

COMMENTS OF THE NT CUSTOMER GROUP REGARDING NITS ACCESS TO TRANSMISSION CAPACITY

Submitted: March 19, 2025

The NT Customer Group¹ appreciates this opportunity to submit comments in response to the March 7, 2025, NITS Access to Transmission Capacity Initial Alternatives Meeting.

Background

At the outset of the presentation, BPA once again highlights the foundational issue; namely, that BPA is currently unable to award/encumber long-term firm transmission service for many Point-to-Point (PTP) requests and Network Integration Transmission Service (NITS) requests/forecasts due to insufficient capacity on the existing transmission system. As a preliminary matter, the NT Customer Group is bewildered by this point, given the transparent and consistent load forecast information submitted to BPA through the annual LaRC process, and BPA's obligation under its Open Access Transmission Tariff (OATT) to plan and construct its transmission system based on such submitted forecasts to facilitate delivery of network resources to network loads, and to reserve additional capacity for forecast network load growth within the ten-year planning horizon.

More specifically, BPA has been clear that, even if it currently had the ability to “bifurcate” between what it has termed “organic load” and “new large loads”, that it would nonetheless be unable to offer the long-term firm service that NITS customers are requesting. This is confusing not because of the impact of the unanticipated influx of interconnection requests, but because this would likely not be the case if BPA was endeavoring to meet its obligation to plan and construct its transmission system to facilitate delivery of network resources to network loads, **and to reserve additional capacity for forecast network load growth within the ten-year planning horizon**. Put another way, had additional capacity been appropriately set aside for forecast network load growth, it would be available today.

Near-Term Alternatives

With respect to the near-term options that BPA identifies for consideration, we will address those in the order they were presented:

Expanded Customer Use of 6-NN

The NT Customer Group strongly supports BPA's proposal to offer 6-NN or Secondary Service to NITS customers in an earlier timeframe by increasing the Reservation Window(s). Though the presentation mentions a “monthly” alternative, we recommend the option to reserve

¹ The NT Customer Group includes Benton Rural Electric Cooperative, Big Bend Electric Cooperative, City of Forest Grove, Clark Public Utilities, Clatskanie PUD, Columbia River PUD, Eugene Water & Electric Board, Grays Harbor PUD, Lewis County PUD, Mason PUD #3, Umatilla Electric Cooperative, Northwest Requirements Utilities, PNGC Power, and Western Public Agencies Group.

365 days in advance, with a necessary bypassing of the ATC check, and further request that BPA consider widening the Duration for specific products.

As a near-term measure this should provide some additional certainty for NITS customers, while the region develops a plan of action. However, it is also worth noting that as recently as February 25, 2025, the North of Pearl Flowgate saw 6-NN curtailments of 2,958 MW over 4 hours, including 121 MW of 7F. Which is one reason that we remain cautious when it comes to assuming the continued viability of 6-NN utilization for reliable load service. As a result, as with the conditional firm discussion below, we believe that this alternative is only valuable if it also includes a “path to firm.”

Offer Long-Term Firm Capacity to NITS Customers Without Commercial Study

As BPA points out in the March 7 materials and as we have noted previously, this is a component of the “status quo” approach to NITS service that customers assumed was already in place. As a result, we strongly support its continuation, appreciate BPA’s creative problem solving, and look forward to the opportunity to discuss how any hurdles to the continued utilization of this approach are being proactively addressed.

Limit Renewal Rights on New PTP Requests and Reassess Conditional Firm Service (CFS) Offers

As discussed above, BPA is obligated under its OATT to plan and construct its transmission system to facilitate delivery of network resources to network loads, and to reserve additional capacity for forecast network load growth within the ten-year planning horizon. Conceptually, any current or future available transmission capacity that is needed to meet forecasted network load growth is already encumbered under BPA’s OATT for such service. Further, by definition this encumbrance takes priority over new PTP requests and BPA’s reassessment CFS. Accordingly, BPA must incorporate and account for NITS capacity needs over the planning horizon both when (i) awarding new long-term PTP service for existing transmission capacity² and (ii) reassessing CFS offers. As a result, if limiting renewal rights on PTP requests for existing transmission capacity and reevaluating conditional-firm offers would enable BPA to meet its NITS service obligations consistent with its OATT and statutory obligations, then the NT Customer Group looks forward to working with BPA and its NT and PTP customers to make whatever changes are necessary toward that end.

Long-Term Alternatives

BPA also identified two Long-Term Alternatives for discussion: Renew evaluation of pro forma NITS elements and Provide CFS to NITS customers.

In discussing these alternatives, BPA implied that this was a binary decision; that it likely wouldn’t be possible to pursue both. The NT Customer Group would appreciate the opportunity to

² We note that when a PTP service request requires a transmission build that such build should, under BPA’s OATT, also include such additional capacity as is necessary to meet forecasted network load growth. Limiting renewal rights on PTP requests should not be necessary under such circumstances.

better understand the reason for this, and to determine what can be done to overcome this harmful limitation.

That having been said, it seemed clear that providing conditional-firm to NITS customers was likely the most beneficial of the two alternatives. As alluded to above, while the NT Customer Group is universally supportive of securing the CF product, it is essential that the product itself is not viewed as a solution to the problem. Conversely, it should remain clear to both BPA and customers that any conditional-firm product is useful only as a “stop-gap” or “bridge” measure, and that long-term firm must be made available as soon as is practicable. Which is why we encourage BPA to act quickly to make the tariff changes necessary, implementing a mini-TC as soon as it is able, and strongly object to BPA’s proposal that customers wait as long as four years for the change, which we believe to be unreasonable and untenable at this point in the process.

Conclusion

Leaving aside for the moment the risks we are living with today; looking forward, especially as BPA continues to consider day-ahead market alternatives, the reliability and economic risk to NITS customers of the agency’s continued inability to offer long-term firm NITS service is increasingly untenable. Which is one of the many reasons that we continue to be grateful for BPA’s significantly improved engagement with the NT Customer Group and its clear commitment to the NITS product.

Finally, since there has not been a public response to our February 25, 2025, comments, it seems prudent to take this opportunity to reiterate our objection to BPA’s arbitrary decision to use the August 15, 2024, deadline to submit eligible TSRs and associated data exhibits for consideration in the 2025 Cluster Study as the cutoff date for processing TSRs. The resulting categorical exclusion of all 2024 NT customer load forecast data is completely unacceptable. As we’d stated previously, although the NT Customer Group understands the need for BPA to reform its transmission planning process given the staggering increase in new transmission service requests that the agency has received over the last few years, BPA has an obligation to plan for NITS customer needs, and the August 15, 2024, cutoff clearly discriminates against and harms NITS customers. If BPA is serious about aligning loads and resources in its transmission planning, it must use the pause in its transmission planning to renew and refocus its efforts to improve its treatment of the NITS product. This includes consideration of the 2024 LaRC submittals. Moreover, the NITS product inherently and intentionally matches loads and resources in transmission planning. It is the product that helps BPA meet its statutory obligations to ensure that there is sufficient transmission capacity for BPA to meet its federal power marketing obligations to the majority of its preference customers. It can and should be the solution to resolving the problem of BPA’s resource heavy transmission queue. The NT Customer Group stands ready to engage with BPA during the pause to make sure that it is.

Once again, the NT Customer Group appreciates this opportunity to comment, and for the continued support and engagement of Bonneville staff and executives on the NITS product.