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Bonneville Power Administration
905 NE 11th Ave
Portland, OR 97232

Submitted via TechForum

Re: Alliance of Western Energy Consumers' Comments on TC-27 December 2025 and January 2026 workshops

The Alliance of Western Energy Consumers ("AWEC") appreciates the opportunity to provide comments on Bonneville Power Administration's ("BPA") TC-27 pre-proceeding December and January working sessions regarding BPA's transmission study proposals to address the interconnection queue now and into the future state.

AWEC is a trade organization whose members include many of the Region's largest employers and consumers of electricity and natural gas. AWEC's members are responsible for providing tens of thousands of highly paid, technical, family-wage jobs across a broad range of industry sectors such as agriculture, aeronautics, air products, metals, pulp and paper, and more. As such, AWEC's members are also significant consumers of electricity, paying millions of dollars for power and transmission services each year. They take service from both public power customers of BPA as well as regulated investor-owned utilities who purchase transmission services from BPA. AWEC members' host utilities take both Network Integration Transmission Service ("NITS") and Point to Point ("PTP") service products from BPA Transmission. Given the energy-intensive nature of many industrial processes, AWEC members are focused on both costs associated with electricity service, including transmission, and reliability.

AWEC appreciates BPA's effort to comprehensively address the transmission queue, informed by stakeholder perspective and feedback, and dedication to creating a path to "get off pause" as soon as practicable. AWEC understands how demanding this process has been for BPA Staff and appreciates BPA's hard work in developing positions and alternatives for stakeholder consideration. At present, AWEC is nevertheless concerned that key elements of BPA's proposed NITS Large Load Facility Policy remain unclear or inadequately addressed, and questions whether additional time is needed in order to ensure durable and equitable outcomes. During the January 15th workshop, several parties raised potential clarifications and proposals that they may also include in comments, reinforcing the need for additional discussion and opportunity for response before final positions are communicated.

NITS: Large Load Facilities and Commercial Planning Requirements

BPA has identified a core problem that it seeks to solve: "BPA's current business model for transmission system expansion needs to be modified to enable BPA to adapt to current circumstances." [1] As indicated in recent workshops, part of BPA Staff's potential solution is to establish a policy for NITS that would draw a "line" between trended and non-trended load growth at 13 MW per facility, as indicated by a LaRC forecast. "Above the line" facilities could be subject to a permanent Large Load Facility ("LLF") designation, triggering commercial planning requirements. Loads "below the line," including all residential, commercial and small industrial loads, regardless of aggregate load growth, would remain subject to System Assessment and exempt from commercial planning requirements.

BPA justifies this treatment by arguing that the following objectives are met by BPA's proposed Commercial Business Model: (1) All TSRs/FTSRs that remain in the queue are "studiable;" (2) achieve a "studiable queue volume/process; (3) thoughtfully balance cost causation and socialized cost; (4) appropriately allocate various risks associated with transmission expansion; (5) supports BPA's mission regarding commercial transmission expansion; (6) fairly allocates scarce system capability (existing system, capacity enabled by new project, and CFS/IS capacity).[2] AWEC questions whether these objectives are met by Staff's Leaning for LLFs, particularly without a carve-out for Contracted For, Committed To ("CF/CT") loads. The outcome is that a subset of a Network Transmission ("NT") customer's Network Load would be subject to additional study requirements, contractual commitments and obligations, fees and cost allocations, etc., resulting in potential delays in LLF receiving long-term firm transmission service at (likely) increased costs and with (likely) additional contract risk compared to current practices.

1. *A Large Load Facility Policy should be included in either a stand-alone policy or incorporated into BPA's Open Access Transmission Tariff ("OATT").*

AWEC supports access to long-term firm ("LTF") transmission service as expeditiously as possible, subject to commercially reasonable terms and costs. However, AWEC remains concerned that Staff's Leaning for a Large Load Facility Policy ("Leaning") will result in delays in transmission service and cost shifts to the detriment of large industrial loads without sufficient justification for these results.[3] AWEC recognizes that there is growing regional trend to insulate

[1] TC-27 Pre-Proceeding Workshop "Commercial Business Model" presentation (Jan. 6-7, 2026) at slide 5.
[2] *Id.*
[3] AWEC's August 15, 2025 comments on Grid Access Transformation Draft Language at 1, accessed at AWEC-Comments-re-July-2930-2025-workshop-81525.pdf.

existing customers from perceived costs and risks, including reliability risks, associated with new large load growth, particularly load growth from data centers.[4] However, AWEC shares observations raised by others that BPA has not made similar assertions about reliability risks or stranded costs as justification for its current proposal.[5] As such, AWEC would like to better understand the drivers behind BPA's proposed solution other than facilitating transmission study requirements. Additionally, in order to fully address large load policy, BPA should adopt either a stand-alone policy or incorporate treatment for large loads in its OATT.

2. CF/CT loads should be exempt from Large Load Facility determinations.

AWEC remains firmly opposed the inclusion of CF/CT loads in making Large Load Facility determinations. Should BPA move forward with its Staff leaning to "draw the line" at 13 MW of load growth at a single facility, BPA should also make clear that CF/CT designated amounts are exempt from Large Load Facility determinations up to the CF/CT designation.

As AWEC explained in its August 15, 2025, comments, CF/CT load "is a load that existed prior to September 1, 1979, that was either 'contracted for' to be served by a Bonneville customer, or 'committed to' by a Bonneville customer to be served."[6] Thus, CF/CT loads are legacy loads that BPA (and its NITS customers) have long planned for and that BPA's existing transmission system was sized and designed to accommodate. Further, transmission assets to serve CF/CT facilities have long been embedded in NITS rates – a circumstance that distinguishes CF/CT facilities from new large load facilities. Not unlike their host utilities, or residential, commercial or small industrial consumer loads, CF/CT loads experience variability over time due to factors both within and outside of their control. They may temporarily "lose" load, for example, during a global pandemic due to economic circumstances outside of their control, and then see a natural return of that load as economic conditions improve.[7] This variability in load does not change the fact that, by definition, BPA has already planned for CF/CT loads up to CF/CT designated amounts, that CF/CT customers have previously relied on firm transmission to serve facilities up to CF/CT load amounts, and that CF/CT loads have paid

[4] For example, the Oregon Power Act passed in the 2025 Regular Session requires the Oregon Public Utility Commission to establish a rate class for data centers specifically; AWEC understands the state of Washington to be considering similar legislation for "emerging large energy use facility[ies]," defined as facilities with maximum aggregate contract demand of 20 MW or greater and primarily engaged in providing service described under code 518210 if the 2022 North American Industry Classification System (i.e. data centers), in its current legislative session.

[5] *See e.g.* Umatilla Electric Cooperative's July 21, 2025 comments at 2-3.

[6] Bonneville Power Administration, Provider of Choice Policy Record of Decision at 155 (Mar. 2024).

[7] In fact, BPA recognized this reality in the development of Provider of Choice contracts, adopting an economic adjustment that would allow for additional Contract High Water Mark to be allocated to a utility based on a return of industrial load. Provider of Choice Policy at 17-18.

for transmission assets necessary to serve up to CF/CT designated amounts. Nevertheless, without sufficient explanation, the Staff Leaning for a Large Load Facility Policy does not distinguish between legacy CF/CT loads and new large loads. AWEC cannot see a justification for failing to exclude CF/CT load amounts from LLF determinations as part of, or concurrent with, TC-27.

Furthermore, requiring CF/CT load growth above 13 MW to go through BPA's Commercial Business Model does not meet key objectives identified by BPA. For example, subjecting CF/CT loads fails to "thoughtfully balance cost causation and socialized costs." As noted above, BPA has already planned for, and CF/CT loads have already paid for, transmission service access up to CF/CT designated amounts – thus, these loads are not causing new costs on BPA's system to the extent that "load growth" at the facility remains below CF/CT designated amounts. And in fact, if a CF/CT facility is operating below its total CF/CT designation, other consumers are benefitting from investments originally made on behalf of CF/CT loads. To then say that CF/CT facilities could have a unique obligation to fund network upgrades and otherwise participate in commercial planning is unjust and unreasonable, a concern that is exacerbated by the proposal that LLF designations would endure in perpetuity. This construct is likely to result in unwarranted cost and risk shifts to CF/CT loads experiencing normal load variability within designated CF/CT amounts. By the same logic, a failure to exclude CF/CT load amounts also fails to "fairly allocate scarce system capability." Instead, the Staff Leaning serves to elevate the interests of residential, commercial and small industrial loads above large industrial loads without clear justification.

Finally, based on discussions in December 2025 workshops, AWEC understands that BPA may wish to address CF/CT loads outside of the TC-27 process. If that remains the case, AWEC requests that BPA clarify the timing and implications of this proposed "separate" treatment at its next workshop. Specifically, AWEC would like to better understand when and how BPA is proposing to address CF/CT load amounts in relation to Large Load Facility determinations, and whether its understanding that determinations in TC-27 would seem to apply to CF/CT loads absent explicit treatment otherwise is correct.

3. *Security requirements for Large Load Facilities should be appropriately tailored to the individual project and return of security amounts should be based on Large Load Facility performance.*

Even if CF/CT loads are subject to LLF determinations, CF/CT loads should be exempt from proposed Commercial Planning security requirements based on the same logic articulated above. Requiring additional financial commitments and risk for CF/CT loads, given their legacy

nature, is unreasonably punitive. For new loads designated as LLF, security requirements should be determined on a project-by-project basis informed by the particular risks associated with the project. Security requirements are likely to be passed on to consumer loads by virtue of contracts with host utilities. Thus, unduly onerous security requirements are likely to stifle development that is otherwise supported by local communities.

Additionally, AWEC supports comments raised during the January workshops related to matching performance requirements with security requirements. In other words, if security requirements are assessed based on LLF determinations for NT customers, then security should be returned to NT customers based on whether the facility's load meets designated thresholds, not whether the NT customers' overall load meets certain thresholds. The latter introduces risk that an LLF may not recover security amounts due to circumstances outside of its reasonable control without a clear policy justification.

4. Large Load Facility determinations should sunset in the "Future State."

BPA Staff's Leaning is that once an LLF determination is made, any load growth at the LLF would be subject to commercial evaluation in perpetuity and regardless of whether future forecast load growth is less than 13 MW. As justification for this approach, AWEC understood BPA to claim that continued evaluation of any amount of load growth at an LLF, even *de minimis* growth of 1MW, would allow BPA to continue to make determinations about whether a study is necessary. AWEC is concerned that this approach creates a double standard for *de minimis* impacts and who should bear the cost of such impacts. If there are system constraints that require network upgrades in a geographical area, those determinations should not be based on large load facilities if load growth is less than 13 MW. AWEC encourages BPA to give this additional thought and to adopt a consistent approach for *de minimis* impacts of less than 13 MW across *all* types of consumer loads. To do otherwise is again an example of disparate treatment without clear justification.

Further, AWEC agrees with comments from the NT Group that new large load designations (now LLF designations) should sunset in the future state. BPA's justification for subjecting LLFs to commercial planning is in part to make sure that loads are "studiable" and to achieve a "studiable" queue/volume process. In the future state, the transmission planning reform process will have been successful and thus there does not appear to be a need to continue LLF designations for NITS customers in the future.

Finally, AWEC also appreciates that BPA has affirmed that existing encumbrances and FTSRs will be honored. AWEC supports this treatment and requests that this be memorialized in a formal policy decision.

5. *BPA should consider the implications that tiering transmission could have on flexible large loads.*

BPA should consider how its LLF determination and associated commercial planning processes may either incentivize or frustrate the development of flexible large loads in the region. Flexible large loads, particularly those that are asset-backed and can deliver significant reductions in load during periods of system constraint through on-site generation, shifting workloads or adjusting operations, should not be at risk for losing security amounts if either utility load or LLF load (depending on BPA's decision) fail to meet designated thresholds due to load curtailment that provides other benefits to the grid. Careful consideration of commercial planning requirements to ensure flexible loads remain appropriately incentivized to provide benefits, such as avoided peaking capacity, back to the grid is also necessary.

In sum, AWEC sincerely appreciates BPA's time and effort that went into its TC-27 proposals and subsequent workshops. AWEC looks forward to continuing discussions on these topics and reviewing BPA Staff's proposal.

/s/ Bill Gaines
Executive Director
Alliance of Western Energy Consumers