

Bonneville Power Administration & Transmission

Introduction

The U.S. federal government's development of dams on the Columbia River and its tributaries in the early and mid-20th century, collectively referred to as the Federal Columbia River Power System (FCRPS), had immediate and long-lasting consequences on Tribes in the Pacific Northwest. For generations, the Columbia River has played a central role in Tribal culture, religion and subsistence. Among other repercussions, the FCRPS flooded Tribal lands and cultural sites, eliminated traditional fishing, hunting, and gathering locations, blocked fish passage to several areas in the basin, and deeply altered the regional ecosystem. Today, Tribes continue to advocate strongly for ensuring that the federal government meets its environmental and other FCRPS-mitigation responsibilities and considers other steps to protect regional fish and wildlife resources, including dam passage/removal and compensation.



Meanwhile, throughout the construction of the federal dam system, the Bonneville Power Administration (BPA) grew to become a critical component of the Northwest regional energy system: BPA helped to energize the Pacific Northwest, particularly rural areas, by building transmission lines to move electrical power from the federal dam system and by marketing that power to local utilities region-wide. Today, BPA owns and operates the region's largest transmission system. As the Pacific Northwest discusses and defines its energy future, Bonneville has a central role in supporting the development of clean energy projects responding to state and national climate commitments and building the transmission lines necessary to move energy from those projects to communities, business, and industry region-wide.

This backgrounder focuses on discussing Bonneville's transmission system and related issues through the lens of Pacific Northwest Tribal interests to support members of Affiliated Tribes of Northwest Indians (ATNI) participating in ongoing state and regional grid modernization discussions. Understanding the role that Bonneville plays—including its history, who it works with, how it makes decisions, and how to participate in and influence those decisions—will strengthen Tribes' efforts to shape regional energy and transmission issues, both to minimize Tribal impacts and to maximize Tribal benefits.

Background on Bonneville Power Administration: Power Marketing and Transmission

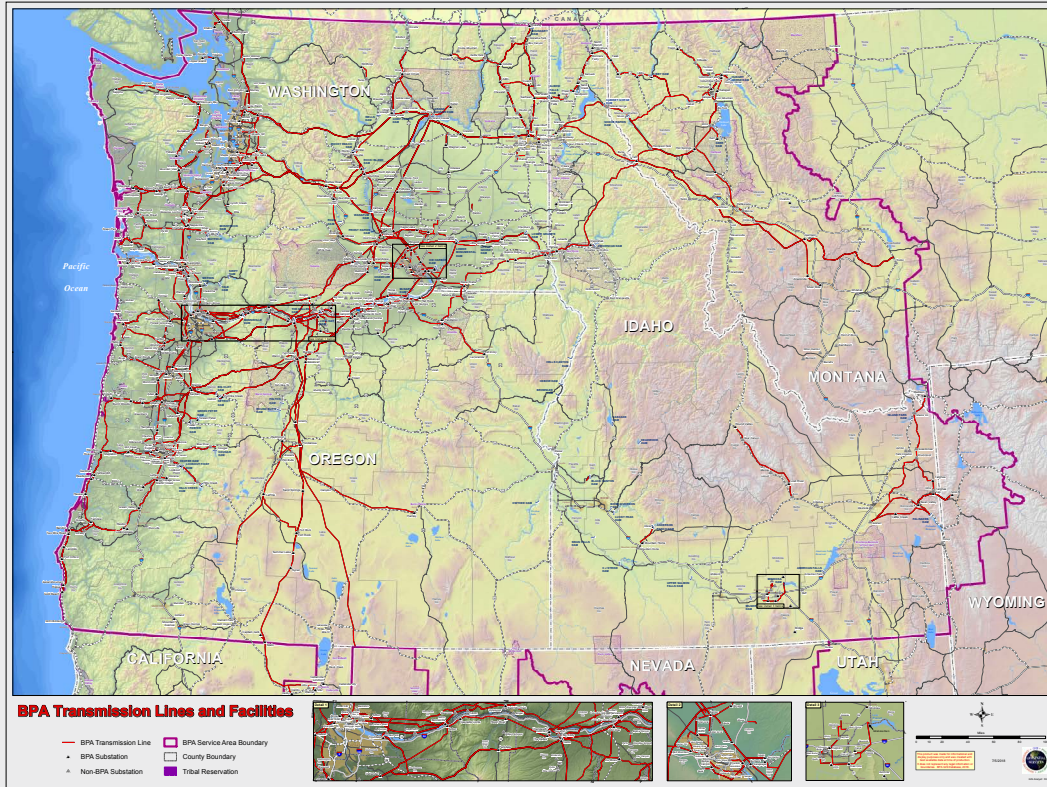
Congress established the Bonneville Power Administration in 1937 to market power from Bonneville and Grand Coulee Dams, which were under construction at the time. Today, Bonneville is one of four nonprofit federal Power Marketing Administrations under the U.S. Department of Energy. It sells power from 31 dams on the Columbia River and its tributaries and one nuclear power plant, the Columbia Generating Station in Richland, Washington.

While BPA is charged with marketing and moving electrical hydropower, Bonneville does not own or operate any dams in the Federal Columbia River Power System. Instead, the dams are owned and operated by the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation, depending on the purpose for which they were built. The Columbia Generating Station is owned and operated by Energy Northwest.

Bonneville is self-funded and does not rely on appropriations from Congress. Instead, it sets its power and transmission rates (the amount its customer utilities pay to access these resources) to recover its costs, though it may also borrow directly from the U.S. Treasury. Under current law, Bonneville's "wholesale preference" customers are 124 publicly-owned utilities (electric cooperatives, municipalities, and public/peoples utility districts) primarily located in Washington, Oregon, Idaho, and Montana. The agency also sells power to other federal agencies, Tribal utilities, investor-owned utilities, one port district, and one large industrial customer.

Bonneville is a large economic driver of the Pacific Northwest region. In Fiscal Year 2023, BPA's transmission sales accounted for \$1.15 billion in revenue for the agency ([BPA 2023 Fast Facts](#)).

BPA and transmission



Map of BPA transmission system

Bonneville currently owns and operates approximately 15,000 miles of high-voltage transmission lines and around 260 substations in the Pacific Northwest; Image Credit: BPA

To meet the needs of its power customers and fulfill its power marketing mission, Bonneville developed an extensive transmission network around the Pacific Northwest that also interconnects to neighboring regions including California, Canada, eastern Montana, and other jurisdictions.

Bonneville currently owns and operates approximately 15,000 miles of high-voltage transmission lines and around 260 substations in the Pacific Northwest. This constitutes approximately 75 percent of the region's high-voltage transmission system, giving Bonneville considerable influence over transmission service and related energy policy issues in the region. Bonneville also acts as the largest balancing authority in the Pacific Northwest, which means it is responsible for maintaining grid reliability through matching energy supply with energy demand at all times across its system.

BPA as a public agency

As a federal agency, Bonneville uses numerous public processes to inform its operational and policy decisions related to its transmission system.

Power and transmission rates—what Bonneville customers pay for power and transmission delivery services—are updated every two years through “rate cases,” which generally follow a public process of reviewing BPA’s future budgets and costs.

Outside of rate cases, Bonneville uses public processes to inform all sorts of additional decisions that could impact its 410 transmission customers, including:

- updates to interconnection and transmission service policies,
- decisions about where to prioritize and how to fund future investments in the transmission system (where to rebuild infrastructure, where to build new infrastructure, new technology investments, etc.), and
- participation and other decisions related to emerging transmission initiatives in the Pacific Northwest and the Western U.S.

Because BPA is a federal power marketing agency, the Federal Energy Regulatory Commission (FERC), which regulates interstate transmission activities of private utilities, does not have jurisdiction over BPA.

Without a third-party regulator, it falls to Bonneville’s Administrator, who is appointed by the U.S. Secretary of Energy, to make the final decisions that chart the course of the agency. Typically, these decisions are based on a thorough administrative record with detailed recommendations from appropriate agency staff. Due to the high-stakes nature of BPA’s decisions and their potential to influence the regional economy, customers, advocacy organizations and other interested parties typically assert several different and often competing perspectives that the agency must navigate in order to figure out an appropriate path forward.

ATNI and Tribal Advocacy on Transmission at Bonneville

As BPA plans to roll out new transmission investments, Tribes can expect to be consulted by the agency during environmental review, long after transmission lines have been mapped. If Tribes want to play a more active role in the transmission planning process, whether to protect natural resources or to benefit from selling power to the grid, reaching out to BPA ahead of time and asking to be included in earlier stages of transmission planning is a key step. ATNI can assist Tribes looking to engage.

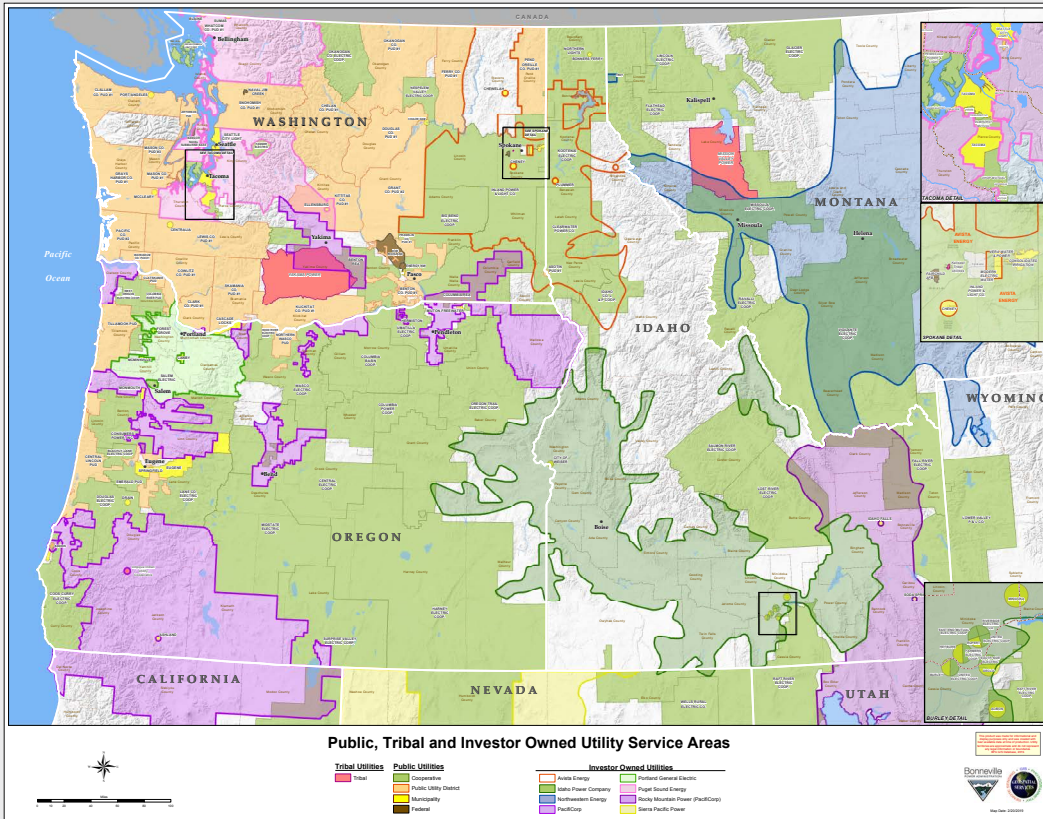
Pacific Northwest Tribes, Bonneville, and Transmission

Beyond the immediate impacts of the federal hydrosystem to the regional ecosystem, Pacific Northwest Tribes are affected by Bonneville’s transmission system and/or influenced by Bonneville’s transmission policies and decisions in myriad ways:

- The four Tribally owned utilities in the region served by Bonneville—Yakama Power, Kalispel Tribal Utilities, Mission Valley Power, and the Umpqua Indian Utility Cooperative—rely on Bonneville transmission to move energy into their service territories;

- Tribes also have ownership interests in other energy projects located on or near their reservations, many of which also rely on Bonneville transmission to move energy to load centers across the West;
- Tribes may have Bonneville transmission lines crossing their reservations and other properties, including Tribes in the Puget Sound region;
- Most Pacific Northwest Tribes are served by publicly-owned utilities that are customers of Bonneville and rely on its transmission system for service, while investor-owned utilities that serve Tribes are among BPA's biggest transmission customers. Therefore, BPA's power and transmission rate increases, as well as related investment decisions, can directly affect Tribal community economies and energy costs;
- As Bonneville considers new transmission lines or projects to add capacity to existing lines, it consults directly with Tribes to avoid conflicts with cultural resources, religious sites, fishing and hunting rights, first foods locations, and other areas of Tribal concern;
- Some Tribes have settlements and other agreements with Bonneville tied to power production at specific hydro projects. Bonneville transmission policies, specifically their policies related to maintaining the reliability of the transmission system, could influence these agreements.





BPA map of public, private, and Tribal utility services territories

As the major transmission service provider in the Pacific Northwest and as the marketer of power from the federal hydrosystem, BPA has a large role in the services provided by all utilities in the Pacific Northwest, whether they are public or private utilities; Image Credit: BPA

Tribal Engagement with Bonneville on Transmission

As Tribes look to broaden their interests and engagement in the energy sector, it will be important to participate in Bonneville transmission-related processes and help ensure that future Bonneville transmission policies, practices, and investment decisions are informed by and reflect Tribes’ unique interests.

At a cursory level, tracking and engaging in Bonneville processes is straightforward: Bonneville maintains a thorough public engagement calendar, often goes through multiple rounds of written public comments, offers opportunities to engage directly with decision-makers and project teams, and develops records of decisions on significant issues, including documenting how it intends to respond to specific comments.

Bonneville's Tribal affairs group works to ensure engagement by facilitating meetings and government-to-government consultations as necessary, proactively identifying processes that may be of particular interest to Tribes, and ensuring that internal decision-makers are aware of and consider Tribal perspectives and respect Tribal sovereignty. In addition, during more technical processes, Transmission Account Executives will help potential transmission customers navigate interconnection and transmission service related issues.

That said, notwithstanding open public processes and resources specifically dedicated to support Tribes, engaging thoroughly and effectively in Bonneville proceedings can be intimidating and very time consuming. These proceedings often last for several months or more and discuss very technical, detailed, and politically charged issues. In addition, Bonneville often has multiple complex proceedings running concurrently, further stretching resources and adding to engagement costs. It also is not uncommon for participants to feel disadvantaged when engaging with Bonneville's largest power and transmission customers, who are well resourced and very experienced in advocating their specific positions in the Bonneville context.

Fortunately, Tribes are not without some advantages of their own. Bonneville's internal Tribal policy, adopted in 1993, offers inroads for sharing Tribal perspective in key decision-making processes. Additionally, federally recognized Tribes are the only jurisdictions that regularly engage with Bonneville that can rely on government-to-government consultation to elevate issues to leadership on a timely basis. Finally, as noted above, organizations like ATNI and the Columbia River Inter-Tribal Fish Commission (CRITFC) have engaged on Bonneville power and transmission issues over the years and are well positioned to support united Tribal positions on decisions in the future.

When engaging with Bonneville, there are some additional tactics worth considering:

- **Build relationships within and outside Bonneville:** As described above, Bonneville's Administrator and CEO has final decision-making authority on most matters of importance to the agency. The Administrator relies on BPA's different public processes to ensure he or she understands the full picture of issues at hand, including how the agency should identify and define win-win solutions. The agency maintains rules that limit communication with agency personnel during formal processes, but building working relationships with the Administrator and other leaders at Bonneville outside of its formal processes can help to ensure mutual understanding when formal decision-making does occur. Similarly, building relationships and coordinating with other parties likely to be active in Bonneville proceedings can build coalition strength when it comes time to advocate for positions in formal processes, thereby improving chances for positive outcomes.
- **Take advantage of fish and wildlife experience:** While Tribes currently have numerous access points and issues to work on with Bonneville, and have engaged in past regional and Bonneville transmission processes, passage of the Northwest Power Act in 1980 created fish, wildlife, and other natural resource mitigation responsibilities for the agency. Today, Tribes across the Columbia and Snake river basins play critical roles in ensuring that Bonneville meets its obligations. Some of Bonneville's deep-

ATNI is here to help Tribes who seek to engage on energy issues at BPA connect to resources, find allies, and strategize engagement.

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est and longest Tribal relationships stem from its Environment, Fish and Wildlife program, creating opportunities to build on this past joint experience as Tribes engage in future energy and transmission areas;

- **Partner with allies:** While any organization or individual can participate in a Bonneville process, many regular BPA participants find value in centralizing representation and advocacy among similar organizations to the greatest extent practicable. As an example, consider Bonneville's public utility customers, which come together to form organizations like the Public Power Council and Northwest Requirements Utilities to stay informed on current issues and discuss how to engage on regional issues that affect the agency.
- **Engage early:** The earlier that parties engage in Bonneville processes, the more effective they are in helping inform and shape Bonneville's path forward. This is especially true for processes that stack on other processes. While Bonneville will solicit the perspective of different parties throughout a process, the longer and deeper a process has advanced, the less flexibility Bonneville has to respond to feedback and address concerns, especially if they have not been raised previously.
- **Engage proactively with Bonneville:** To help ensure that Tribes are engaged on the issues of importance throughout a process, rather than only at various points in a process identified by the agency, Tribes could take advantage of their unique status as sovereign governments. For example, a Tribe could notify the agency of the Tribe's interest in a particular subject and their expectations for engagement so that Bonneville's consultation and other engagement strategies with the Tribe can be built directly into project/process plans.





Bonneville Partners and Influencers

Bonneville works closely with several regional partners and other influential regional groups to achieve its [broad mission](#). The agency is under the jurisdiction of the U.S. Department of Energy, and BPA's Administrator is appointed by the U.S. Secretary of Energy, but Bonneville has traditionally enjoyed a lot of autonomy on most regional issues. As a result, Bonneville makes sure to solicit and/or consider the many different perspectives of important regional entities, including federal partners, in its decision-making processes:

Key federal partners

U.S. Army Corps of Engineers (USACE): Owns and operates dams on the lower Columbia, lower Snake and several tributaries. Priorities include flood control and navigation. Works with Bonneville and the Bureau of Reclamation on numerous operational and policy issues across the Columbia River Basin.

U.S. Department of Interior, Bureau of Reclamation (BOR): Owns and operates Grand Coulee Dam and other hydropower facilities in the basin that support the agency's irrigation mission and contain significant power generation.

National Oceanic and Atmospheric Administration (NOAA): Serves as the primary science agency for the Federal Columbia River Power System (FCRPS). Issues Biological Opinions and conducts ongoing research and monitoring that guides hydrosystem operations and related fish and wildlife activities to protect endangered salmon and other species. Collectively, Bonneville, the Corps, and Reclamation are often referred to as the "action agencies" because they are required to implement NOAA recommendations, findings, and guidance, which BPA primarily pays for.

Neither NOAA, the Corps, nor Reclamation play a big role in influencing Bonneville transmission policies, but they can be affected by BPA investments and other decisions due to the significant transmission presence around federal hydro facilities.

Influencers

Pacific Northwest Congressional Delegation: Historically very supportive and protective of Bonneville, but also willing to engage with Bonneville on significant policy decisions at the request of other regional stakeholders. While not required, the Secretary of Energy traditionally consults with members of the delegation when appointing a new Administrator.

Governors: Governors play a critical role in shaping state energy policies and priorities. They appoint state agency directors and members of boards and commissions that Bonneville and its stakeholders interact with, including regulatory commissions, state energy and energy facility siting offices, and fish and wildlife agencies. States do not have direct jurisdiction over Bonneville given its status as a federal entity, but they can pass laws that directly affect Bonneville's customer utilities, which Bonneville must then take into consideration.

Bonneville Preference Customers: Perhaps the most influential of all the different stakeholders given their direct financial relationship with the agency, Bonneville's publicly-owned utility customers pay close attention to all aspects of the agency operations, including transmission. They work with Bonneville individually and through customer associations.

Tribes: As noted, Pacific Northwest Tribes play an important role in helping Bonneville achieve many of its different responsibilities, including mitigating the effects of the federal hydrosystem on fish and wildlife resources. Bonneville has an active and engaged Tribal affairs organization under its intergovernmental affairs group.

Investor-Owned Utilities (IOU) and Other Energy Marketers: The six private, also known as investor-owned, utilities in the Pacific Northwest (Puget Sound Energy, Portland General Electric, PacifiCorp, Avista, Idaho Power, and NorthWestern Energy) are among Bonneville's largest transmission customers and have capacity rights on specific Bonneville transmission lines. Finally, while investor-owned utilities do not enjoy preference rights to purchase power from Bonneville, they can and do purchase power through other mechanisms. In addition, other power marketers are active in the region and rely heavily on Bonneville's transmission system.

Non-Government Organizations (NGO): There are several public interest advocacy organizations active in the region with significant interest in Bonneville's transmission system. They engage in Bonneville's different proceedings with an eye toward ensuring that the agency is positioned to support the energy priorities of the region and their members. They are very focused on transmission rates, the future build-out of the transmission system, emerging market participation issues and policies related to accessing Bonneville transmission.

Northwest Power and Conservation Council: Created by the 1980 Pacific Northwest Power Act, the Council has two primary responsibilities: 1) regional power planning and 2) recommending fish and wildlife investments to Bonneville. The council has eight members, with two members each from Washington, Oregon, Idaho, and Montana. Among other things, the Council's load forecasts and other modeling help to inform regional load growth and reliability forecasts.

Western Electric Coordinating Council: A non-profit corporation that oversees and enforces grid reliability and security standards in the Western Interconnection, WECC operates across 14 Western states, two Canadian Provinces, and the northern portion of Baja California, Mexico.

Federal Energy Regulatory Commission: Regulates the interstate transmission of electricity and natural gas. Bonneville is not subject to FERC jurisdiction, but it does operate its transmission system consistent with most FERC guidance, including following principles of open access and reciprocity. The Commission also heavily influences the transmission systems of private utilities interconnected to Bonneville's transmission system.

Key Issues at Bonneville

There are several pending or upcoming transmission-related discussions or processes at Bonneville that will provide opportunities for Tribes to share important perspectives:

Future investments in Bonneville's transmission system

Bonneville updated its Transmission Business Model in May 2024, and the agency's transmission priorities are:

- Operating a safe, secure and high-performing grid;
- Enabling economic growth in the region; and
- Supporting a clean energy future and evolving grid.

In stating these objectives, the updated business model recognizes that Bonneville “must expand [its] transmission network to meet the region's growing demand.”¹

Since releasing its revised Business Model, Bonneville has announced investments in its transmission system of more than \$3 billion. In addition, in December 2024, Bonneville announced that these investments would likely not be enough to meet growing transmission demand and that it will be working to double its planned capital expenditures in the system by 2028.

Regional conversations about how to prioritize these additional investments are likely in the near future, including opportunities for Tribes to share their perspectives and observations. Participating in these conversations would be particularly important for Tribes that have formed or are considering forming Tribally-owned utilities and Tribes that are interested in investing in or developing clean energy projects.

¹ (see May 2024 letter from Richard Shaheen, SVP, Transmission Services)



Regional planning enhancements

As the consortium of utility transmission planners known as Northern Grid continues to focus on transmission planning in the Pacific Northwest, as the Western Transmission Expansion Coalition (WestTEC) continues to generate momentum for West-wide transmission planning, and as BPA considers new transmission investments, it will be important for Tribes to be engaged in the discussions around which new routes to prioritize and where specific lines should be located. For example, there are on-going conversations about building a line to deliver wind generation from Montana to the Pacific Northwest. Such a line could have significant potential to affect Tribes in all four Northwest states, both positively and negatively depending on their unique interests and orientation toward the region's energy future. On the one hand, there are Tribal utilities and related Tribal energy organizations that may want to benefit from these new transmission projects. On the other hand, many Tribes may want to make sure that their traditional lands are not negatively affected by further energy development.

Leveraging ATNI's Convening Strengths

Since its formation in the 1990s, ATNI's Energy Program has participated in several Bonneville and regional energy and transmission processes to represent and advance the interests of Pacific Northwest Tribes. Examples include navigating state strategies related to deregulation in the late 1990s, participating in deregulation-related regional conversations related to transmission planning and market formation in the early 2000s, informing Bonneville's efforts to update its customer contracts (the 'regional dialogue') and ensuring Tribes were engaged in early agency decisions related to integrating significant new renewable energy resources onto the grid. ATNI is well positioned to help member Tribes prioritize the different issues and perspectives and facilitate discussions with transmission planners to determine an appropriate path forward.

Bonneville's upcoming market decisions

Bonneville is considering joining a west-wide energy market to reduce costs and manage price volatility of power, among other benefits. Bonneville already participates in California Independent System Operator (CAISO)'s Western Energy Imbalance Market (WEIM) and would be expanding on this by joining what is referred to in the industry as a day-ahead market.

The issue for Bonneville is that there are two different market options: one being developed by the Southwest Power Pool and another being offered by CAISO. As is typical for Bonneville, regional parties are divided over which market it should join: The SPP market offering may be more immediately ready to join, however efforts are underway to update the CAISO offering's governance provisions to make them more regionally focused, which may also bring more benefits.

It is very likely that regional Tribes will be asked to share their perspectives on the upcoming market decision, which Bonneville has delayed to gather additional perspective. For example, in a December 2024 letter to the Bonneville Ad-

**What's a market?
Why does it matter
which one BPA joins?**

Check out the *Transmission and Markets Engagement Guide* for more information.

administrator, U.S. senators from Oregon and Washington asked several questions, including “What process has BPA set up for engaging in formal government- to-government consultation with affected Tribes?” Meanwhile, ATNI has already written a letter to BPA calling for consultation on its day-ahead market decision.

On-going operational issues and discussions

At an operational level, particularly for non-Bonneville power customers, there are two main components to receiving transmission from Bonneville: interconnection and transmission service. Interconnection is the act of physically connecting a generation resource to the transmission system. A transmission service request is used to request service to deliver energy from the point of interconnection to another location on the grid.

Bonneville conducts annual processes and related studies to understand interconnection and transmission service needs on its system, including what transmission products to offer, where to build out the system to accommodate new interconnection and transmission service requests, and determining who should pay for upgrades to the system. Bonneville also has processes related to managing prioritization of transmission service requests and regularly discusses how to make the process, including its different studies, more effective and efficient. Finally, as noted above, Bonneville updates its power and transmission rates every two years.

As Tribes move more into the energy and utility space they will want to be prepared to engage in these more nuanced, often technical conversations to ensure that they have reasonable, cost-effective access to the grid when they need it in the future.

Following issues at BPA

To follow any of these issues at BPA or to understand where BPA is in any associated proceedings, contact the BPA Tribal Affairs group at tribalaffairs@bpa.gov



In 1953 farsighted Tribal leaders in the Northwest formed the Affiliated Tribes of Northwest Indians, and dedicated it to Tribal sovereignty and self-determination. Today, ATNI is a nonprofit organization representing 57 Northwest Tribal governments from Oregon, Idaho, Washington, southeast Alaska, Northern California and Western Montana. ATNI is an organization whose foundation is composed of the people it is meant to serve.

atniTribes.org