

lose its position in the queue when the Interconnection Feasibility Study uncovers a result that was not contemplated during the Scoping Meeting, instead of being allowed to designate a different site for the Point of Interconnection, as proposed. It says that this will encourage the Interconnection Customer to make the right choice at the beginning. It also comments that the Interconnection Customer should not be assigned a Queue Position until after the completion of the Interconnection Feasibility Study.

207. NSTAR believes that Interconnection Feasibility and Interconnection Facilities Studies should be at the option of the Interconnection Customer.

208. The Midwest ISO points out that it is not always possible to determine accurately when an Interconnection Customer in a high Queue Position will actually come on line and that this could affect the accuracy of the Interconnection Feasibility Study requested by a lower queued Interconnection Customer.

209. Sempra supports allowing a Transmission Provider or Transmission Owner to consider in its Interconnection Studies the In-Service Dates of all proposed generation projects, even those lower in the queue. This is so that the studies produce sound results for reliability purposes and consider all projects that will come on line at approximately the same time.

#### Comments Related to Interconnection System Impact Studies

210. FirstEnergy opposes as unreasonably short the proposed three day period of time during which a Transmission Provider must give an Interconnection Customer a non-binding good faith estimate of the cost and time frame for completing an Interconnection System Impact Study.

#### Comments Related to Optional Interconnection Studies

211. Proposed LGIP Section 10.1 would allow the Interconnection Customer to ask the Transmission Provider to perform a reasonable number of Optional Interconnection Studies on or after the date the Interconnection Customer receives the results of the Interconnection System Impact Study associated with its Interconnection Request. A Transmission Provider would have five days from the date it receives a request for an Optional Interconnection Study to give the Interconnection Customer an Optional Interconnection Study Agreement. Commenters raise concerns

with the requirement to perform Optional Interconnection Studies, cost responsibilities for such studies, and the proposed deadlines.

212. Southern opposes allowing an Interconnection Customer to require that a Transmission Provider perform Optional Interconnection Studies. Southern believes that Optional Interconnection Studies will delay the process by tying up Transmission Provider resources that could be dedicated to performing the required studies. BPA contends that allowing the Interconnection Customer to require an unspecified number of Optional Interconnection Studies, while requiring that the standard Interconnection Studies be performed within the standard deadlines, places an unreasonable burden on the Transmission Provider.

213. Nevada Power opposes having to conduct Optional Interconnection Studies on the grounds that allowing changes to the original Interconnection Request violates the queue rights of other Interconnection Customers by giving additional study time and priority to the Optional Interconnection Study request. Dominion Resources makes a similar point.

214. SoCal Edison believes that the Final Rule should provide for Optional Interconnection Studies (1) that are performed outside the NOPR LGIP time line, (2) if it is understood by the Interconnection Customer who elects to implement a study that implements Material Changes, that it could impact the Generating Facility's Queue Position; and (3) may not exceed for each requester a maximum of two Optional Interconnection Studies. NYISO urges the Commission to delete Section 10.1 to reduce the number of studies that the Transmission Provider must perform. The Midwest ISO believes that the Interconnection Feasibility Study may be elected and can serve as the Optional Interconnection Study described in Section 10.

215. On the issue of cost responsibility, Central Vermont PSC supports having the Interconnection Customer compensate the Transmission Provider for the costs of an Optional Interconnection Study, including all charges incurred by an Affected System.

216. With respect to the deadlines associated with Optional Interconnection Studies, FirstEnergy believes that the five day turnaround period for the Transmission Provider to provide an Optional Interconnection Study Agreement, as called for in Section 10.1, is too short and that a ten

day period would be better. Cal ISO also supports a ten day turnaround time.

#### Commission Conclusion—General Comments

217. The proposed time frames for completing Interconnection Studies are reasonable. For each of the studies, the NOPR LGIP allows for the possibility that the Transmission Provider will not be able to complete the study within the allotted time. In these cases, the NOPR LGIP provides that the Interconnection Customer and the Transmission Provider will come to an acceptable accommodation. As to Imperial Irrigation's concern that it lacks sufficient resources to conduct the Interconnection Studies, Section 13.4 gives the Parties the option of using a contractor to complete the required studies at the Interconnection Customer's expense and Section 4.2 allows the Transmission Provider to cluster Interconnection Studies, thereby saving time and money.

218. We believe that the proposed Interconnection Study deposit amounts are high enough to ensure that an Interconnection Customer is serious about its Interconnection Request. In the absence of standardized Interconnection Study cost estimates, a Transmission Provider could set the Interconnection Study costs at such high levels so as to discourage entry by competing generators.

219. Central Maine does not identify the benefits of making Interconnection Study deposits a percentage of the estimated Interconnection Study costs. Because the proposed dollar amounts are reasonable and are the result of the consensus process, the Commission adopts them for the Final Rule LGIP.

220. We find that the proposed provisions regarding the payment of study costs by the Interconnection Customer are adequate. The NOPR LGIP makes clear that the Interconnection Customer is responsible for the actual costs of all Interconnection Studies. We reject the proposal that the Interconnection Customer fully prepay the costs of Interconnection Studies because the advance payment would be based on Transmission Provider estimates rather than actual costs. The Commission recognizes that the costs of performing Interconnection Studies may vary by Interconnection Customer because each interconnection is unique. The unique features of each interconnection should be identified either in the Scoping Meeting or early in the Interconnection Study process so that the Transmission Provider can offer the Interconnection Customer a reasonable estimate of what the actual