

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

STANDARDIZING GENERATION
INTERCONNECTION AGREEMENTS
AND PROCEDURES

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) DOCKET NO: RM02-1-000
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COMMENTS OF THE
ELECTRICITY CONSUMERS RESOURCE COUNCIL

The Electricity Consumers Resource Council (“ELCON”) offers the following comments in connection with the Advance Notice of Proposed Rulemaking (“ANPR”) issued in this docket on October 25, 2001.

- ELCON agrees that there is a need for this generic proceeding to standardize interconnection agreements. We agree with the position of generators, summarized in the ANPR that (1) there is difficulty in securing interconnection without requesting delivery, (2) the treatment they receive is not comparable to the treatment received by the transmission provider’s own generation, (3) system upgrade costs charged to generators are sometimes not related to the interconnection, (4) there are delays and uncertainty due to the lack of binding commitments and firm deadlines in transmission providers’ pro forma tariffs, and (5) there is a lack of transparency of transmission information needed to make an independent assessment of the impact of an interconnection request.

We note that FERC’s November 2000 Reports on the Regional Bulk Power Markets identified the adverse effects of uncertainty and delay in processing generation

interconnection requests. The mere act of standardization minimizes the potential for discriminatory procedures or requirements that are too often invoked to discourage on-site generation.

- ELCON has participated in the useful meetings between generators, small generators, transmission providers, state agencies and transmission-dependent utilities to develop standard generator interconnection precedents and a standard generator interconnection agreement. In a January 11, 2002 filing, the leading groups identified differences in position between the generation groups and the transmission owners. We support the position of the generators and the small generators on items where there is divergence of opinion vis-à-vis the transmission owners, e.g., specifically we support the generator and small generator positions with respect to interconnection requests, OASIS posting, coordination with affected systems, queue positions and the Small Generator Expedited Interconnection Study language.

We appreciate the Commission's efforts and we look forward to participating in the pending NOPR process.

DESCRIPTION OF ELCON

The Electricity Consumers Resource Council ("ELCON") is an association of industrial consumers of electricity organized to promote the development of coordinated and rational federal and state policies that will assure an adequate, reliable, and efficient electricity supply for all users at competitive rates. ELCON member companies represent virtually every segment of the manufacturing community. The member companies of ELCON consume approximately five percent of all electricity in the United States.

NOTICES AND COMMUNICATIONS

Notices and communications should be addressed to:

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Respectfully submitted,

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Dated: February 1, 2002

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Comments of the Electricity Consumers Resource Council were today mailed to parties on the service list of this proceeding by U.S. mail, postage prepaid.

Dated at Washington, D.C., this 1st Day of February, 2002.

/s/ Kari Vander Stoep

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Dated: February 1, 2002