Stakeholder Comments Template

Submitted by	Company	Date Submitted
Dariush Shirmohammadi Nancy Rader	California Wind Energy Association (CalWEA)	8/26/2013

Please use this template to provide your comments on the Interconnection Process Enhancements Straw Proposal posted on July 18 and as supplemented by the presentation and discussion during the August 8 stakeholder meeting.

Submit comments to GIP@caiso.com

Comments are due August 22, 2013 by 5:00pm

(Extension request granted to CalWEA for 8/26)

The Straw Proposal posted on July 18 may be found at:

http://www.caiso.com/Documents/StrawProposal-Topics1-5 13-15 InterconnectionProcessEnhancements.pdf

The presentation discussed during the August 8 stakeholder meeting may be found at:

http://www.caiso.com/Documents/Agenda Presentation-InterconnectionProcessEnhancements080813.pdf

Please provide your comments following each of the topics listed below.

<u>Topic 1 – Future downsizing policy</u>

Comments: CalWEA finds the CAISO Interconnection Process Enhancements (IPE) straw proposal in this area to be generally reasonable, with the following necessary changes:

A process similar to the Independent Study Process (ISP) should be allowed for project downsizing. Based on that process, projects whose downsizing would not impact projects being studied in the relevant reassessment study (based on the same tests used for the GIP/GIDAP ISP) should be allowed to request downsizing at any time and should be individually studied – much in the same way that ISP interconnection applications are handled.

<u>Topic 2 – Disconnection of first phase of project for failure to build later phase</u>

Comments: CalWEA commends the CAISO for proposing a logical and commonsense approach to address the failure of projects to develop later phases of their project. However, CalWEA believes that generators should retain the GIA for phases that have started construction as well as project phases that are already operational at the time the failure of future phases are identified. For the purpose of determining whether a project phase has entered construction, CAISO could use the same definition that it currently uses for start of construction for transmission upgrades.

<u>Topic 3 – Clarify tariff and GIA provisions related to dividing up GIAs into multiple phases or</u> <u>generating projects</u>

Comments: CalWEA finds the CAISO straw proposal in this area to be generally reasonable, with the following necessary changes:

- There should be no limit on the timing of a phasing (or re-phasing) request. Even after it
 has reached COD and entered into operation (say, as a merchant plant), a project, and
 its GIA, should be allowed to be split (phased) to reflect the PPA opportunities that the
 project faces. This principle could also apply to projects whose PPAs have expired and
 may need to re-split (re-phase) their GIA to reflect the new merchant and PPA
 opportunities that they face. Furthermore, the required COD time delay for different
 phases of a project, as proposed by the CAISO, should not be applied to projects that
 split (phase) post-COD.
- CalWEA does not see any reason for performing a material impact review for a project that is proposing to phase its GIA especially given that, per the CAISO's solution under Topic 2, the project remains obligated to finance all the network upgrades that have been assigned to the entire project to the extent that later queued projects require those upgrades.

<u>Topic 4 – Improve Independent Study Process</u>

Comments: CalWEA generally agrees with the CAISO's preliminary ideas in this area. As a member of the technical team that is looking into new criteria and a potential approach for the

ISP (and behind-the-meter capacity extension), CalWEA looks forward to helping develop meaningful suggestions for consideration in this CAISO stakeholder process.

<u>Topic 5 – Improve Fast Track</u>

Comments: CalWEA generally agrees with the CAISO's preliminary ideas in this area. As a member of the technical team that is looking into new criteria and a potential approach for fast-tracking, CalWEA looks forward to helping develop meaningful suggestions for consideration in this CAISO stakeholder process.

Topic 13 – Clarify timing of transmission cost reimbursement

Comments: CalWEA repeats its comments from the previous round that the network upgrade refund for a (phased on non-phased) project should start on the COD for that project and without regard to the completion of the network upgrades themselves. Furthermore, if the project reaches COD even before the network upgrades (most notably DNUs) for the project have been fully implemented, the project should not be asked to post financial securities for the implementation of the portion of the upgrades that have not yet been started or are not complete.

Topic 14 – Distribution of forfeited funds

Comments: All forfeited funds from the interconnection process, regardless of whether they are study security deposits or financial security deposits, should be used to pay for network upgrades that result from interconnection study processes.

Topic 15 – Inverter/transformer changes (material modification process)

Comments: CalWEA finds the CAISO's IPE straw proposal in this area to be generally reasonable, with the following necessary changes:

• A series of criteria should be developed to facilitate technology changes in any part of the generation project infrastructure that can be quickly approved without a study. The criteria for allowing material impact to be approved with or without study should be as follows:

- 1. No adverse power flow impact: The change in technology will have no adverse flow impact on the WECC system under normal and contingency conditions compared to the original technology either studied or in operation.
- 2. No adverse short circuit duty impact: The change in technology will have no adverse short circuit duty impact compared to that of the original technology either studied or in operation.
- 3. No adverse angular or voltage stability impact: The change in technology will have no adverse impact on WECC system angular or voltage stability compared to that of the original technology either studied or in operation.

The impact of most technology changes, especially those used to modernize older operating plants) can be readily assessed based the above criteria (the same ones used for the actual interconnection studies) without performing any studies.

 Studies should be allowed to be performed for technology changes in any part of the generation project infrastructure in order to determine if the changes constitute a material impact. A critical issue for consideration here is that the need for a study to determine material impact should not in itself be considered to be a material impact as apparently expressed in the following statement in the CAISO draft proposal:

> "If there is a material impact, or if a study would be required to determine if there is a material impact, then the modification request must be denied, and in such instances there are no provisions whereby which the interconnection customer can mitigate the material impact."

• Material impact, even if found, should not be used to reject a requested technology change if the project commits to mitigate the identified material impact.