

## **TC-26 Tariff Proceeding**

# **ADMINISTRATOR'S FINAL RECORD OF DECISION**

TC-26-A-02

March 2025





## **ADMINISTRATOR'S PREFACE**

The Bonneville Power Administration is adopting changes to the terms and conditions of our open access transmission tariff, consistent with the TC-26 Settlement Agreement. The settlement discussions helped build regional consensus around tariff modifications, allowing BPA to continue modernizing procedures and enhancing our products and services to better meet our customers' changing needs.

The most significant reform resulting from the TC-26 settlement is the establishment of a Generator Interconnection Withdrawal Charge, which will further streamline the new large generator interconnection cluster study process BPA adopted in TC-25. The establishment of this withdrawal charge encourages customers to make informed decisions on whether to proceed with their requests, allowing BPA to focus on viable requests and process the queue more efficiently.

I would like to thank our transmission customers, stakeholders and BPA staff for engaging in settlement discussions and aligning around the settlement terms. BPA looks forward to future opportunities to collaborate as we work to address your needs and meet the challenges of operating the grid in an ever-changing landscape.

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## APPENDICES (UNDER SEPARATE COVER)

Appendix A: TC-26 Settlement Agreement (TC-26-A-02-AP01)

# PARTY ABBREVIATIONS AND JOINT PARTY DESIGNATION CODES

## Party Abbreviations

<b>AR</b>	<b>Avangrid Renewables, LLC</b>	<b>PN</b>	<b>Pacific Northwest Generating Cooperative</b>
<b>AW</b>	<b>Alliance of Western Energy Consumers</b>	<b>PP</b>	<b>Public Power Council</b>
<b>GC</b>	<b>Grant County Public Utility District No. 2</b>	<b>PS</b>	<b>Puget Sound Energy, Inc.</b>
<b>IP</b>	<b>Idaho Power Company</b>	<b>PX</b>	<b>Powerex Corporation</b>
<b>MS</b>	<b>M-S-R Public Power Agency</b>	<b>RN</b>	<b>Renewable Northwest</b>
<b>NI</b>	<b>Northwest &amp; Intermountain Power Producers</b>	<b>SE</b>	<b>City of Seattle</b>
<b>NR</b>	<b>Northwest Requirements Utilities</b>	<b>SN</b>	<b>Snohomish County Public Utility District No. 1</b>
<b>PC</b>	<b>PacifiCorp</b>	<b>TA</b>	<b>City of Tacoma</b>
<b>PG</b>	<b>Portland General Electric Company</b>	<b>TC</b>	<b>TransAlta Energy Marketing (U.S.) Inc.</b>
		<b>WG</b>	<b>Western Public Agencies Group*</b>

\* The Western Public Agencies Group (“WPAG”) petition for leave to intervene states that each of the utilities that comprise WPAG individually file the petition requesting leave to intervene. Those utilities comprising WPAG include Benton Rural Electric Association, Eugene Water and Electric Board, Umatilla Electric Cooperative, the Cities of Port Angeles, Ellensburg and Milton, Washington, the Towns of Eatonville and Steilacoom, Washington, Elmhurst Mutual Power and Light Company, Lakeview Light & Power, Ohop Mutual Light Company, Parkland Light and Water Company, Peninsula Light Company, Central Lincoln People’s Utility District, Public Utility Districts No. 1 of Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, Kittitas, Lewis, Mason and Skamania Counties, Washington, Public Utility District No. 3 of Mason County, Washington and Public Utility District No. 2 of Pacific County, Washington.

## **1.0 GENERAL TOPICS**

### **1.1 Introduction**

The 2026 Tariff Terms and Conditions Proceeding (TC-26 Proceeding) was conducted to modify the Bonneville Power Administration's (BPA) Open Access Transmission Tariff (Tariff), which contains generally applicable terms and conditions for transmission service over the Federal Columbia River Transmission System (FCRTS). The proceeding followed the procedural requirements of Section 9 of the Tariff and Section 212(i)(2)(A) of the Federal Power Act.

This Final Record of Decision (Final ROD) contains decisions of the BPA Administrator based on the record compiled in this proceeding. The Tariff adopted in this proceeding will supersede and replace BPA's existing transmission tariff in its entirety, effective on October 1, 2025.

### **1.2 Procedural History**

#### **1.2.1 Issue Workshops and Settlement Discussions**

Prior to initiating the TC-26 proceeding, BPA sponsored a series of monthly workshops from March 2024 through August 2024 to discuss potential modifications to BPA's Tariff. BPA followed a multi-step process to allow its Staff and interested parties to develop a common understanding of specific topics, generate ideas, and discuss alternative proposals. In total, BPA held six workshops and facilitated two customer-led workshops. BPA shared its leanings for its Initial Proposal for modifications to BPA's Tariff in the final August workshop.

Beginning in August 2024, BPA initiated discussions with prospective TC-26 parties about the potential for settlement of the modifications to the Tariff that BPA Staff would propose in the TC-26 proceeding. Those discussions resulted in a settlement agreement (TC-26 Settlement Agreement) that sets forth all the terms and conditions related to Tariff modifications proposed by Staff in this proceeding and a BP-26 Partial Rates Settlement Agreement (BP-26 Partial Rates Settlement Agreement) of the Generator Interconnection Withdrawal (GIW) Charge for the BP-26 rate proceeding. The settlement negotiations concluded in October 2024.

On October 1, 2024, BPA posted the final proposed TC-26 Settlement Agreement on BPA's website and set a deadline of October 15, 2024, for prospective parties to the TC-26 proceeding to notify BPA of any objections. BPA did not receive any objections to the TC-26 Settlement Agreement by the October 15 deadline and moved forward with proposing adoption of the settlement in this proceeding.

#### **1.2.2 TC-26 Settlement Agreement**

The TC-26 Settlement Agreement, filed as Appendix A to this ROD, includes terms and conditions addressing all issues in the TC-26 proceeding. TC-26 Settlement Agreement, TC-26-A-02-AP01. The settlement agreement incorporates two appendices. Appendix 1

describes terms that are incorporated into the proposed Tariff concerning: allowing existing firm service transmission customers that request a term of five years or more to have the right to continue taking transmission service when the customer's contract expires, rolls over or is renewed; clarifying how BPA calculates Available Transfer Capability (ATC) and Total Transfer Capability (TTC) for ATC paths consistently with the current Attachment C, Methodology to Assess Available Transfer Capability; recovery of Non-EIM Balancing Costs; updates to the Summer and Non-Summer Network Loss Factors; changes to the Form of Service Agreement for Firm Point-to-Point Service to add Specifications for Conditional Firm Point-to-Point Transmission Service and update references for consistency; adding language in Attachment L, Standard Large Generator Interconnection Procedures (LGIP), to establish that interconnection customers may be subject to a Generator Interconnection Withdrawal (GIW) Charge as specified in BPA's transmission rate schedules; the addition of an Appendix 5, Standard Large Generator Interconnection Agreement (LGIA) and additional ministerial edits to the LGIP; new language in Attachment R, Large Generator Interconnection Transition Process, specifying the applicability of the GIW Charge for the Transition Process and additional ministerial edits; and the addition of an Attachment S, Transmission Line Ratings, setting new requirements for accuracy and transparency of transmission line ratings consistent with the Federal Regulatory Energy Commission's (Commission) Order No. 881, Managing Transmission Line Ratings, while allowing BPA to maintain reliable and efficient operation of the FCRTS. Appendix 1 also includes commitments by BPA related to the GIW Charge for BPA staff to propose details of the GIW charge agreed to under the BP-26 Partial Rates Settlement Agreement in the BP-26 rate proceeding, implement a new GIW Charge Business Practice, and conduct a workshop on the GIW Charge prior to the next rate proceeding. Appendix 2 includes the proposed Tariff to be effective on October 1, 2025.

In addition to setting forth the proposed Tariff revisions, the TC-26 Settlement Agreement required BPA to file the TC-26 Settlement Agreement with the Hearing Officer and move the Hearing Officer to: (1) establish a deadline for Parties to state an objection to the proposed settlement, including the specific issues in the settlement that the Party objects to; (2) specify that any Party not stating an objection to the settlement by the objection date will waive its rights to preserve any objections to the settlement and will be deemed to assent to it; and (3) issue a decision recommending adoption of the TC-26 Settlement Agreement if no Party objects to the proposed settlement.

### **1.2.3 TC-26 Proceeding**

On November 13, 2024, BPA published notice of the TC-26 Proceeding in the Federal Register. Proposed Modifications to Open Access Transmission Tariff; Public Hearing and Opportunities for Public Review and Comment, 89 Fed. Reg. 89,622 (Nov. 13, 2024); TC-26-FR-BPA-01. On November 15, 2024, the formal proceeding began with a prehearing conference. After the prehearing conference, BPA filed the Motion called for by the TC-26 Settlement Agreement, requesting a deadline of December 5, 2024, for any objections to the agreement. Motion of the Bonneville Power Administration to Establish Deadline for Objections to Proposed Settlement and Issuance for the Hearing Officer's Recommended Decision, TC-26-M-BPA-01. On November 25, 2024, the Hearing Officer issued an order establishing a deadline of December 5, 2024, for any Party to file an objection to the

Settlement and identify any issues that the Party intended to contest. Order Establishing Process for Objections to the TC-26 Settlement Agreement, TC-26-HOO-02. The order also established that, if no Party objected to the TC-26 Settlement Agreement, a recommended decision to the Administrator would be issued by January 10, 2025. *Id.*

Additionally, the Hearing Officer issued an order on December 15, 2024, establishing the schedule for the proceeding. Order Adopting Procedural Schedule, TC-26-HOO-04. The Hearing Officer issued an order granting petitions to intervene on December 10, 2024. Order Granting Interventions, TC-26-HOO-03. The Hearing Officer issued an order on December 16, 2024, establishing the final service list for parties to the TC-26 proceeding. Order Adopting Service List, TC-26-HOO-05. Finally, the Hearing Officer issued an order amending the procedural schedule to set the deadline for the Final ROD for March 7, 2025. Order Modifying Procedural Schedule, TC-26-HOO-06.

No Party to the TC-26 proceeding filed an objection in response to the Hearing Officer's order, and BPA received no written comments during the participant comment period.<sup>1</sup>

On January 10, 2025, the Hearing Officer issued a recommended decision on Staff's proposal. Hearing Officer's Recommended Decision, TC-26-A-BPA-01 (Recommended Decision). The Recommended Decision thoroughly described the procedural history of the proceeding and found there to be no substantive issues to address. *Id.* at 1. After considering the hearing record, the Hearing Officer recommended adoption of the TC-26 Settlement Agreement. *Id.*

#### **1.2.4 Waiver of Issues by Failure to Raise in Briefs**

Pursuant to Section 1010.17(f) of the Rules of Procedure, arguments not raised and fully developed in parties' briefs are deemed to be waived. A Party's brief must specifically address each legal, factual, or policy issue to be resolved by the Administrator and present all arguments in support of a Party's position on each of these issues. *Id.* § 1010.17(b), (c). Blanket statements that seek to preserve every issue raised in testimony will not preserve any matter at issue.

Sections 1010.17(b) and (c) of the Rules of Procedure set forth the requirements applicable to initial briefs and briefs on exceptions. Pursuant to Section 1010.17(c) of the Rules of Procedure, a Party that raises an issue in its initial brief need not reassert that issue in its brief on exceptions in order to avoid waiving the issue; all arguments raised by a Party in its initial brief are deemed to have been raised in the Party's brief on exceptions.

No briefs were filed in the TC-26 proceeding.

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<sup>1</sup> Chapter 3 of this Final ROD describes the purpose of and requirements for participant comments.



## **1.3 Legal Guidelines Governing Establishment and Modification of Tariff Terms and Conditions**

### **1.3.1 The Administrator's Broad Contracting Authority**

BPA's statutes provide the Administrator with broad authority to establish the terms and conditions of transmission service over the FCRTS. 16 U.S.C. §§ 832a(f), 839f(a). Specifically, Section 2(f) of the Bonneville Project Act provides as follows:

Subject only to the provisions of this Act, the Administrator is authorized to enter into such contracts, agreements, and arrangements, including the amendment, modification, adjustment, or cancellation thereof, and the compromise or final settlement of any claim arising thereunder, and to make such expenditures, upon such terms and conditions and in such manner as he may deem necessary.

*Id.* § 832a(f). The broad grant of contracting authority to the Administrator is based on the premise that BPA is a regional business agency, and the broad discretion permits BPA to function in a business-oriented manner. *Hearing on H.R. 2690 and H.R. 2693 Before the H. Comm. on Rivers and Harbors, 79th Cong. 2 (1945)* (statement of Rep. Jackson).

Within BPA's broad statutory parameters, the Administrator retains broad authority to offer transmission service on the terms and conditions the Administrator deems fit. For example, under the Federal Columbia River Transmission System Act (Transmission System Act), the Administrator is authorized to operate and build the Federal transmission system as the Administrator determines is appropriate and necessary, including the construction of facilities to integrate and transmit Federal and non-Federal power, provide service to BPA's customers, provide interregional transmission facilities, and maintain the stability and reliability of the Federal system. 16 U.S.C. §§ 838a(b), 838b. The Transmission System Act also directs the Administrator to make any transmission capacity that is in excess of Federal needs available to all utilities on a fair and non-discriminatory basis. *Id.* § 838d. Additionally, the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act) requires the Administrator to remain mindful of the other statutory responsibilities, including the requirement to set rates to recover, in accordance with sound business principles, the costs associated with the acquisition, conservation, and transmission of electric power, *id.* § 839e(a)(1). The Administrator is also required to comply with Federal environmental laws. *See, e.g.,* the National Environmental Policy Act, 42 U.S.C. § 4321, *et seq.* (2006).

The Administrator's broad authority under Section 2(f) of the Bonneville Project Act extends to the manner the Administrator determines necessary to establish the terms and conditions, such as using the procedures available to the Administrator in Section 212(i)(2)(A) of the Federal Power Act. 16 U.S.C. §§ 832(a)(f) and 824k(i)(2)(A).

### **1.3.2 Guidelines for the Proceeding to Establish Generally Applicable Transmission Terms and Conditions**

BPA initiated the TC-26 Proceeding pursuant to Section 9 of the Tariff. Tariff Section 9 requires the Administrator to adhere to the procedural requirements in Section 212(i)(2)(A) of the Federal Power Act when establishing and making changes to the Tariff. BPA Open Access Transmission Tariff, TC-25-A-02-AP02, § 9; 16 U.S.C. § 824k(i)(2)(A). Section 212(i)(2)(A) provides that the Administrator may initiate a regional hearing to establish generally applicable terms and conditions for transmission service over the FCRTS. 16 U.S.C. § 824k(i)(2)(A). The proceeding begins with the issuance of a notice in the Federal Register announcing the proposed transmission terms and conditions of general applicability. *Id.* § 824k(i)(2)(A)(ii)(I). Next, the Hearing Officer conducts one or more hearings that adhere to the procedural requirements of paragraphs (1) through (3) of Section 7(i) of the Northwest Power Act (the same procedural requirements that apply to setting BPA's rates). *Id.* § 824k(i)(2)(A)(ii)(II); *see id.* § 839e(i). A full and complete record is to be developed during the hearing, which includes the opportunity for both oral presentation and written submission of views, data, questions, and arguments related to BPA's proposal. *Id.* § 839e(i).

Upon conclusion of the hearing, the Hearing Officer shall, unless the Hearing Officer becomes unavailable to BPA, make a recommended decision to the Administrator. *Id.* § 824k(i)(2)(A)(ii)(II). The Hearing Officer's recommendation must state the findings and conclusions, including the reasons or basis thereof, of all material issues of fact, law, or discretion presented on the record. *Id.* The Administrator then makes a separate and final determination. *Id.* § 824k(i)(2)(A)(ii)(III).

Tariff Section 9 provides the substantive requirements for the Administrator's final decision. BPA Open Access Transmission Tariff, TC-25-A-02-AP02 § 9. These substantive requirements parallel the requirements for the Administrator's final determination set forth in Federal Power Act Section 212(i)(2)(A). 16 U.S.C. § 824k(i)(2)(A)(ii)(III). Specifically, the final decision must set forth reasons for reaching any findings and conclusions that may differ from those of the Hearing Officer, based on: (1) the hearing record, (2) consideration of the Hearing Officer's recommended decision, (3) BPA's organic statutes and other laws that apply to BPA, and (4) consideration of the standards that apply to Commission-ordered BPA transmission service under Sections 211 and 212 of the Federal Power Act.

Regarding consideration of the standards for Commission-ordered BPA transmission service, Section 212(i) of the Federal Power Act provides the Commission with limited jurisdiction to apply its Section 211 authority to order BPA to provide transmission services and to set the terms and conditions for such service. 16 U.S.C. § 824k(i)(1). Section 211 permits the Commission to order transmission service "upon . . . application" to the Commission, if the Commission determines that such order meets the requirements of Section 212(a). *Id.* § 824j(a). Section 212(a) requires, among other things, that Commission-ordered transmission services be "just and reasonable, and not unduly discriminatory or preferential." *Id.* § 824k(a).

Additional requirements apply to a Commission order to BPA. Section 212(i) requires that the Commission's order to BPA "shall assure that . . . the provisions of otherwise applicable Federal laws shall continue in full force and effect and shall continue to be applicable to the system . . ." 16 U.S.C. § 824k(i)(1). The Commission recognizes that "[t]ransmission required of BPA under section 211 would have to be consistent with the requirements imposed on BPA under its organic statutes, the Northwest Power Act, and the Federal Columbia River Transmission System Act." *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, 61 Fed. Reg. 21,540, 21,668 (May 10, 1996), *citing* 16 U.S.C. §§ 838-838j. The Commission cannot order BPA to provide transmission service if it would impair existing transmission service:

The Commission shall not issue any order . . . requiring the Administrator . . . to provide transmission service if such an order would impair the BPA Administrator's ability to provide such transmission service to the Administrator's power and transmission customers in the Pacific Northwest, as that region is defined in section 839a(14) of this title, as is needed to assure adequate and reliable service to loads in that region.

16 U.S.C. § 824k(i)(5).

Importantly, the Commission's standards are not legal requirements or conditions on the Administrator's broad contracting authority under BPA's organic statutes. These standards apply, as a matter of law, *only* in the limited instance of Commission-ordered BPA transmission services (this proceeding does not involve such service; in fact no application has been made to the Commission for BPA transmission services).

Absent a Commission order for BPA transmission service, the Administrator's broad contracting authority is not subject to a determination of whether the Commission's standards are met. Similarly, Tariff Section 9 does not limit the Administrator's discretion to adopt Tariff terms and conditions on satisfaction of the standards. It requires the Administrator to consider the Commission's standards when establishing and modifying the Tariff.

BPA looks to the Commission's *pro forma* tariff when considering, in accordance with section 9 of the Tariff, the standards that apply to Commission-ordered BPA transmission service under Sections 211 and 212 of the Federal Power Act. BPA's strategy and policy are to maintain a tariff consistent with the Commission's *pro forma* tariff and industry best practices to the extent possible and consistent with applicable law. The TC-20 Record of Decision explained:

[T]he Commission's *pro forma* tariff includes terms and conditions that are just and reasonable and not unduly discriminatory or preferential. The Commission may also approve variations to its *pro forma* tariff when those variations satisfy its standards, which include the just and reasonable and not unduly discriminatory or preferential standards.

Administrator's Final Record of Decision, TC-20-A-03, at 15. The *pro forma* tariff and Commission-approved variations to the *pro forma* tariff would satisfy the standards that apply for Commission-ordered BPA transmission service, provided that the *pro forma* tariff and variations do not impair or conflict with the Administrator's other legal responsibilities. For purposes of considering the Commission's standards during a tariff terms and conditions proceeding:

When Bonneville's Tariff terms and conditions (including proposed modifications to the Tariff) are the same as the Commission's *pro forma* tariff or Commission-approved variations to the *pro forma* tariff, then there is a presumption that Bonneville's Tariff terms and conditions (including proposed modifications) meet the Commission's just and reasonable and not unduly discriminatory or preferential standards. If parties are concerned that Bonneville's terms and conditions do not meet the Commission's standards, there are opportunities to raise such issues during terms and conditions proceedings. As noted above, the terms and conditions proceedings provide parties with substantial procedural protections to raise issues for consideration by an independent Hearing Officer and the Administrator.

*Id.*

BPA's terms and conditions become effective upon the date set forth in the Administrator's final determination. Finally, Tariff Section 9 provides that BPA may establish rates for Tariff transmission service pursuant to applicable law. BPA Open Access Transmission Tariff, TC-25-A-02-AP02, § 9(b). Rates are not established in tariff terms and conditions proceedings; rates are set in separate proceedings conducted pursuant to Section 7(i) of the Northwest Power Act, 16 U.S.C. § 839e(i).

This proceeding is also governed by BPA's Rules of Procedure for tariff terms and conditions proceedings, 83 Fed. Reg. 39,993 (Aug. 13, 2018). The Rules of Procedure implement the requirements of Northwest Power Act Section 7(i) and Federal Power Act Section 212(i)(2)(A).

## **1.4 Related Topics and Processes**

### **1.4.1 BP-26 Proceeding**

BPA recovers its costs and expenses in rates. BPA is holding the BP-26 proceeding, which is a separate power and transmission rate proceeding regarding the proposed FY 2026-2028 power, transmission, ancillary, and control area services rates. This proceeding is conducted pursuant to Section 7(i) of the Northwest Power Act, 16 U.S.C. § 839e(i). As part of the BP-26 proceeding, BPA is proposing adoption of a rate schedule for the Generator Interconnection Withdrawal Charge consistent with the BP-26 Partial Rates Settlement Agreement. Issues in the BP-26 Proceeding, including the proposed rate schedule for the Generator Interconnection Withdrawal Charge, are not within the scope of the TC-26 proceeding.

## 2.0 TARIFF TERMS AND CONDITIONS TOPICS

**Issue 2.1** *Whether BPA should adopt the TC-26 Settlement Agreement and Proposed Tariff.*

### **Parties' Positions**

No Party has objected to or submitted briefs regarding the TC-26 Settlement Agreement.

### **BPA Staff's Position**

BPA Staff proposed the Administrator adopt the TC-26 Settlement Agreement and the proposed tariff revisions outlined in the agreement. McConnell *et al.*, TC-26-E-BPA-01, at 1-2.

### **Hearing Officer's Recommended Decision**

The Hearing Officer recommended adoption of the TC-26 Settlement Agreement. Recommended Decision, TC-26-A-BPA-01, at 1.

### **Evaluation of Positions**

The hearing record and the Hearing Officer's Recommended Decision support adoption of the TC-26 Settlement Agreement. The Tariff modifications include necessary clarifications, new or revised standard templates, addition of requirements for accuracy and transparency of transmission line ratings consistent with the Commission's Order No. 881 and BPA's obligation to maintain the reliability of the FCRTS, and establishment of a new GIW Charge. McConnell *et al.*, TC-26-E-BPA-01, at 7. Of note, the GIW Charge enhances the recent reforms to BPA's large generator interconnection study process by setting an incentive for interconnection customers to make informed decisions to proceed with their interconnection requests. This will allow BPA to focus resources on viable interconnection requests, increase processing of interconnection requests, and help address the large quantity of requests delayed in BPA's interconnection queue. *Id.* at 7-8.

Staff explained that the TC-26 Settlement Agreement offers value to BPA because it reflects regional collaboration and consensus around Tariff modifications being adopted in this proceeding. *Id.* at 7. No parties submitted objections or other submissions regarding the TC-26 Settlement following the issuance of the Hearing Officer's order establishing a December 5 deadline for objections to the TC-26 Settlement Agreement. Recommended Decision, TC-26-A-BPA-01, at 1. The Hearing Officer recommends the Administrator adopt the TC-26 Settlement Agreement. *Id.* In consideration of these factors, BPA will adopt the TC-26 Settlement Agreement.

The Tariff adopted in this Final ROD will be effective on October 1, 2025, and upon its effective date, the Tariff supersedes and replaces, in its entirety, the Tariff adopted in the TC-25 proceeding.

### **Decision**

BPA will adopt the TC-26 Settlement Agreement.

### 3.0 PARTICIPANT COMMENTS

For interested persons who are not eligible or do not wish to become parties to the formal evidentiary hearings, BPA's Rules of Procedure provide opportunities to participate in the terms and conditions process through submission of comments as "Participants." Rules of Procedure § 1010.8. A "Participant" is any person who submits oral or written comments on BPA's terms and conditions proposal but does not take part in the formal hearing process with the responsibility of a "Party." *Id.* Parties to the case may file testimony and briefs and thus are not allowed to submit comments as participants. Participant comments are part of the official record of the terms and conditions proceeding and are considered when the Administrator makes the final determination. *Id.* The Federal Register Notice sets forth the procedures and deadline for participant comments. *Id.*

The participant comment period began on November 13, 2024, when BPA published the Federal Register Notice, and ended on December 5, 2024. *See Proposed Modifications to Open Access Transmission Tariff; Public Hearing and Opportunities for Public Review and Comment*, 89 Fed. Reg. 89,622, 89,623 (Nov. 13, 2024); TC-26-FR-BPA-01, at 2.

BPA did not receive any comments through the participant comment process.

## 4.0 NATIONAL ENVIRONMENTAL POLICY ACT ANALYSIS

Consistent with the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 *et seq.*, BPA has assessed the potential environmental effects that could result from adoption and implementation of the Proposed Open Access Transmission Tariff (Tariff) through the 2026 Tariff Terms and Conditions Proceeding (TC-26). The NEPA analysis was conducted separately from the formal Tariff proceeding.

The decision to adopt the TC-26 Settlement Agreement is primarily a business and strategic decision to enable BPA to modernize procedures and enhance or update BPA products and services offered under BPA's Tariff, most notably the establishment of a Generator Interconnection Withdrawal Charge. The changes to the Tariff are generally administrative in nature. These changes are not expected to result in any physical changes in the transmission system and would not cause the development of any new generation resources or the operation of existing generation sources outside of normal limits. As such, implementation of the Tariff is not expected to result in reasonably foreseeable environmental effects.

Accordingly, BPA has determined that adoption and implementation of the Tariff falls within certain classes of actions excluded from further NEPA review pursuant to US Department of Energy NEPA regulations, which are applicable to BPA. More specifically, the Tariff falls within categorical exclusions B4.4, *Power marketing services and activities*, and B4.8, *Electric transmission agreements*, both found at 10 C.F.R § 1021, subpt. D, app. B. BPA has prepared a categorical exclusion determination memorandum that documents this categorical exclusion from further NEPA review, which is available at the BPA website: <https://www.bpa.gov/learn-and-participate/public-involvement-decisions/categorical-exclusions>.

## 5.0 CONCLUSION

The TC-26 Settlement Agreement and the modifications to the Open Access Transmission Tariff terms and conditions of general applicability adopted in this Final ROD have been established in accordance with the Administrator's broad statutory authority to establish the terms and conditions for transmission service. In addition, the initiation of the TC-26 proceeding and the issuance of this Final ROD are in accordance with the terms of the Tariff, requiring BPA to follow the statutory procedures of Section 212(i)(2)(A) of the Federal Power Act to set and modify the Tariff terms and conditions and issue a final determination in a record of decision in that proceeding. Finally, all interested parties and participants were afforded the opportunity for a full and fair evidentiary hearing, as required by Section 212(i)(2)(A) of the Federal Power Act.

Based upon the record compiled in this proceeding, the decisions expressed herein, and all requirements of law, I hereby adopt the accompanying TC-26 Settlement Agreement and modifications to the Open Access Transmission Tariff as final Bonneville Power Administration transmission terms and conditions to be effective on October 1, 2025.

Issued at Portland, Oregon, this 7<sup>th</sup> day of March, 2025.



John L. Hairston  
Administrator and Chief Executive Officer



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TC-26-A-02