



## Stakeholder Comments Requested

Tri-State is opening a Stakeholder comment period on its Large Generator Interconnection Procedures (LGIP) queue reform effort to receive Stakeholder comments on two specific issues. This additional comment period follows a Stakeholder process which Tri-State commenced by posting the LGIP concept paper on its website on February 13, 2009, conducting Stakeholder meetings at its Headquarters on February 19, 2009 and on May 5<sup>th</sup> and encouraging stakeholders to provide comments. Tri-State received numerous comments during both meetings and after the first meeting, but none after the second meeting.

In September 2009, two groups representing primarily renewable energy developers contacted us with a number of concerns about our proposed reform efforts. Tri-State agreed to meet with representatives of those groups to listen to their concerns. As a result of the meeting, Tri-State agreed to re-open the comment period for thirty days to accept input on two specific issues. (The incoming letter and Tri-State's response are on Tri-State's website at: <http://www.tristategt.org/Transmission/LGIP.cfm>.)

Issues open for comment:

1. LGIP Section “**7.1.1** Prior to commencement of the System Impact Study, an Interconnection Customer may provide (i) reasonable evidence of designation of the Generating Facility as a Network Resource, or (ii) a power purchase agreement or letter of intent between the Interconnection Customer and a power purchaser to enter into a power purchase agreement. Such demonstration of project readiness shall enable Transmission Provider to commence the study on an expedited basis, in line with work already in progress.”

*Tri-State added this section to its LGIP to enable projects with either Network Designation or a power purchase agreement in place to proceed with expedited studies, and not be impeded by higher queued projects that are not ready to proceed. Tri-State believes that this approach fosters FERC's goal in Order 2003 of getting projects through the interconnection study process as quickly as possible., Stakeholders are concerned with a perceived discriminatory aspect of this approach and its potential to inhibit interconnection of renewable resources.*

2. LGIA Article **5.14.1** “**Suspension.** If a Force Majeure event occurs that may impact the construction of Facilities identified in Appendix A, Interconnection Customer must provide documentation to the Transmission Provider describing the event and the basis for a request for Suspension. If the documentation is acceptable to the Transmission Provider, the Transmission Provider, shall suspend at any time all work, or otherwise agreed upon work, by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this LGIA with the condition that Transmission System shall be



left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so."

*With this provision, Tri-State limited the previously broad pro forma suspension option to allowing suspension only for Force Majeure reasons. Tri-State modeled this provision after a similar provision implemented by the Midwest Independent System Operator. Tri-State believes that this limitation is essential to prevent queue delays and restudies due to a senior project opting to delay construction of Network Upgrades. Tri-State has provided customers with an alternative right to opt to delay performance of a Facilities Study for up to one year. This allows customers to delay their project without negatively impacting other pending interconnection requests that are prepared to go forward. Stakeholder concerns appear to be centered on this provision hampering a renewable energy developer's ability to deal with "significant challenges not faced by conventional generators."*

Further background information, including the complete draft of Tri-State's Revised LGIP and LGIA is on Tri-State's website at <http://www.tristategt.org/Transmission/LGIP.cfm>.

Tri-State will accept further comments on these two provisions through December 21, 2010.

Comments should be addressed to:

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Or by U.S. Mail

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