

1 **Q. Reference Prefiled Evidence of C. Douglas Bowman, page 15, lines 18-20:**
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3 **Please explain why functionalizing the LIL as transmission means, as Mr.**
4 **Bowman suggests, that it would not be possible to charge market participants**
5 **for all costs associated with connecting their facilities to the network.**
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8 **A.** The referenced passage states “*This practice is consistent with typical practice in*
9 *competitive markets where new market participants are responsible for all costs*
10 *associated with connecting their facility, in this case MF generation, to the*
11 *network.*” The statement does not suggest that functionalizing the LIL as
12 transmission means “*it would not be possible to charge market participants for all*
13 *costs associated with connecting their facilities to the network*”. It does suggest that
14 these facilities should not be categorized as network transmission. Mr. Bowman’s
15 position is that the cost of generation leads, that is the transmission that connects a
16 generator to the network, is typically the responsibility of the generator in
17 competitive markets so in regulated markets should be considered part of the
18 generator and functionalized as generation in the cost of service study.