

PNM Generation Interconnection Queue Reform

FERC Dockets ER11-3522-000
ER11-3522-001

**For WestConnect Stakeholder Meeting
November 17, 2011**

Overview

Background

FERC Accepts PNM LGIP Queue Reform

Timeline

Decision Process for Existing Customers

Questions & Answers

Background



- **PNM currently has 44 large generator interconnection requests totaling 14,918 megawatts (MW) in its balancing authority area, which has a historic peak load of approximately 2,600 MW.**
- **PNM conducted six stakeholder meetings to meet with interested parties between November 5, 2009 and November 18, 2010 to discuss changes in the generator interconnection process.**
- **PNM developed and filed at FERC an Amended OATT on May 5th, 2011 and an amended that filing on August 1, 2011.**
- **FERC Conditionally accepts the revised LGIP on September 30, 2011.**
- **Effective date for the revised OATT is the same day it was accepted.**

FERC accepts Plan



- **FERC Conditionally accepts PNM OATT revisions (9/30/2011):**
 - **Adopt a clustering approach**
 - **Abandon studying projects in a serial process (except for those projects already in Facilities Studies stage)**
 - **Increased monetary deposit for studies based upon project size:**
 - **75 k \$ for projects less than 50 MW**
 - **150 k\$ for projects 50 MW but less than 200 MW**
 - **250 k\$ for projects 200 MW or greater**

FERC accepts Plan



- **Study Cost Allocation:**
 - **50% of the applicable study costs to Interconnection Customers on a pro-rata basis based on number of Interconnection Requests included in the applicable study**
 - **50% of the applicable study costs to Interconnection Customers on a pro-rata basis based on requested MWs included in the applicable study.**

FERC accepts Plan



- **System Upgrades – Cost allocation**
 - **Station equipment including all switching stations will be allocated based on the number of Generating Facilities interconnecting at an individual station on a pro rata basis.**
 - **All transmission lines, transformers and voltage support related Network Upgrades will be allocated based on the proportional capacity of each individual Generating Facility in the Cluster Studies requiring such Network Upgrades.**

FERC accepts Plan



- **A Preliminary Interconnection System Impact Study (PISIS) Queue and a Definitive Interconnection System Impact Study (DISIS) Queue**
 - **DISIS study cycle to signed LGIA is 420 days**
 - **PSIS and DISIS study processes are independent , however only DISIS allows for completion of LGIA.**

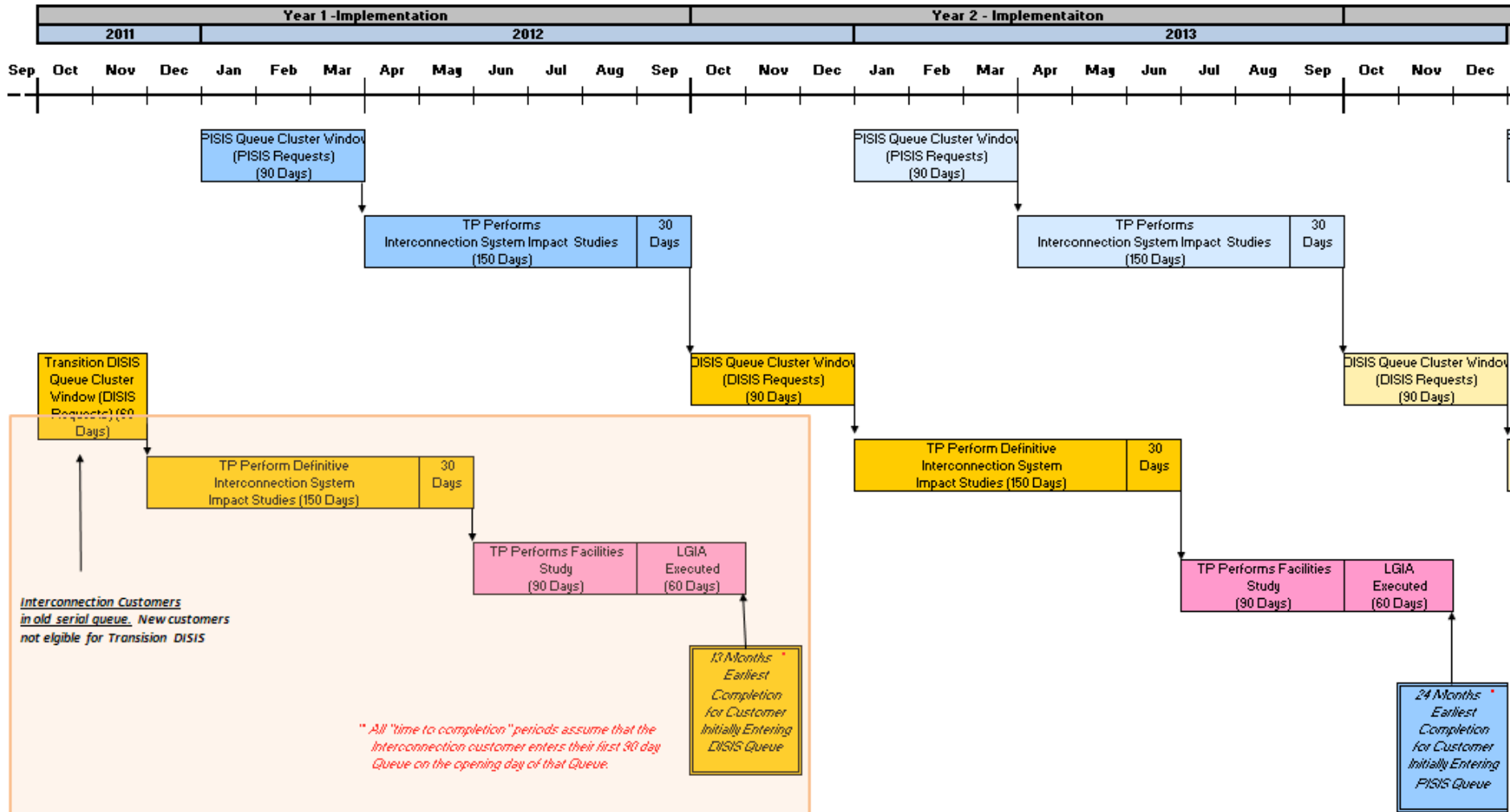
FERC accepts Plan



- **Milestones to enter the DISIS queue**

- demonstration of Site Control and site adequacy;
- definitive Point of Interconnection;
- PNM will ask (not require) the interconnection customer as to the anticipated point of delivery location;
- definitive plant size (MW);
- Technical information required in Appendix 1 of the LGIP;
- one of the following: (1) Security deposit = 2000\$/MW of plant size. (2) A PPA (3) is included in an applicable state resource plan; (4) Other information deemed by TP as evidence to be qualified to be in DISIS (5) Site specific Purchase Order for generating equipment

Time Line



Time Line - Dates



- **Significant Dates**
 - **Transition DISIS Cluster Window**
 - **Opened – 9/30/2011**
 - **Closes – 11/29/2011**
 - **First PISIS Cluster Window**
 - **Opens - 12/29/2011**
 - **Closes – 3/28/2012**

Existing Interconnection Customers



- **Existing Interconnection Customers (as of 9/30/2011) who have not executed a Facilities Study Agreement have three options to continue in the interconnection process:**
 - **Withdraw**
 - **Enter PISIS**
 - **Enter Transition DISIS (Transition DISIS only happens once)**

Questions?



- **Additional Questions may be asked by submitting a question to :**
LGIACluster@pnm.com