

Submitted to Tech Forum on June 2, 2023

### ***PPC Comments on TC-25 Workshop (May 25, 2023)***

The Public Power Council<sup>1</sup> (PPC) appreciates the opportunity to comment on BPA’s TC-25 Pre-proceeding workshops. The information presented by BPA to date has been helpful, and PPC is generally supportive of BPA’s efforts to improve management of its Generation Interconnection (GI) process. There are some areas where additional information would be helpful to understand the specifics of BPA’s proposals, including how they impact the decisions that interconnecting customers will face and how well BPA is staffed to take on these changes while continuing to address other ongoing planning work (such as TSEP and Line and Load Interconnections). We hope there will be time in the process for some additional discussions on these points and look forward to working with BPA and other stakeholders to develop a path forward.

#### *TC-25 Process*

PPC understands the importance of concluding the TC-25 proceedings in advance of TC-26 initial workshops. At the same time, the abbreviated TC-25 workshop schedule has left outstanding questions and not left as much time for stakeholder engagement – both among the stakeholder community and with BPA – which would be helpful to ensure that issues are thoroughly vetted. We understand that other stakeholders are considering this, as well, and we look forward to proposals on how a short extension may allow additional time for BPA and customers to discuss these critical topics.

Additional time for discussion and a more holistic description of BPA’s proposal would be very helpful in assisting customers on whether they should support the proposed approach. Specifically, PPC seeks the following:

- Additional information from BPA on how the TC-25 process fits in with upcoming or potential future processes to improve BPA’s Line and Load Interconnection Process and TSEP. This should include a discussion on how various “transition” approaches may impact BPA’s approach to a holistic review of BPA’s transmission planning and execution efforts.

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<sup>1</sup> PPC, established in 1966, is an association that represents the vast majority of consumer-owned electric utilities across five states in the Pacific Northwest. PPC’s mission is to preserve and enhance the benefits of the Federal Columbia River Power System operated by BPA for consumer-owned utilities. PPC’s members pay roughly 70% of BPA’s annual \$3.9M revenue requirement, in addition to owning their own generation and transmission facilities in the Northwest.

- A more comprehensive discussion on how BPA’s proposal will impact staff workload, including how BPA is ensuring that it will not impact other related processes.
- BPA should provide a timeline for any transitional plans and commitments towards meeting its goals.
- A comparison between today’s policy and BPA’s proposal that highlights:
  - What information is required from the customer and when to advance to the next study stage.
  - What financial obligations customers have to move through phases of the study process.
  - What information BPA is providing to customers to inform their decisions.
  - When customers are required to make decisions about moving forward through the study process, and what information they have to inform that decision.
    - This would be particularly helpful in understanding BPA’s scalable plan approach.

We are optimistic that there is an opportunity to discuss some of these issues in additional detail without significant delay to the TC-25 process.

#### *Readiness Requirements*

Generally, the option to either meet certain readiness conditions or supply additional deposit seems appropriate and should allow “serious” projects to move forward. Having the option available of either a deposit or demonstration of readiness criteria should help prevent smaller producers from being unduly burdened by additional study costs if they are ready to move forward, while not allowing projects that do not have sufficient funding to move forward to displace other viable projects in the queue.

BPA should work with public power entities to ensure that the readiness requirements fit within their planning processes so that projects serving public power needs are not disadvantaged for not going through an IRP process.

It is important that withdrawal is an attractive option for projects that are unlikely to move forward. Thus, BPA should make the withdrawal process simple and not charge withdrawal fees.

#### *Scalable Plans*

PPC strongly supports the concept of the “scalable plan,” but has questions around how it would be implemented. As raised above, additional clarity on what information customers have when they are making decisions would be helpful (for example, do they have to pay for the next phase of study before they know if they are in scalable plan 1 vs. scalable plan 2?)

It would also be helpful to understand how the time stamping of “priority” occurs. It is unclear how that process is conducted and whether there are aspects related to the manual

implementation of this process that could unintentionally disadvantage customers. If BPA cannot demonstrate that the time stamping can be implemented consistently across all customers, then it may need to retain current queueing order for the purposes of defining scalable plans.

#### *Interest on Deposits*

PPC appreciates BPA highlighting this issue and the potential for cost shifts to entities not in the interconnection queue. We agree with the principle that there should not be cost shifts to entities not in the interconnection queue, but those that are seeking interconnection should also be kept as whole as possible for an interest earned on deposits made for studies and construction. PPC is interested in further discussions about potentially establishing an escrow account that would directly accrue interest for those customers making deposits. This seems most consistent with avoiding cost shifts between customers seeking interconnection and other BPA customers.

#### *Conclusion*

PPC appreciates BPA's efforts to address Generation Interconnection Queue challenges in as timely a manner as currently possible. At the same time, BPA needs to provide some additional insight into the impacts this proposal has on other ongoing agency functions before pursuing these changes. We appreciate the opportunity to further engage with BPA on these points to continue to improve BPA's transmission services.