

Invenergy Comments/Questions on LGIP Queue Reform Presentation

1. Site control: we propose that there be a deposit in lieu of site control (for example \$100,000) and this deposit would become non refundable if site control is not demonstrated at the beginning of phase 2 of the process.
2. We propose that in the pre-application consulting meeting PNM not only provide data for the existing system, but also data on committed network upgrades and projects in clusters that are farther ahead (phase II and Phase III at a minimum). Alternatively, PNM could do a quick power flow study to give the developer a general idea of the impact of the project.
3. Please clarify what is the intent of identifying the network upgrades for the first 600-1000 MW in Phase I. If for example, the size of the cluster is 2,000 MW, how does a developer know if his project is on the first 600-1000 MW?
4. How will the point of interconnection be defined in Phase I? Based on what criteria will the POI be defined? Who decides where the POI will be?
5. Projects should be allowed to modify their MW capacity and technology between Phase I and Phase II. Phase I is too early to lock all the parameters. We propose that the MW value and technology be firmed up in Phase II and not Phase I. This will allow some flexibility due to technology changes.
6. How will the cost allocation for network upgrades be determined? Will it be based on distribution factors or MW ratio? We feel that the distribution factor is a fairer approach.
7. There should be the possibility of suspension of work on the network upgrades due to force majeure, which is beyond the developer's control.