

The Honorable John Hairston
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

July 23, 2024

Transmitted by electronic mail to jlhairston@bpa.gov

Dear Administrator Hairston:

The organizations signed on to this letter strongly encourage the Bonneville Power Administration (BPA) to incorporate the principles established by the new Federal Energy Regulatory Commission (FERC) Order No. 1920.

While not subject to FERC jurisdiction in this matter, BPA has constructively participated in regional planning under the auspices of FERC Order No. 1000 as a Member of NorthernGrid (and previously with ColumbiaGrid), though not as an Enrolled Party. While we anticipate that BPA will continue that involvement in related Order 1920 regional planning, there are valuable benefits to incorporating the principles of Order 1920 in BPA's own transmission planning.

Establishing these principles as standard practice will create efficiency, predictability, transparency and accountability for utilities and transmission developers. It will lead to cost savings and greater electricity reliability for customers in the Northwest. These principles can be adopted into BPA's Transmission Plan and most can be incorporated into BPA's TSR Study and Expansion Process (TSEP).

We applaud BPA for adopting some of these principles in its processes and for actively supporting the Western Transmission Expansion Coalition. In the forthcoming TSEP process, BPA states that it "is exploring different approaches to conducting the 2025 TSEP Cluster Study." We encourage BPA to complete this transformation and be aligned with regional planning agencies and utilities across the West.

Investor-owned utilities in the Northwest will be required to undertake compliance with Order 1920 as they do now with Order 1000. The most effective and efficient transmission planning and project selection processes will happen if the entire BPA service territory and all other transmission providers in our region beyond are following the same planning processes.

BPA does not need to wait until full review of the new FERC order has run its course. While the details are critically important, we cannot lose sight of fundamental principles that ensure efficiency, predictability, transparency and accountability.

The following FERC Order No. 1920 fundamental principles can be incorporated now.

20-year transmission planning

Long-range planning is essential to capture the dynamic transformation in electricity supply and demand.

Scenario planning

Scenarios need to be diverse using “reasonably plausible” futures including elements such as extreme weather events.

“Seven Factors” for planning

Use [FERC’s “seven factors”](#) such as federal, state, tribal and local laws for both resource supply and electricity demand.

“Seven Benefits” for project selection

Projects must seek to “maximize benefits” through smart planning that consider:

- (1) avoided or deferred reliability transmission facilities and aging infrastructure replacement;
- (2) either reduced loss of load probability or reduced planning reserve margin;
- (3) production cost savings;
- (4) reduced transmission energy losses;
- (5) reduced congestion due to transmission outages;
- (6) mitigation of extreme weather events and unexpected system conditions; and
- (7) capacity cost benefits from reduced peak energy losses.

Cost Allocation

Establish a cost allocation methodology that specifies how lines are paid for. Incorporating the above seven benefits is essential for ensuring equitable distribution of costs to the region. BPA does not have a compliance obligation for its cost allocation methodology under Order No. 1000 or Order No. 1920, but further delineation of its approach to cost allocation will greatly benefit its transmission customers, other transmission providers and developers, and the increasingly crucial process through which BPA plans and develops its own transmission resources.

Alternative Transmission Technologies (ATTs)

Alternatives to new transmission lines are usually cheaper, faster and less harmful to the environment and minimize potential impacts to habitat, cultural resources and communities. These approaches need to be maximized to the fullest extent practicable. BPA can incorporate these technologies as it looks at necessary line upgrades, reconductoring, and other improvements to maximize its efforts and existing transmission footprint.

Transparency

Local transmission projects need to be reviewed in at least three public meetings to assess assumptions, needs, and solutions.

Interregional Coordination

Continue to share long-range planning assumptions, needs and solutions with regional counterparts throughout the West through participation in NorthernGrid as well as WestTEC and other venues.

The magnitude of the transformation of electricity supply and demand is unprecedented. The above principles will go a long way in making sure that BPA is efficient, predictable, transparent and accountable in providing customers with the lowest cost, most reliable transmission system.

Thank you for your consideration.

Nancy Hirsh
Executive Director
NW Energy Coalition
nancy@nwenergy.org

Diane Brandt
Markets & Transmission Director
Renewable Northwest
diane@renewablenw.org

Kelsie Gomanie
Western Markets Advocate
Natural Resources Defense Council
kgomanie@nrdc.org

Cullen Howe
Senior Advocate
Sustainable FERC Project
chowe@nrdc.org

Angus Duncan
Former Chair
NW Power and Conservation Council
angusduncan99@gmail.com

Peter Gower
Western US and Canada Division Climate and Renewable Energy Program Director
The Nature Conservancy
peter.gower@tnc.org

Robin Everett
Deputy Director, Beyond Coal
Sierra Club
robin.everett@sierraclub.org

Anne Hedges
Director of Policy and Legislative Affairs
Montana Environmental Information Center
ahedges@meic.org

Nora Apter
Senior Program Director, Climate
Oregon Environmental Council
noraa@oeconline.org

Joseph Bogaard
Executive Director
Save Our wild Salmon (SOS) Coalition
joseph@wildsalmon.org

Adam Maxwell
Senior Policy Manager
Audubon Washington
Adam.Maxwell@audubon.org

Mitch Cutter
Salmon & Energy Strategist
Idaho Conservation League
mcutter@idahoconservation.org

Joshua Basofin
Clean Energy Program Director
Climate Solutions
joshua.basofin@climatesolutions.org

Caitlin Krenn
Climate & Clean Energy Director
Washington Conservation Action
caitlin@waconservationaction.org

Nadine Nadow
Sr. Policy Coordinator
Conservation Northwest
nadine@conservationnw.org

Jeffrey Smith
Co-Chair
350 Montana
yswolfowl@gmail.com

Shemona Moreno
Executive Director
350 Seattle
shemonamoreno@350seattle.org

Lin Hagedorn
Steering Committee member
350 Eastside (Washington)
mountainclimber4@gmail.com

Sue Kane
Steering Committee
350 Wenatchee
suekane15@gmail.com

Bill Sheets
Steering Committee
350 Everett
lpolarbearstanding@comcast.net

Cc:
Josh Warner
Liaison, Public Interest Organizations
Bonneville Power Administration
jpwarner@bpa.gov