

June 11, 2025

To: techforum@bp.gov

Re: Comments related to BPA's Network Integrated Transmission Service ("NITS") May 20, 2025, workshop

PacifiCorp appreciates the opportunity to provide comments to Bonneville Power Administration ("BPA") regarding alternatives discussed at the May 20, 2025, workshop. That workshop, NITS Access to Transmission Capacity, included a problem statement and provided possible alternatives that could be used to improve how BPA plans for local and transmission capacity.

In the problem statement BPA discussed how the current environment includes large, dynamic, and fast paced load growth and how this differed from the type of growth historically received and that the forecast process was designed for. The current environment has resulted in delays, customer frustration and the need for reform. BPA is working on a longer-term Transmission Process Reform ("TPR") to address the needed reform. BPA noted that comments from this workshop will support changes to the Planning for NITS Load and Resource Forecast process. This process will be a input into the overall TPR. Two other existing NITS processes, the NITS Offer Types and NITS Load Forecast 70% Rule, were not part of this workshop and are going to fully absorbed within the TPR.

In the absence of a formal proposal, these comments are intended to provide BPA staff with an initial reaction to alternatives that were presented and to highlight the need to absorb these changes into a cohesive transmission planning process.

BPA is proposing to modify the Planning for NITS Load and Resource Forecast process to clearly differentiate trended load growth versus non-trended load growth identified within the forecasts provided by customers. BPA has indicated that all load growth will be planned for by BPA in their system assessment process.

Trended load growth will receive long-term firm service upon the designated network resource ("DNR"), although for planning purposes we believe that this should also incorporate designated network loads ("DNL").

Non-trended load growth will require an additional hurdle of a commercial assessment, with long-term firm service being determined later. BPA has indicated that the actual determination process will be part of the TPR.

BPA proposed three alternative measures to be used to determine whether forecast load growth was trended or non-trended. The workshop included an open discussion of concerns about whether BPA can properly act on load growth forecast information it receives from customers. BPA has not shown how classifying load growth through these alternatives, or any alternative, will ultimately improve how the information is used to plan for this growth. The workshop briefly discussed the use of NITS forecast 70% rules role in planning for transmission resources. However, this process is not part of the Planning for NITS Load and Resource Forecast process and instead will be reviewed as part of the overall TPR.

We are hopeful that the overall TPR will result in improvements in providing needed transmission resources to customers. It is important that all aspects of forecasts be considered in the TPR.

Below is a summary and comments on each alternative reviewed during the workshop, recommended other alternative, input on forecast penalty, and other considerations.

Alternative 1: Annual New Large Load Threshold per Facility

BPA proposed that any load growth more than an established threshold or relating to a new large load ("NLL") be designated as non-trended growth. The use of a single MW threshold does not reflect the diverse nature of BPA NITS customers. Any single MW threshold could benefit some customers while harming others. Benefit being the avoidance of a delay in gaining long-term firm service, and avoidance of costs associated with having a commercial assessment.

BPA used a 13 MW threshold derived from grossing up 10 MW at 80% load factor. 10 MW represented a common load used for new large single loads ("NLSL").

The alternative used a 10-year forecast and compared like years between the current and previously accepted forecast, to determine the change. Example 2028 of the 2023 10-year forecast is compared to 2028 of the 2024 forecast. If the 2028 change (2028 from 2024 forecast subtracting 2028 from 2023 forecast) is greater than 13 then that would be non-trended growth.

BPA's examples included NLL. We would like to see an example without any NLL to better understand the trigger of the threshold.

This alternative was based on forecasted facility – there was discussion if service point was more appropriate, however the facility point supported the NLSL 10 MW.

Alternative 2: Annual MW Threshold that Varies by Year

Similar to alternative one, alternative two uses a specific MW however the MW varies by year. In the examples discussed there was a threshold of 5 MWs in year 1-2 of the forecast, 7 MWs of year 3-5, and 10 MW in years 6-10. The threshold amounts were for discussion purposes. As with alternative one a generic MW threshold, even if it varies across years within the 10-year forecast could benefit some customers while harming others. Benefit being the avoidance of a delay in gaining long-term firm service, and avoidance of costs associated with having a commercial assessment. BPA should avoid complex alternatives. These can be difficult to implement with no clearly provided benefits supporting the additional complexity. In this alternative the amount over the threshold is considered non-trended load growth whereas in alternative one the full amount if it exceeded the threshold was identified as non-trended. BPA did not explain the difference in treatment. Proposed alternatives should provide detailed explanation of benefits using the specific approach for informed decisions.

Alternative 3: Larger of Percentage of MW Threshold

Alternative three used the greater of a fixed percentage growth from the prior forecast or a fixed annual MW threshold. For discussion BPA used 1.5% from the customers' prior forecast with a 5 MW annual threshold. BPA calculated the average growth rate from the 10-year annual growth rate for all NITS customers, removing outliers to derive the 1.5% rate used. By using the higher of either % or the fixed MW threshold BPA believed that individual customers received the best overall representation. Like alternative two BPA should avoid complex alternatives. These can be difficult to implement with no clearly provided benefits supporting the additional complexity. In this alternative the amount over the

threshold is considered non-trended load growth whereas in alternative one the full amount if it exceeded the threshold was identified as non-trended. BPA did not explain the difference in treatment. Proposed alternatives should provide detailed explanation of benefits using the specific approach for informed decisions. Careful analysis is needed to determine if thresholds to ensure customers are treated fairly.

- A smaller customer may benefit from the proposed alternative as they would default to the higher MW threshold and thereby avoid any load growth having to go through commercial assessment.
- A larger customer could see more of their loads go to commercial assessment under the proposed alternative. For this customer, while the % MW result would be larger than the MW threshold, it is still a limit (1.5%), so in this case the 1.5% MW threshold is likely to be used.

Other Alternatives to Consider

Other alternatives to consider would include the use of a tiered threshold based on customer size. The tiers could be determined, after careful analysis, and annually BPA could then determine and communicate what each customer's threshold is based on publicly filed information. This alternative would avoid complexities of higher of logic, or varying MW threshold over a 10-year forecast period. Additionally, this alternative would provide a scaled approach representing customer size. A minimum MW could be established to avoid issues purely driven off size.

Example

Customer 1 – 1000 MW load in 2023, would use threshold B in 2024.

Customer 2 – 150 MW load in 2023, would use threshold A in 2024.

MW determined from Publicly supplied data.

0-500 MW	Threshold A
500-1000 MW	Threshold B
1000-5000 MW	Threshold C

Forecast Penalty

BPA acknowledge during the workshop that it is possible that customers may attempt to avoid commercial assessment and delays in gaining long-term firm service. BPA noted that they may consider implementing an unreserved transmission penalty to incentivize accurate forecasts.

Forecasts are only as accurate as the information available and accurate only at a specific point in time. BPA should partner with customers to improve the development of forecasts and through analysis identify those that fail to improve for corrective action measures.

Other Considerations

The workshop included discussion of commercial assessment. The discussion included that the timeline for when long-term firm service would be available was not known and would be determined during the TPR. Without knowledge of the timeline, it is difficult to analyze whether the proposed process change will result in the outcome desired. There is value to BPA establish clear and distinct paths for resolution of forecasted load. The proposed process change does not highlight how the change will remedy customer concerns over existing limitations in supporting loads identified in forecasts and included in previous system assessments completed by BPA. The use of alternatives to improve gatekeeping into trended and non-trended paths does not address what will become of the substantial pool of paused

transmission service requests (“TSRs”), BPA has received. BPA has not shared how a threshold will impact the number of commercial assessments BPA currently supports.

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