

July 20, 2012

Thank you for the opportunity to provide comments on the GI Queue Reform process. Invenergy LLC has the following comments regarding the potential GI reform options presented by BPA at the meeting of June 21, 2012:

- Site Permitting Milestone: BPA is proposing to add a site permitting milestone that will give 18 months to a project to obtain its site permit, starting when the environmental agreement is executed. BPA is proposing to tender the environmental agreement after the Feasibility Study is completed. If the project cannot meet the 18 month deadline, it has the option to enter into a parking lot for 1 year, but it will lose its original queue priority rights. If the project does not complete its permit within the additional year, it will be withdrawn from the queue. We see several issues with this proposal:
 - Tendering an environmental agreement after the Feasibility Study is completed is too soon in the process. After the Feasibility Study is completed there is still significant uncertainty regarding the interconnection upgrades required because the stability analysis is not conducted as part of the Feasibility Study. Therefore, starting significant permitting work without knowing what the interconnection upgrades will be is not the best approach for a developer. We think that the right time to tender an environmental agreement depends on the project proposed COD and also knowing what the interconnection upgrades will be. The requirement to have a site permit should not be earlier than 3 years before COD. At the same time it should be no earlier than when the Facilities Study is completed, because when the Facilities study is completed, the developer has a final plan of service and knows what the interconnection upgrades are going to be. However, if a developer desires to start the environmental process with BPA earlier in the process, the developer should have that option by requesting that BPA tenders an environmental agreement sooner.
 - With regard to the 18-month timeline, based on our experience we think that it should be 24-months after the environmental agreement is tendered.
 - We don't agree with the parking lot concept, but instead would propose that if the developer cannot meet the permitting deadline, it should have the opportunity to demonstrate to BPA's satisfaction that it is not meeting the deadline for reasons beyond the developer's control. BPA will then review and approve (or not approve) an extension to the permitting milestone. This is done in other regions (example: PJM).
- Suspension Rights: BPA is proposing to revise the suspension provision to one year or less. We do not agree with this proposal. The 3-year suspension rights is a valuable tool for developers to manage all the variables and uncertainty that are part of the development process for these multimillion dollar projects.
- Transition period: there should be some form of grandfathering for projects that are already far along in the interconnection process (System Impact Study completed).

Comments submitted by Invenergy, LLC.