



## Transmission Business Line (TBL)

### TBL Update on FERC Order 2003-A: Large Generator Interconnection

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TBL would like to thank all parties for their submittals and comments on TBL's proposed filing with FERC for Large Generator Interconnection, specifically, PGP, PPC, RNP, NESCO, NIPPC, PPM Energy and Snohomish PUD. All parties' comments are now available on the TBL web site for viewing at

[http://www.transmission.bpa.gov/Business/Customer\\_Forums\\_and\\_Feedback/FERC\\_order\\_2003/default.cfm?page=PC042204](http://www.transmission.bpa.gov/Business/Customer_Forums_and_Feedback/FERC_order_2003/default.cfm?page=PC042204).

The following information is to update everyone on the status of TBL's proposed adoption of FERC Order 2003-A. In this update are some significant milestones of which we wanted to keep you apprised.

**Response to customer comments** - In response to the comments that have been submitted, BPA has determined not to include in our compliance filing several of the deviations we had proposed. In particular:

1. We will modify our proposed deviation from the Order 2003 LGIP in the area of dispute resolution. Specifically, we will restore the provision allowing the Interconnection Customer to request that TBL file an unexecuted interconnection agreement with FERC, except in the limited case where the dispute involves conformance with system reliability standards.
2. We will not request the deviations from the ORDER 2003 LGIP we had proposed in Article 5.1, Options for interconnection Facilities Engineering, Procurement and Construction. Specifically, we will include Alternate Option 5.1.2 without change in the LGIA. FERC has clarified that actual choice of this construction option is at the sole discretion of TBL.
3. TBL reaffirms our previous determination that adopting FERC policy on the proper scope of direct assignment facilities requires that we first conduct a rate hearing under Section 7(i) of the Regional Act. We intend to include this issue in our general rate case proceeding later this year for rates effective October 1, 2005. Our initial proposal will be to adopt the FERC policy that interconnection related facilities "at-or-beyond" the point of interconnection are not directly assignable to the interconnection customer.

We recognize that the time required to conclude a 7(i) process will mean that, if the Administrator adopts the new policy, it would not become effective until October 1, 2005. Therefore, we intend to offer language in all new Generation Interconnection Agreements which makes the generator eligible for transmission credits after the new policy goes into effect, should the Administrator adopt the FERC policy.

BPA continues to review the rule to determine whether other changes are needed, and whether additional proposed deviations can be eliminated.

**TBL Business Practice** - TBL will issue a draft business practice for implementing FERC Order 2003-A for customer comment and review prior to the next Business Practices Technical Forum scheduled for June 23.

**TBL Compliance Filing** - TBL expects to submit a compliance filing to FERC in July 2004.

**Customer conference call** - TBL will be holding a conference call on Tuesday, June 15 from 1 p.m. to 2 p.m. (PST) to allow customers to provide feedback on this latest update. To participate, please see details on the TBL web site.

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