



PowerGEM
Power Grid Engineering & Markets

May 29, 2001

To: Management Committee

From: Interconnection Issues Task Force (IITF) / James Mitsche, Chair

Subject: Recommendation for Approval: RULES TO ALLOCATE RESPONSIBILITY
FOR THE COST OF NEW INTERCONNECTION FACILITIES

At the May 24, 2001 Business Issues Committee (BIC) meeting the Rules to Allocate Responsibility for the Cost of New Interconnection Facilities document were approved with this motion:

Motion #3:

Motion to accept the "Rules to Allocate Responsibility for the Cost of New Interconnection Facilities" as set forth in the document designated as the "Final Draft for BIC Meeting on May 24th 2001" with the modification that the word "Load" be deleted from Section I.A ; And the IITF address, prior to the Management Committee vote, the issue of Transmission Owner cost recovery in the event of regulatory rejection of baseline plan cost expenditure; And that nothing in the Rules shall preclude the eventual crediting or recovery of cost to the Developer as otherwise consistent with FERC regulations; And that minority positions designated in bold type in the Rules document referenced above are removed.

(Motion passed by a majority show of hands)

The attached document has deleted the word "load" in Section I.A. and has deleted the minority positions. The other matters covered in the motion are the subject of discussion at an IITF meeting scheduled for Monday, June 4, 2001.

We present and recommend Management Committee approval of the attached document. Any changes to it as a result of the June 4 IITF meeting will be introduced as a suggested motion for the June 6 Management Committee meeting.

Attachment: Allocation Rule as passed by BIC