

Updated June 9, 2006

Generation Interconnection Process

This web site is a reference for wholesale generators (applicants) to request connection of their generation facilities to Avista Corporation's (Avista) electric system. Generation interconnections are subject to Federal Energy Regulatory Commission (FERC) rules.

The applicant must submit a completed application to start the formal interconnection process.

When the completed application is received, Avista will post the applicant's priority in the generation interconnection queue on this website (see below). This process is only for the physical connection to the Avista electrical system. The applicant will then be assigned an Avista primary contact to begin the process as follows.

Avista Corporation Interconnection Process

Step 1: Interconnection Application

An interconnection application is required for all Generation Interconnections to the Avista electrical system, no matter what size, that plan to run parallel to Avista's system.

The purpose of this Application is threefold:

- 1) It is a means for Avista to acquire all the important pertinent information about the generator including size, location, and technical information.
- 2) It is a means to separate those truly interested in an interconnection from those that are just speculating. An earnest generation owner will be willing to provide earnest money and generator information.
- 3) It assures that those that apply first for interconnection are served first. In other words, there is a non-discriminatory queue of qualified applicants.

For any generator greater than one MW a deposit is required. See paragraph four of the application for guidelines as to the required amount. All applications will be added to the list of applications posted on the Avista website. Receipt of the application will be acknowledged within 30 days.

Step 2: Feasibility Analysis

Avista will provide a broad review of the impact to the system, define capacity constraints and possible problems with the applicant's choice of point of interconnection. (Without performing technical studies, using readily available information).

- Letter returned to applicant within 15 days of receipt of Interconnection Application Results of Feasibility Study.
- Determine if a System Impact and Facility Study is necessary.
- A reply is required from the customer within 15 days.

Step 3: Interconnection Impact and Facilities Study

For all Interconnection Customers 1.0 MW and larger, Avista shall and the customer shall enter into an Interconnection Impact and Facilities Study Agreement (hereinafter "Study Agreement") providing for Avista to conduct an evaluation of the impact of the interconnection on Avista's electric system and an engineering study of the necessary facilities and modifications needed to Avista's electric system to interconnect the proposed generator to the electric system.

- Letter returned to applicant within 30 days of receipt of Interconnection Application offering Study Agreement.
- A reply is required from the customer within 15 days.

Step 4: Interconnection Impact and Facilities Study Procedures

Avista will make use of existing studies to the extent practicable. The Interconnection Study is an assessment of the impact of the proposed interconnection on the reliability, operating characteristics, and service provided to existing customers within Avista's electric system. This includes identification of the necessary facilities needed to complete the interconnection. The Interconnection Study will also assess any impact to the electrical systems with which Avista is interconnected (this may not be necessary for small projects).

- Acceptance of the Interconnection Impact and Facilities Study Agreement and any payment required within 15 days or application considered withdrawn.
- Study results completed within 60 days of receipt of signed System Study Agreement.
- Study results sent to customer identifying the configuration of the interconnection facilities equipment, including any necessary modifications or additions to Avista's distribution and/or transmission lines and substations. The Interconnection Study also will include good faith estimates of the cost to accommodate the Interconnection Application and the time needed to complete the interconnection.

Step 5: Interconnection and Operating Agreement Procedure

Avista will tender a Generation Interconnection Agreement (GIA) to the Interconnection Customer no later than 30 days after it provides the Interconnection Study to the Customer. This agreement must be signed prior to actual interconnection to the Avista system.

- The Interconnection Customer shall, not later than 90 days after receipt of GIA, execute the GIA and return it to Avista, or request Avista to file an unexecuted GIA with the Federal Energy Regulatory Commission and agree to abide by all of the terms of the Agreement, as modified by the Commission.
- Customer agrees to Construction as outlined in the Interconnection Study.

Step 6: Construction

Avista shall arrange for design and construction of all Avista network facilities. The Interconnection Applicant may provide for design and construction of the Direct Assignment Facilities or request that this work be accomplished by Avista. The Applicant shall reimburse Avista for the actual cost of all interconnection facilities incurred by Avista according to Section 4.2 of the GIA. Avista and the Applicant shall work cooperatively to assure that equipment is ordered and construction is scheduled and completed within a reasonable timeframe.

Step 7: GIA- Final

Avista will file the GIA with the FERC within 30 days of commencing operation.

For questions regarding this process please contact Warren Clark: warren.clark@avistacorp.com

Generator Interconnection Application List

Table Last Updated on: December 15, 2003

Date Received	Location	Total Project Size
12/11/03	Highway 231 and Magnison Butte Road, Lincoln County, Washington	50 MW of Wind Power