

October 5, 2012

Thank you for this opportunity to submit comments regarding BPA's Generation Interconnection Queue Reform Proposal. As it has been explained, Portland General Electric Company's merchant function (PGE M) supports most of the efforts being proposed. In an effort to assist BPA in its process PGEM offers the following comments on the specific areas of discussion.

Large Generation Interconnection Procedure

PGEM appreciates BPA's effort to improve the overall Large Generation Interconnection process. Based on the information described in the workshops, PGEM believes that the overall structures of the proposed changes are acceptable. Some specific areas that PGEM would like to comment on are: Parking Lot, overall timeline, 1 year LGIA optional delay, and the Pro-Rata cost sharing. The parking lot concept is an acceptable compromise to insure that the interconnection process is not slowed down by non-serious entries. As to the overall time line, the Environmental Review process should be more efficient, and shorter, and provide for reliable communication of timelines to the customer. Simplified, BPA needs to provide an initial project timeline estimate after the FES and a final estimate after the FAS and Site Permit have been received. As to the one year optionality offered at the LGIA signing, PGEM believes 2 years would be better. Finally, PGEM believes that 5 years is an acceptable window for the PRO-RATA cost sharing. Again PGEM likes the overall process flow.

Small Generator Interconnection Procedure

PGEM has no comment at this time on this proposal.

Transmission Credit Reform

As currently laid out, PGEM cannot support Alternatives 1 or 2 of the Credit Reform portion of the Generation Interconnection Process. PGEM's main concern with Alternative 1 is that BPA will use a rate that is not verifiable and below any that a qualified third party could attain in the market. The rate used needs to be one that others recognize as fair and one that other parties can acquire. As to Alternative 2, extending the pay off period, PGEM believes that 20 years is a more than acceptable time period.

PGEM would like to thank BPA for this opportunity to comment. Please recognize that these comments are intended as preliminary feedback only and do not represent any written guarantee that PGEM will participate in the above process.