



EDF Renewable Energy
517 SW 4th, Ste 300
Portland, OR 97204
T : 503.219.3166

October 5, 2012

Eric Taylor
Bonneville Power Administration
7500 NE 41st, Suite 200, TSE-TPP-2
Vancouver, WA 98662

Subject: GI Reform Proposal Comments

Dear Mr. Taylor:

EDF Renewable Energy, formerly enXco, thanks BPA for the opportunity to respond to BPA's recent proposals for reforming its generation interconnection procedures, specifically those provided for workshops on August 21 and September 5.

Large Generation Interconnection Procedures

EDF Renewable Energy understands that BPA needs to provide a means for allowing lower priority queue positions that have their site permit and have an LGIA to not be held up by higher priority queue positions that do not. However, we wonder to what extent projects have been held back by BPA due to this circumstance. Hasn't BPA allowed such lower priority projects to advance anyway? Our concern is modification of the FERC Standard LGIP, whose main value is that it has standardized interconnection procedures among Transmission Providers. Is the value of inserting the Parking Lot greater than the value of a standardized LGIP?

EDF Renewable Energy is very concerned that BPA is considering reducing the Suspension provision in the FERC Standard LGIA from three years to one year. What evidence does BPA have that such a change is necessary? This would be a major squeeze on developers. EDF Renewable Energy has used this provision with a number of Transmission Providers/project sites across the US. This provision is an important hedge in balancing the uncertainties of developing generating facilities.

Small Generation Interconnection Procedures

EDF Renewable Energy does not believe that BPA owns radial distribution circuits (34.5kV and below), which require interconnection procedures different than those for transmission. Therefore we understand why BPA may want to "consolidate" the SGIP and LGIA, if that is its intent. However, we are again concerned about altering the Standard LGIP and urge that the two procedures remain separate.

Transmission Credit Reform

EDF Renewable Energy understands that BPA has difficulty forecasting transmission credits related to interconnection Network Upgrades, which impact rates. Perhaps accuracy could be improved by including Network Upgrade credits in the forecast only for LGIAs that have been executed.

The BPA LGIA needs to be consistent with the FERC Standard LGIA regarding interest paid on funds borrowed from the Interconnection Customer to construct Network Upgrades and on the 20 year deadline for repayment. We have no problem with faster repayment of credit balances.



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Additionally, in reference to the Standard LGIA and this context, EDF Renewable Energy does not understand what BPA is implying by its objective to "Ensure interconnection costs are appropriately allocated between individual customers and the rate base". Any disproportionate allocation of Network Upgrade costs back to the Interconnection Customer will hurt the incentive of developing generation in the Northwest.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Probst", written over a horizontal line.

Greg Probst
Director, Northwest Region