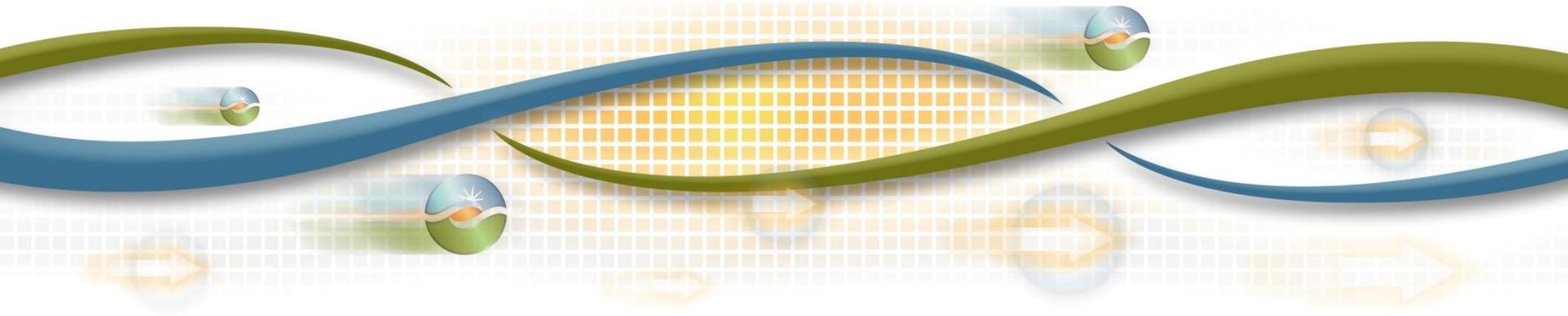


# Integration of Transmission Planning and Generator Interconnection (TPP-GIP Integration)

Draft Final Proposal –  
Presentation Supplement on Financial Security Posting  
and Reimbursement Provisions

Stakeholder Meeting, February 22, 2012



# Application of Existing Posting Requirements for Network Upgrades to (A) and (B) Projects\*

## *Network Upgrades*

- *ADNU, LDNU, RNU for B projects*
- *LDNU and RNU for A projects*

Project Size	First Posting (Due 90 days after phase I study complete)	Second Posting (Due 180 days after phase II study complete)	Third Posting (Due at start of construction)
20 MW or less	<p>Lesser of</p> <ul style="list-style-type: none"> <li>• 15% of phase I study estimated network upgrade costs</li> <li>• \$20,000 per MW</li> </ul> <p>(but not less than the lesser of \$50,000, or the estimated cost of network upgrades)</p>	<p>Lesser of</p> <ul style="list-style-type: none"> <li>• \$ 1 million</li> <li>• 30% of lower of phase I or phase II study estimated network upgrade costs</li> </ul> <p>(but not less than the lesser of \$100,000, or the estimated cost of the network upgrades)</p>	100% of lower of phase I or phase II study estimated network upgrade costs
Greater than 20MW	<p>Lesser of</p> <ul style="list-style-type: none"> <li>• \$7.5 million</li> <li>• 15% of Phase I estimated network upgrade costs</li> <li>• \$20,000 per MW</li> </ul> <p>(but not less than the lesser of \$50,000, or the estimated cost of network upgrades)</p>	<p>Lesser of</p> <ul style="list-style-type: none"> <li>• \$15 million</li> <li>• 30% of lower of phase I or phase II study estimated network upgrade costs</li> </ul> <p>(but not less than the lesser of \$500,000, or the estimated cost of the network upgrades)</p>	100% of lower of phase I or phase II study estimated network upgrade costs

**\* These requirements are the same as existing tariff requirements.**

Withdrawing project must meet at least one of these conditions for partial recovery of security posting

### **Existing Conditions for Partial Refund:**

1. Failure to secure a power purchase agreement
2. Failure to secure a necessary permit
3. Increase in the cost of Participating TO's Interconnection Facilities
4. Material change in Interconnection Customer Interconnection Facilities created by the ISO change in Point of Interconnection

### **New Conditions Proposed for Partial Refund:**

5. (A) Project that did not get TP deliverability.
6. (B) Project without TP deliverability and only if Phase 2 ADNU cost estimate exceeds its Phase 1 cost estimate by the lesser of 20% or \$20 million.

# Existing Provisions on Partial Reimbursement Amount for Post Phase 2 Withdrawal/Termination

## Reimbursement of Required Security Posting

Up to 180 days after Phase 2 results are published:

- i) Posted amount less 50% of the network upgrades for a maximum of \$10,000/MW; or
- ii) If money already used for pre-construction then the lesser of remaining balance or amount calculated under (i) above.

**New Proposal:** An (A) project that parks for 1 year may extend this eligibility up to 18 months after its Phase 2 results are published

181 days after Phase 2 results published but prior to the start of construction:

- i) Posted amount less 50% of the network upgrades for a maximum of \$20,000/MW; or
- ii) If money already used for pre-construction then the lesser of remaining balance or amount calculated under (i) above.