

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review)	
of Chapter 4901:1-22, Ohio Administrative)	Case No. 12-2051-EL-ORD
Code, Regarding Interconnection Service)	

COMMENTS OF INTERSTATE GAS SUPPLY, INC.

Pursuant to the Entry issued on October 17, 2012 ("October 17 Entry") in the above captioned proceeding, Interstate Gas Supply, Inc. ("IGS Energy" or "IGS") respectfully submits these comments on the interconnection rules set forth in Ohio Administrative Code ("OAC") 4901:1-22.

I. QUESTIONS

In the October 17 Entry the Commission presented a number of specific questions regarding the interconnection rules set forth in OAC 4901:1-22. Below are IGS' responses to the specific questions presented by the Commission.

A. Three-Level Interconnection Review Process

Paragraph 8 of the October 17 Entry requests comments on the proposed revised three-level interconnection application process. IGS is supportive of the proposed revisions to the extent that the proposed revisions to the rules streamline the application process for smaller electric generating units. Streamlining the interconnection application process for smaller electric generation units will encourage investment in distributed generation projects and make such projects more cost-effective as

compared to centralized large scale electric generation projects. Further, small electric generation units generally have less overall impact on the electric distribution system, and thus an expedited review process for interconnection is justified.

B. Field-Tested Equipment

Paragraph 9 of the October 17 Entry seeks comments on whether interconnection rules recognizing standard procedures for field-tested equipment would quicken the interconnection process. First, IGS believes that it is a reasonable goal to quicken the interconnect process for generation units that are already field-tested. Field-tested equipment is equipment that has previously been approved for interconnection by the utility and thus it may be unnecessary and redundant to require an extended interconnection approval process each time field-tested equipment is installed. Second, standardized procedures for field-tested equipment would likely expedite the interconnection review process. Much as the standardized procedures for the energy efficiency credit (EEC) applications has reduced the time and cost for mercantile customers applying for EEC eligibility (See Case No. 10-0834-EL-POR), it is IGS' belief that standardized procedures for interconnection will also lessen the burden for interconnection of field-tested equipment. Finally, while attempts by the Commission to standardize application processes have been successful in the past, there is always a risk that adding additional procedures to the review process could add an unnecessary administrative burden on applicants. As such, any standardized procedures implemented by the Commission should be done with the goal of reducing the time and resources required for interconnection of units that have already been field-tested.

C. Financial Risk of Interconnection

Paragraph 10 of the October 17 Entry seeks comments on whether the interconnection rules should create a framework for minimizing the financial risk associated with interconnection. Specifically, the Commission proposes creating a three-phase process for the applicant's to post security to ensure that the applicant's interconnection costs are covered as they accrue. IGS is supportive of allowing applicants to post security for interconnection throughout the interconnection process rather than posting all of the security up-front. The cost for interconnection can vary greatly depending on the project, and thus a one-size-fits-all security deposit is not the most effective way to ensure that the applicant security requirements are in alignment with the actual cost of the project. A three-phased security posting process would better align security requirements with the actual cost of a project and thus help ensure that the often limited finances for a project are used for the installation of electric generation units, and not for unnecessary security deposits.

D. Publicly Available Interconnection Queue

Paragraph 12 of the October 17 Entry seeks comments on whether the utility interconnection queues should be made publicly available. IGS supports making interconnection queues publicly available. Publicly available interconnection queues will help parties considering a generation project better understand the time it may take for interconnection. Knowing an accurate time-frame for projects will help keep down costs and will increase certainty for project investors. Further, a publicly available queue for interconnection projects will increase transparency and help ensure that all

interconnection projects are treated equally. That said, it is important that a publically available queue for interconnection does not reveal confidential information about the applicant. Accordingly, measures should be taken to protect the confidential information of the applicant including not disclosing the name of the applicants in the queue and not disclosing the precise location of the generation project that is seeking interconnection.

II. **CONCLUSION**

IGS respectfully submits these Comments requested by the Commission in the above referenced proceeding.

Respectfully submitted,

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Summary: Comments electronically filed by Mr. Matthew White on behalf of IGS Energy