

TC-25 SETTLEMENT AGREEMENT

Bonneville Power Administration TC-25 Tariff Terms and Conditions Proceeding

THIS TC-25 SETTLEMENT AGREEMENT (“Agreement”) is among the Bonneville Power Administration (“Bonneville”) and parties to the TC-25 Tariff Terms and Conditions proceeding (“TC-25 proceeding”) as provided for in section 3 of this Agreement (such parties in the singular, “Party,” in the plural, “Parties”).

Recitals

In February of 2023, Bonneville initiated pre-proceeding workshop discussions with respect to modifications to the generally applicable large generator interconnection procedures (“LGIP”) in Attachment L of Bonneville’s open access transmission tariff (“Tariff”), last updated in the TC-24 proceeding.

During the workshop discussions, Bonneville described its intent to propose to replace the first-come, first-served serial process in the LGIP with a first-ready, first-served cluster study process, and provide procedures to transition existing requests to the proposed cluster study process (“Transition Process”).

Between March and June of 2023, Bonneville provided details about its proposal and solicited feedback from stakeholders.

Beginning in June of 2023, Bonneville initiated settlement discussions and development of a proposal for settlement to adopt a first-ready, first-served cluster study process and the Transition Process. The settlement discussions resulted in the proposed terms in this Agreement.

The Parties therefore agree as follows:

1. This Agreement, which includes Appendices 1 and 2, documents the terms of settlement and settles all issues within the scope of the TC-25 proceeding.
 - a. Appendix 1 describes the terms of settlement for Bonneville’s LGIP and other related issues.
 - b. Appendix 2 includes two proposed attachments to the Tariff. Attachment L includes proposed revisions to the LGIP. Attachment R includes the proposed Transition Process.
 - c. To the extent there is any conflict or inconsistency between the description of the terms of settlement in Appendix 1 and the provisions of the proposed attachments in Appendix 2, Appendix 2 controls.

September 1, 2023

2. Bonneville staff will file this Agreement in the TC-25 proceeding and recommend that the Administrator adopt a proposal to establish a Tariff providing the terms and conditions for transmission and interconnection service as specified in this Agreement.
3. Bonneville will move the Hearing Officer in the TC-25 proceeding to (a) require any party in the proceeding that does not sign the Agreement to state any objection to the Agreement, including the specific issues in the Agreement that such party objects to, by the date established by the Hearing Officer; (b) specify that any party in the proceeding that does not state an objection to the Agreement by such date will waive its rights to preserve any objections to the Agreement and will be deemed to assent to the Agreement; and (c) if no party in the proceeding objects to the Agreement, enter the Agreement into the TC-25 record and issue a decision recommending the Administrator adopt the Agreement.
4. If, in response to the Hearing Officer's order made pursuant to section 3, any party in the TC-25 proceeding objects to the Agreement, Bonneville and any Party to this Agreement will have two business days from the date of the objection to withdraw its assent to the Agreement. If Bonneville or any Party to this Agreement withdraws its assent to the Agreement, Bonneville will promptly schedule a meeting with the Parties and provide notice and an opportunity for Parties to participate to discuss whether to continue with the Agreement. Following the meeting with the Parties, Bonneville will notify the Hearing Officer whether Bonneville and any Parties will continue with the Agreement.
5. If the Administrator adopts the Agreement in the Final Record of Decision, the Attachment L in Appendix 2 will supersede and replace in its entirety the currently effective Attachment L in Bonneville's Tariff, and Attachment R will be added to Bonneville's Tariff, effective June 30, 2024. If the Administrator does not adopt the Agreement in the Final Record of Decision, the Agreement will be void *ab initio*.
6. If the Administrator adopts the Agreement in the Final Record of Decision, the Parties shall not contest the Agreement either before the Federal Energy Regulatory Commission, the U.S. Court of Federal Claims, the U.S. Court of Appeals for the Ninth Circuit, or any other judicial or administrative forum. Bonneville and the Parties agree not to support or join any litigation which would seek to change the terms of this Agreement, including documents explicitly incorporated by reference, except as specified in section 9, Reservation of Rights.
7. Preservation of Settlement Proposal. The Parties shall not contest this Agreement in the TC-25 proceeding or any other forum, or the implementation of this Agreement pursuant to its terms. The Parties agree to waive their rights to file direct or rebuttal testimony, submit data requests, conduct cross examination, or file briefs in the TC-25 proceeding with respect to any issue within the scope of the Agreement, except in response to issues raised by any party in the TC-25 proceeding that

objects to this Agreement in response to the Hearing Officer's order made pursuant to section 3.

8. **Statements Not Admissible as Evidence.** Conduct, statements, and documents disclosed in the negotiation of this Agreement will not be admissible as evidence in the TC-25 proceeding, any other proceeding, or any other judicial or administrative forum.
9. **Reservation of Rights**
 - a. Except as provided in section 7 above, no Party waives any of its rights—under Bonneville's enabling statutes, the Federal Power Act, or other applicable law—to pursue dispute resolution procedures consistent with Bonneville's Tariff, or to pursue any claim that a particular term, condition, charge, methodology, practice, or rate schedule for transmission or interconnection service, has been improperly implemented. No Party waives any of its rights under such Party's open access transmission tariff.
 - b. Nothing in this Agreement is intended in any way to alter or limit the Administrator's authority and responsibility to periodically review and revise terms and conditions for transmission and interconnection service pursuant to the requirements in the Tariff, including Bonneville's ability to initiate a TC-26 proceeding or other tariff proceeding and adopt tariff modifications before September 30, 2025. The Parties reserve the right to respond during the term of the Agreement, as specified in section 10, Term and Termination, to any new or modified tariff terms and conditions proposed in a tariff proceeding initiated pursuant to the requirements in the Tariff, and to any filings, protests, or claims, by Bonneville or others; however the Parties will not support a challenge to any terms and conditions set forth in this Agreement.
 - c. **No Precedential Value.** Bonneville and the Parties acknowledge that this Agreement reflects a compromise in their positions with respect to the issues within the scope of the Agreement, and that acceptance of the settlement does not create or imply any agreement with any position of Bonneville or any other Party. The Parties agree and represent that neither this Agreement nor any decision of the Administrator approving the same shall constitute or be cited as precedent or deemed an admission by any Party in any other proceeding except as necessary to enforce its terms before Bonneville or any forum of competent jurisdiction.
10. **Term and Termination.** Unless this Agreement terminates pursuant to section 5 above, this Agreement will continue in effect until September 30, 2025, except for sections 6, 8, 9 and Appendix 2, which shall survive this Agreement in accordance with their provisions.

September 1, 2023

11. Appendices. Appendix 1: Terms, and Appendix 2: Bonneville's Attachment L and Attachment R to the Open Access Transmission Tariff are made part of this Agreement.
12. Execution in Counterparts. This Agreement may be executed in counterparts each of which is an original and all of which, taken together, constitute one and the same instrument.

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APPENDICES

Appendix 1: Terms

Appendix 2: Bonneville's Attachment L and Attachment R to the Open Access Transmission Tariff