following the July 10 TPR workshop.
- NIPPC is willing to work with BPA in an attempt to explore a set of potentially stricter requirements to apply to transmission service requests
  - Bonneville looks forward to customer suggestions.
- NIPPC encourages BPA to reconsider its decision to suspend processing of customer redirects – especially when those redirect requests meet BPA's de minimis criteria.
  - o Please refer to the Pause Q&A posted to the Tx Planning Reform webpage.

- NIPPC feels that transmission expansion mechanism based on the aggregation of customer transmission service requests is no longer a viable solution for the region.
  - BPA appreciates this feedback and will consider this in alternatives development, including proactive planning as presented in the April 21st workshop.

# Scope

- NIPPC cautions BPA against limiting its consideration of reforms to focus only on increasing the number of requirements that customers must satisfy in order to enter a transmission cluster study.
  - o BPA agrees and is looking to develop a holistic set of reforms.
- NIPPC believes that phased transmission expansion based on robust planning with the approval of state policymakers presents a superior path to successful reforms.
  - Thank you for this feedback. BPA will consider state policies as well as input from stakeholders.
- April workshop content should include following (PGE):
  - Explain TSR study methodology, ATC methodology, Gen/Load study assumptions in existing planning processes
  - How BPA encumbers for pre-existing transmission rights
  - Explain current flowgate capacity ratings and how much incremental capacity will be created by EGP/Sustain projects
  - How are PTP requests studied vs. NITS?
  - Share data on requests from LSEs vs. IPPs
  - Bonneville created a new <u>TPR web site</u> to improve information accessibility.
     On this site we have made available previous presentations that cover current state planning processes.
- Bifurcate the reform process: first and early stages should focus on business practice or other changes that BPA can implement on an accelerated timeframe within its existing tariff and rates. (NIPPC)
  - We appreciate this feedback and will consider this in alternatives development and particularly in the development of a transition phase.
- NITS product naturally meets the load/resource alignment BPA seeks. (NTCG)
  - o Thank you for your comments.
- Explore in this reform process how it might be implemented and transition to a congestion revenue rights regime in place of the existing model of long-term firm point to point and network transmission service (NIPPC)

- Thank you. We will stay coordinated with the Markets policy as we develop alternatives and consider customer and stakeholder feedback.
- NIPPC recommends that BPA consider how it could incorporate scenario planning, on both a 10- and 20-year basis, as part of its Attachment K planning process.
  - We appreciate this feedback and we are considering this in alternatives development, such as for proactive planning as presented in the April 21st workshop.
- New transmission planning model begins with (NTCG):
  - i. renewed review and commitment to core statutory purpose of FCRTS
  - ii. new emphasis and priority on NITS and PTP where load/resources are matched
  - iii. review of obligations/rights of OATT products
    - o Thank you for your comments.
- New paradigm: It takes five to eight 100MW nameplate Variable carbon free resources with a 20% or less Qualifying Capacity Contribution (QCC) factor to reliably serve 100MW of load. This translates into 500MW to 800MW of TSRs to serve the same 100MW of load. (SCL)
  - BPA appreciates this feedback and will consider this in alternatives development.

#### Miscellaneous

- De Minimis: Shell is concerned that the retroactive suspension applies even when to those transmission service requests that have a de minimis impact.
  - Please refer to the Pause Q&A posted to the <u>Tx Planning Reform webpage</u>.
- EGP: SCL feels that BPA technical resources associated with TSR & NITS study processes should be predominantly applied to moving all evolving grid 1.0 and 2.0 projects out of scoping and preliminary engineering phases and into facility study phase as soon as possible.
  - The EGP projects continue to move forward. BPA will continue to provide public updates on the EGP portfolios and appreciates the comment.
- GIQR: GI reform framework should be given time to produce results and lessons learned during the first non-transition cluster study before changing this newly reformed process.
  - Bonneville does not intend to modify GI reforms that were adopted in TC25 as part of this TPR effort.

- NorthernGrid: work with its transmission owning partners in the region to ensure that the NorthernGrid Order 1920 implementation filing will deliver on its potential. (NIPPC)
  - BPA is and will continue to work with its partners. BPA is also engaging with WestTEC.
- Provider of Choice: Consider power contract timeline and deadlines in planning public process. Suggest bringing topic to POC workshop (Snohomish)
  - Bonneville is looking at alternatives from a One BPA perspective. Provider of Choice timelines will be taken into consideration in alternatives development.
- Regional Planning: encourage BPA to consider how to apply similar tools to the regional planning process for the Northwest such as Western Power Pool and its WestTEC process have undertaken to explore scenario planning on an interconnection-wide basis. (NIPPC)
  - BPA is and will continue to work with its partners in regional planning efforts such as NorthernGrid & WestTEC.
- LaRC: Shell objects to 8/15/24 deadline for processing LaRC submittals not comparable treatment with PTP
  - Please refer to the Pause Q&A posted to the <u>Tx Planning Reform webpage</u>.
     BPA expects to address this comment more directly following the July 10 TPR workshop.
- Commitment of Customer Resources: SCL suggests BPA request customers dedicate staff to participate actively in the reform process from the first meeting.
  - Bonneville agrees success of this effort will require engagement and input from all stakeholders
- Day Ahead Markets: Joining DAM may provide additional options to consider regarding transmission planning and transmission service processing. (NIPPC)
  - Thank you. We will continue to keep that in mind as we are evaluating alternatives.