

Large Generator/Load Interconnection Agreement

No Action Required

May 17, 2021



Agenda

- Large Generator Interconnection Background
- District Initiatives
- Process and Template Agreement Overview



FERC History

- Energy Policy Act 1992
 - Granted FERC additional authority to remedy discrimination, including by non-jurisdictional utilities
- Pro Forma Open Access Transmission Tariff (OATT)
 - Voluntary adoption by several LPPC members
- FERC Order No. 2003
 - Added standardized Large Generator Interconnection Procedures (LGIP), template Large Generator Interconnection Agreement (LGIA) to OATT
- Energy Policy Act 2005
 - Simplified ability of FERC to address discrimination, including by non-jurisdictional utilities

District Transmission Initiatives

- *Transmission Rates—Board approved 2020*
- **Interconnection Agreement—Board review end of Q2**
- Transmission policies and procedures—Board review Q4
 - Service requests, system model, study process, etc.
 - Generator interconnection process
- Large load interconnection process
 - Developed in response to initial cryptocurrency boom
 - Synced with large generator interconnection process

Interconnection Process

- Application—initiates process and reserves place in queue
- Studies
 - Feasibility, System Impact, Facilities
 - Affected Systems, Environmental
 - Interconnection Customer responsible for study costs, posts deposits
- Interconnection Agreement
 - Large loads that don't purchase power from the District—several inquiries
 - Large generators (over 20 MW)—one request, several inquiries
- Transmission service is requested, studied, and contracted through a separate process

Interconnection Agreement Highlights

- Responsibility for design, procurement, and construction of interconnection facilities
- Funding of interconnection facilities and network upgrades, and operating and maintenance expenses
- Cost-responsibility between interconnection customers for shared facilities (including late-comer provisions)
- Operational requirements (data provision, outages and interruptions, emergencies and grid support)
- Avoid subsidization of costs or transfer of benefits for regulatory compliance that is interconnection customer's responsibility

Next Steps

- Finalize draft template of Interconnection Agreement
- Finalize transmission policies and procedures