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January 16, 2026

Bonneville Power Administration
Attn: Transmission Services
905 NE 11th Ave
Portland, OR 97232

cc: Chris Lockman, Account Executive
Via email: cllockman@bpa.gov

Via email: techforum@bpa.gov

Re: Obsidian Renewables Comments on TC-27

These comments are somewhat broader than the transmission only focus of TC-27, but the energy and transmission capacity solutions overlap.

Data centers and many other large new loads, in exchange for high confidence on a rapid plan of service, will agree to manage themselves to handle partial (60 up to 80 percent) curtailment during times of great physical or economic stress on the system. That willingness should allow a form of conditional firm transmission to be offered in many or most cases. This change in policy would allow data centers (and certain other large loads) to come into service much sooner than the status quo or other policies under consideration, a huge advantage for them.

Data centers and other large customers will not prefer to be subject to curtailments, but they can manage it. With energy storage such as batteries, with backup generators, or by shifting the compute to a different region of the country on a temporary basis, or all the above.

"Partial curtailment during times of great physical or economic stress" refers to Bonneville experiencing operating limits on either the transmission system or on energy availability. Setting aside emergencies and unexpected equipment failures (which are covered by different rules), to a very large extent the shortage of transmission and energy both occur during ultra-high load hours, and the overwhelming expectation for those events is weather related and, for energy, tied to water in the river. In other words, foreseeable events and planning is possible. In an average/somewhat below average water year the occurrence of such ultra-high load hours may be as few as 75-200 hours per year, or about 2 percent of all hours.

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Decades ago, the Northwest had a different surge in new large load customers, aluminum plants. Their contracts were complex and controversial, but in broad strokes those plants received a form of conditional firm power with the understanding their power could be partly or fully curtailed when necessary for the general benefit of the system. Curtailments were rare. It can be done.

If data centers and other large new loads accept significant partial curtailment during ultra-high load hours, and if they are on power contracts that require them to pay the full cost of the energy they use, their additional loads will increase total system utilization with minimum capital outlay, which would be a significant financial benefit to transmission system economics. On the other hand, if we assume (as most utility people are) that data centers need to have full and firm service 99.99 percent of the time, we will greatly delay data centers coming into service and spend billions of dollars on transmission assets to increase expected firm delivery from 97 percent to 99+ percent of the time.

Seattle City Light gave a presentation at the BPA TC-27 Workshop yesterday, January 15, 2026, that was provocative and well thought out. SCL made several points with which we agree, but three stood out: 1. A strategy of trying to reduce the existing queue based on new standards will not get us where we want to be. It will not be fast or efficient and will likely spawn litigation. 2. Issuing conditional firm transmission effectively puts the decision to move forward quickly on the transmission customers and their partners, with accompanying financial responsibility. Yes, the queue is very large, but much of it will not elect to make the financial commitment required to move forward, even with the assurance of conditional firm, because a power customer is likely still required. 3. This strategy will give loads eager for service a clear path to service relatively quickly, something the region needs and something other alternatives are unlikely to accomplish.

Everyone has choices and everything has alternatives. The market is the best way to sort that out. Government planning and mandates are a poor way to sort that out.

Finally, Umatilla Electric Cooperative gave an interesting proposal to allow in-system generation to be excused from paying BPA transmission charges on the locally generated energy for the simple reason the energy never touches the BPA transmission system. This is a good idea. Bonneville's current practice hinders its requirements customers from building or supporting in-system generation, but it is in Bonneville's interest to have in system generation available, particularly during very high load times.

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Rural cities and towns in the Bonneville service territory would like to have local generation and battery storage to support maintaining service for critical functions during power outages, with a particular concern reported for cautionary or protective de-energization related to fire risk. They have been told that Bonneville's billing policies discourage local small generators inside the service territory.

Thank you for your consideration.

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