



## **Western Area Power Administration LGIA Option to Build Business Practice**

Pursuant to Article 5 of Western’s Standard Large Generator Interconnection Agreement (LGIA), an Interconnection Customer may assume responsibility for the design, procurement and construction of Transmission Provider’s Interconnection Facilities (TPIF) and Stand Alone Network Upgrades (Network Upgrades) under certain circumstances.

In order for Western to agree to the Interconnection Customer assuming certain responsibilities under the “Option to Build” provisions set forth in LGIA Article 5.1.3, the following conditions must be met:

1. The In-Service Date, Initial Synchronization Date, and Commercial Operation Date (“Dates”) selected by the Interconnection Customer must be reasonably achievable, in Western’s determination, without impairing the quality or reliability of the TPIFs and Network Upgrades, or resulting in unsafe conditions.
2. Such Dates for the project cannot be met by the Transmission Provider, or the Transmission Provider chooses to not be responsible for the design, procurement, and construction itself.

In order for Western to evaluate the Interconnection Customer’s “Option to Build” request, the Interconnection Customer must provide the following:

1. Documentation demonstrating the Interconnection Customer’s experience and competency in the design of outdoor substation electrical, control and communication equipment for the voltage class, and megawatt size of the project; specifically describing previous project(s) designed and constructed by the Interconnection Customer in meeting similarly compressed timeframes.
2. Interconnection Customer’s proposed design, procurement, and construction plans demonstrating in detail that it is possible for the Interconnection Customer to achieve its desired accelerated schedule for the project Dates.

The following additional provisions apply:

1. Western will provide the applicable standards, policies, and specifications to be adhered to by the Interconnection Customer within 90 days of an “Option to Build” request from an Interconnection Customer.
2. Interconnection Customer will fully compensate Western from advance deposits for the Transmission Provider’s costs to provide such applicable standards, policies, and specifications. Such costs shall be considered to be direct assigned to the Interconnection Customer.



3. Interconnection Customer shall provide Western with a minimum of 30 days for Western to review each proposed engineering design, equipment acceptance test(s), and construction plan(s) for facilities under Article 5.2(3).
4. Unless otherwise agreed upon, the Transmission Provider shall commission all electrical and communication equipment associated with its electrical system.
5. Unless otherwise agreed upon, the Transmission Provider shall provide construction supervision for the Transmission Provider's Interconnection Facilities and Network Upgrades.
6. Interconnection Customer's costs for Transmission Provider's Interconnection Facilities and Network Upgrades that exceed the Transmission Provider's cost estimates to design, procure, and construct such Transmission Provider's Interconnection Facilities and Network Upgrades, due to the Interconnection Customer choosing the "Option to Build"<sup>1</sup>, will be direct assigned to the Interconnection Customer.

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<sup>1</sup> For example, increased costs due to Interconnection Customer's accelerated schedule.