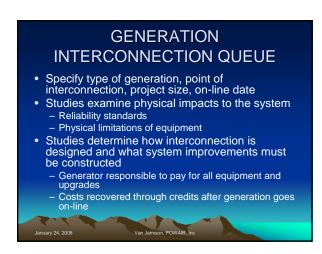
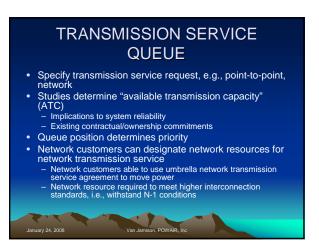


FEDERAL JURISDICTION • Generation interconnection federally controlled - Transmission lines are arteries of interstate commerce - State regulates sub-transmission and distribution elements of the system • Interconnection governed by FERC Open Access Transmission Tariff (OATT); Orders 888, 889, and 890 - Rules are detailed - Failure to comply subjects violator to hefty fines

INTERCONNECTION BASICS Interconnection is non-discriminatory All types of generation treated the same All types of generators treated the same Two queues and two evaluations Facilities and improvements to interconnect Transmission service to move power on the system, available transmission capacity (ATC) Queue position determines priority and drives cost of interconnecting generation



INTERCONNECTION STUDIES Consider steady-state power flows, post-transient power flows, transient stability, fault duty (short circuiting), and reactive margin Stand alone and co-existing assessments Co-existing includes all senior queued projects and mitigations Appropriate future time chosen Generator assumed to produce at capacity Most constraining conditions used, e.g., light autumn or heavy summer adjusted to future time NO GUARANTEE OF TRANSMISSION SERVICE



WE HAVE TO LIVE WITH IT

- No opportunity for legislative change
 Important set of regulations to understand and monitor

 - Influences what is economically feasible
 May limit scope and impact of state policies
- Major cost factor for any new proposed generation; position in the queue will influence what can be built
- More information available at

 - http://www.oatioasis.com/NWMT/index.html
 http://www.ferc.gov/industries/electric/indus-act/oatt-