PGP Comments on BPA's April 2025 Transmission Planning Reform Workshop

The Public Generating Pool (PGP) is a collection of nine Public Utilities that work together on issues of common interest. PGP members manage non-federal assets, some are point-to-point and some are network transmission customers, some operate their own BPA-adjacent BAs and others are embedded in BPA's BA. PGP Members, while situated differently regarding their current and planned direct use of BPA Transmission Service and Power Supply, recognize that BPA's ability to serve its power and transmission customers is impactful to all BPA customers and the broader region, as well as critical to reliability during a time of increasing volatility, uncertainty, resource replacement, and growth on the system. PGP appreciates BPA's recognition of the need to update its focus and processes through this Transmission Planning Reform effort. To align with BPA's stated willingness to explore wide-reaching process reform, PGP recommends expansion of the vision to incorporate proactive planning and new approaches to infrastructure, stakeholder education and improvements to process transparency to enable efficiency gains, and project guidance that incorporates a plan to address the critical topics of the on-demand service design and enhancements to how transmission in the BPA system is built and paid for.

PGP supports BPA's problem statement and generally agrees with the premise that a fundamental shift in how BPA expands and grants rights on the transmission system is necessary to meet customer, constituent, and market needs. However, PGP recommends that BPA consider other potential approaches to defining the vision. In the materials, the defined vision is going from 'request to service in less 5-6 years.' This vision seems to assume a problem statement rooted in the challenge of slow and clogged queues and the current inability of BPA to respond to customer requests in a timely way. The articulated problem statement is more expansive than this and PGP recommends considerations of a defined vision that is similarly expansive and aligns better with the fundamental changes BPA seemed open to in the meeting dialogue. The fundamental shift for BPA is from a time of predictable and slow (or no) growth to a period that includes significant and dynamic growth, an evolving resource mix, increased linkages between resource adequacy and transmission availability, and the need for strategic and economic investments in infrastructure. It is possible that the problem statements articulated require more than the vision of a reformed customer queueing process but requires a holistic and reformed approach to infrastructure investments and system expansion in general. This may mean a

more wholesale realignment of functions and workstreams to pivot to the proactive vs reactive approach referenced by BPA leadership in the meeting. This transformation will implicate processes other than the service request processes referenced in the meeting materials.

In general, PGP supports BPAs goal of making improvements to ensure the Federal Columbia River Transmission System can cost effectively and reliably meet current and future needs. PGP sees this process as an opportunity for BPA to learn from others who are adapting to this changing landscape, to find a process that is both effective and sustainable to not only respond to customer requests, but to plan the system in a way that better anticipates customer needs. The process should include customer needs that are reliability or policy-driven while providing information and mechanisms to facilitate economic investments in the system.

To better understand the objectives of any reforms, it would be helpful to have a clear articulation of how BPA Transmission staff and transmission customers define their "needs" on the BPA Transmission system. Such an assessment could help all stakeholders to understand:

- Where do the needs of various BPA transmission customer types align and complement each other? Do some types of customer needs generally drive the need for larger infrastructure investments?
- Can some needs be met with new or reinforced infrastructure while others can be met with non-wires or process and capacity allocation solutions?
- How are these needs changing in ways that require new processes and procedures to effectively meet them?
- What data sources exist that can provide insight or justification for these needs without creation of duplicative processes?
- How do we determine core needs vs risks worth analyzing to determine least-regrets strategies?
- What mechanisms are already in place or missing for evaluating these needs and identifying solutions with appropriate levels of confidence?
- Where can synergies be gained?
- Where will tradeoffs need to be made and how will needs be prioritized when necessary? Can BPA develop a set of objective criteria to prioritize projects and solutions?
- What uncertainties could drive significant changes in this needs assessment and how can they be incorporated into scenario planning or inform economic investment opportunities?

Further development of the goal and definition of a shared vision of what success looks like in today's context will help to guide the scope of this project, and help customers and BPA to appropriately assess tradeoffs when needed while supporting the agency in development of a suite of reforms and identification of solutions that can address the current challenges. Similar to other BPA processes, a benchmarking exercise to compare to industry best practices may also help to establish a shared vision of success across BPA customer types and business models. Such an exercise could also document unique features of the BPA system as compared to other regional TSPs and/or RTOs/ISOs that will need BPA-specific solution sets that are not found elsewhere.

As a starting place, the discussion during the April 21st workshop demonstrated that each customer group appears to have somewhat distinct versions of what the system "needs" are, many with more in-depth problem statements relating to their group and customer-type specific process. This highlights the siloed nature of BPA's current approach, and the potential benefits of improving the shared understanding among BPA's various customer groups for what the needs of other groups are, and where they may be aligned or complementary to inform proactive planning and cost-effective investment decisions. BPA could support this process by providing clearer documentation up front of how BPA's internal transmission-related processes currently inform and relate to each other, and where they do not. While BPA identified some discreet internal processes for improvement, notably the NITs forecast, the existing Transmission Queue, and Readiness Criteria, PGP sees proactive planning to address evolving risks and resource mix changes as broader than these three concepts/workstreams, which will require a holistic view of the system and future state we are planning for. This holistic view should include clearer cross-walks between the interconnection, line and load, and transmission rights request needs and the System Assessment and Long-Term Planning processes and any scenarios analyzed under these processes.

BPA's problem statements and the evolving regional landscape also implicate some external processes that could potentially be used to help align BPA's process with best practices and add transparency. Beyond the data sharing between these processes, customer groups and/or BPA could clarify key timelines and milestones in each separate workstream that may present opportunities for alignment, automation, minimization of duplicative processes, or efficiency gains. Examples include but are not limited to: utility procurement plans, project development timelines and milestones, queue analysis vs an evaluation of policy and resource adequacy driven procurements likely to be constructed in BPA's balancing area, linkages to WestTEC, WECC scenario analysis or WECC reporting data, and alignment of data requests/commitments with new resource and new project milestones. At minimum, it would be helpful to understand where these processes

currently inform each other, and to hear BPA's assessment of where external data sources and processes may be used.

From an overall scope perspective for this reform process, PGP would also like to understand when BPA will be discussing potential improvements relating to project execution and the design of the on-demand service. In alignment with an expanded vision, this process should not focus only on the "Transition to Future State" but will also need to address the details of on-demand service design and new mechanisms to cost-effectively and proactively upgrade the system. BPA may also need to consider new and developing processes that are also designed to support economic transmission in the region, and related voluntary funding and partnership approaches. These components of the overall reform process may have unique problem statements, design questions and solutions sets, but will still need to link back to the planning and request management workstreams. Given the broad scope of this stakeholder process and the aggressive timeline, it may make sense for BPA to focus first on the planning reform and related enhancements to request management, and to later focus on these other components of the vision. Regardless of BPA's preference on how to best separate and sequence these topics, providing a more detailed roadmap for when these may be discussed could enable customers to focus input on the right topics at the right time. PGP again thanks BPA for being open to significant revision and improvement of these processes going forward.