



Comments on BPA Transmission Business Line Large Generator Interconnection Policy

The Northwest Independent Power Producers Coalition (NIPPC) supports BPA TBL's decision to adopt FERC's Order No. 2003 tariff revisions with only minor deviations. We also support the decision to wait for FERC to clarify ambiguities in the Order No. 2003 tariff, rather than to pursue its own responses in the interim.

The Coalition greatly appreciates BPA's recognition that the further development of new generation resources by Independent Power Producers (IPPs) is important to the region and that TBL policies have a direct impact on developers' ability to secure financing and bring projects to completion.

One area that warrants clarification is the designation of which transmission facilities are necessary to interconnect generation, and which are necessary for the delivery of power from new generation to load. This distinction is more than semantic. BPA's delineation will substantively affect how consistent BPA's policies are with FERC's intent to treat line extensions beyond the interconnecting substation as a "Network Upgrades" for refund purposes.

BPA's policy in this regard is of profound importance to IPPs' ability to contribute to system upgrades. NIPPC sees a real need for assurance that developer costs are refunded within five years (or some comparatively short period). We recognize that the system planning considerations with respect to grid improvements for new generation. We also appreciate that the spectrum of options have expanded to include non-wires solutions such as the Partial Firm product now offered by the TBL.

NIPPC hopes that BPA, in looking to region's long-term need for new generation, will maintain the position articulated by staff at the December 11th meeting. We

strongly support the TBL staff announcement that BPA will make an Order No. 2003 compliance filing with FERC that includes "minimal" deviations from the Order's Procedures and *pro forma* Large Generator Interconnection Agreement.

NIPPC looks forward to working with BPA as it addresses many of the complex issues related to interconnection policy. Important matters such as queue management are resolvable. In our view the certainty created by BPA maintaining its commitment to the fundamental principles of Order No. 2003 will contribute to the improving the prospects for new generation and third party transmission infrastructure investment.

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