

June 18, 2025

Submitted via techforum@bpa.gov

**Re: Northwest Requirements Utilities Comments in Response to BPA's May 20, 2025 NITS
Access to Capacity Workshop**

Northwest Requirements Utilities ("NRU") appreciates the opportunity to provide these comments in response to BPA's May 20, 2025 NITS Access to Capacity workshop ("Workshop"). NRU represents the interests of 56 Load-Following preference customers and one generation and transmission cooperative, all of whom depend on Network Integration Transmission Service ("NITS") contracts with BPA for reliable load service. NRU and its members have a vested interest in the underlying policies and process that BPA uses to plan its transmission system in response to NITS customer load and resource forecasts.

General Comments

First, NRU thanks BPA executives and staff for their considerable time and attention on this important issue. As we've stated, NRU and its members have a vested interest in the policies and processes that determine BPA's ability to provide reliable and affordable load service to NITS customers. We look forward to continuing our work with BPA toward this goal.

Stakeholder Process

NRU is generally supportive of the comments submitted by the NT Customer Group as they relate to the procedural aspects of BPA's current planning reform efforts. In its Workshop, BPA proposes to move certain aspects of NITS policy reforms ("NITS Offer Types" and "NITS Load Forecast 70% Rule") into the Transmission Planning Reform ("TPR") initiative while maintaining "Planning for NITS Load & Resource Forecast" as a separate workstream. Although we may not fully understand BPA's rationale for separating the NITS Access to Capacity initiative from the broader TPR initiative, we infer from BPA's communications that it is primarily intended to facilitate an accelerated resolution to how BPA would provide firm transmission for a portion of load forecasted by its NITS customers (i.e., the "trended" portion). While we greatly appreciate enhanced certainty for how BPA may serve "trended" load growth, we share the concerns described by the NT Customer Group over how BPA would serve all other load growth. We therefore would support BPA consolidating this issue within the broader TPR initiative, to the extent feasible, given the impacts that TPR will inevitably have on the loads that won't be served through the "trended" definition.

Additionally, we support the comments of the NT Customer Group and encourage BPA to consider a more robust stakeholder engagement process - one that extends beyond a single session to hear BPA's identified options – followed by a subsequent (and final) workshop to hear BPA's final decision. Given the importance of BPA's planning process on NITS customers' ability to meet their customer needs, we agree with the comments of the NT Customer Group suggesting BPA adopt a public stakeholder process similar to the Provider of Choice initiative, or otherwise a process that would enable more fulsome engagement between BPA and its customers and stakeholders.

Lastly, we also support the comments of the NT Customer Group related to the preliminary nature of these options. As is noted in those comments, while we tentatively support BPA identifying a preferred option here, we do so only on the condition that such preference is non-binding and is subject to change as more information is shared on the remainder of the TPR effort.

BPA's commitments regarding "trended" load growth

Uncertainties over the treatment of "non-trended" load growth notwithstanding, we support and greatly appreciate BPA's commitment to ensuring long-term firm transmission capacity for "trended" NT load growth, which BPA indicates it will provide irrespective of whether the particular resource is a federal or non-federal resource. In our view, this is a critical pledge by BPA and is directly responsive to a significant concern raised by many of its NITS customers, especially as NRU members approach the deadline to make decisions regarding Tier 2 commitments in 2026. Moreover, this should provide equal footing to NITS customers in accessing regional resources and reduce the likelihood that parties could allege that BPA is favoring its merchant resource.

In the Workshop, BPA stated that forecasted load growth below its definition of "trended" would be served through its system assessment process, which is the process that BPA uses to meet its reliability planning obligations and ensure that the transmission system can meet customer loads over a ten-year horizon under a range of system contingencies. Through this process, we understand that BPA will assume the obligation to plan its system to serve the "trended" load growth, including implementing any necessary corrective action plans or transmission solutions, without subjecting its NITS customers to any contractual or financial requirements. As described above, we applaud BPA for this commitment and recognize this as a significant positive step not only in providing certainty in how BPA will meet its tariff obligations, but also in simplifying the method for NITS customers to obtain firm transmission capacity. Establishing a simpler process by which BPA can more quickly ensure access to firm transmission for the "trended" portion of NITS customer load growth can also help unencumber BPA resources to conduct any additional planning efforts necessary to address "non-trended" load growth.

Comments on Presented Options

Although NRU currently remains uncertain whether a bright-line threshold for defining “trended” load growth is ultimately the best solution, of the options presented we would favor Option 1 (“trended” defined as any load growth from one forecast to the next that is less than 13 MW at a single facility).

We disfavor Option 2 (“trended” defined as forecasted load that remains below a fixed annual MW threshold) in that it incorporates a low MW ceiling and excludes a percentage change, which may more often push historically traditional, organic load growth of larger NITS customers into “non-trended” commercial planning processes. We contend that any definition of “trended” load growth should in some way account for the size of the utility, and not disadvantage larger utilities given both small and large utilities encounter “trended” load growth. Moreover, Option 2 appears to present considerable administrative complexities in tracking and monitoring the cumulative MW increases between various years of updated load and resource forecasts.

We disfavor Option 3 (“trended” defined as a change in load from one forecast to the next that is below the higher of 1.5% or 5 MW) because, although it includes a percentage change, like Option 2 it also may risk more often including more traditional load growth that may be spread across the entire system of utilities that are experiencing higher-than-anticipated load growth, and that which is not driven by specific loads at single locations. We are unsure whether BPA’s intent with Options 2 and 3 is to subject this type of organic, historically more traditional load growth to its commercial planning processes.

Further, Options 2 and 3 may present higher administrative burden in the event that a portion of load growth would be processed under the system assessment process, and the remainder processed through the commercial planning process. Unlike Option 1, which would subject an entire single, specific load to the commercial planning process in full, Options 2 and 3 appear to accommodate load growth under the threshold pursuant to the system assessment process, and load growth above the threshold pursuant to the commercial planning process. This may result in large, specific loads being processed through two different planning processes. In the event that there is a single specific load that both falls below and above the 1.5% threshold, it is not clear which process would govern identified upgrades necessary to provide firm service. This could produce administrative complexities that are not present in Option 1 and that BPA and customers would prefer to avoid.

Option 1 appears to most directly address the problem statement identified by BPA, insofar as NRU understands it. BPA articulated that its transmission system is constrained, and BPA is generally unable to plan for “significant” load growth without further system expansion, but at the same time it seeks to ensure firm transmission for load growth that is “trended.” As a result, BPA intends to differentiate “trended” load growth from “non-trended” load growth. BPA notes on slide 8 of its Workshop presentation that considerations for differentiating load growth could

include the size, timing, risk profile, or impacted transmission paths of the forecasted load. To NRU, this suggests that BPA intends to plan differently for loads that are larger than typical, would more likely arrive with shorter advance notice than is typically provided through a NITS customer's 10-year load and resource forecast, and/or that present a different risk profile than more typical load growth patterns.

Because Option 1's definition of "non-trended" targets facility-specific load increases of a certain amount (13 MW or greater), we believe that this approach would best capture the type of load growth challenging BPA's current planning processes and that BPA identified in its problem statement. It would allow BPA's resources to focus on addressing the discrete load increases that may require additional study or transmission network upgrades, or that may present timing or other risk profile challenges, without unintentionally including portions of more traditional or organic load growth that might more likely occur under Options 2 or 3. Option 1 may also prove to be easier to implement, as BPA would need to focus only on discrete and specific loads at single facilities, rather than administering above/below the line tracking like in Options 2 or 3 and that might fluctuate over time. Stated another way, all load growth that is anything but a single facility of 13 MW or greater would simply be treated as "trended," which in our view would allow for a more efficient planning process.

Additionally, Option 1 presents a viable pathway for BPA to assure firm transmission service to a significant portion of its NITS customers' load forecasts (i.e., the "trended" portion) through BPA's system assessment process. This appears to be an option that best balances BPA's tariff obligation to endeavor to place into service sufficient capacity in response to reasonably forecasted NITS loads and also addressing certain atypical loads through a more rigorous study or transmission upgrade process. For these reasons we prefer Option 1 over the other options.

However, we note that while Option 1 includes a specific size consideration, it does not appear to account for other considerations that BPA identified, such as timing or risk profile. Specific loads of 13 MW or greater forecasted in year 10 of a forecast may not present the same planning challenge as the same load forecasted to arrive in year 4 or 5 of the forecast. BPA could consider incorporating a timing element to account for this or to incentivize greater advanced notice. Similarly, we would appreciate a more robust discussion regarding whether and how BPA may incorporate the risk profile of these types of loads in its decision making and transmission planning processes.

Lastly, while we acknowledge that BPA proposes a 13 MW threshold under Option 1 by relying on aspects of the definition of "New Large Single Load" under the Northwest Power Act, we discourage BPA from maintaining any further connection between how BPA defines "trended" load growth for purposes of transmission planning and the statutory definition of "New Large Single Load."

PARS Example and Recommendation

As an additional consideration to the options presented at the Workshop, we would also suggest as an approach to ensuring sustainable load service on a long-term basis that BPA replicate its Portland-Area Reinforcement Study ("PARS") to other load pockets on its system. While we recognize that PARS was not intended to model the broader network's transfer capability or provide equivalent flowgate capacity to PARS participants', evaluating the system upgrades necessary for groups of geographically situated NITS customers simultaneously may be a more efficient path toward the desired result.

Though not fully complete, the PARS model appears to demonstrate an effective approach to planning in collaboration with a subset of BPA's NITS customers to identify local load area transmission reinforcements, which would provide adequate transmission capacity to meet significant load growth in that load area over a long-term horizon (i.e., at least 20 years). Our understanding is that these types of capacity increases would accommodate both "trended" and "non-trended" loads, and may help alleviate challenges that may arise from BPA applying different planning processes and requirements between these types of load growth. We therefore strongly recommend BPA committing to conducting these types of studies as part of BPA's ongoing obligation under its tariff to endeavor to construct facilities on behalf of its NITS customers' forecasted loads and resources.

Conclusion

As we stated above, we greatly appreciate BPA's commitment to satisfy "trended" NITS load forecast through its system assessment process, irrespective of whether the NITS customer is served by BPA Power Services or acquires its own resources. We understand this to be a major positive step in providing certainty to NITS customers, one that must not be discounted. Although we encourage BPA to adjust its stakeholder engagement process and further clarify the criteria it will use to identify a leaning here, we remain committed to engaging with BPA on these issues. If you have any questions related to these comments, please don't hesitate to contact us.

Sincerely,

Christopher Jones
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Northwest Requirements Utilities