# **Stakeholder Comments Template**

# Subject: Generation Interconnection Procedures Phase 2 ("GIP 2")

Submitted by	Company	Date Submitted
Mark J Smith 925 557-2231	Calpine	3/11/11

- 3: For topics that are high priority and urgent.
- 2: For topics that are high priority but not urgent. (i.e., topic could wait until a subsequent GIP stakeholder initiative).
- 1: For topics that have low priority.
- 0: For topics in which "the ISO need not bother."

## Comments on Items listed in GIP 2 Issue Paper:

1. Develop procedures and tariff provisions for cost-benefit assessment of network upgrades.

Rank 0-3:

3

Comments:

The write-up does not fully explain the consequences of a network upgrade that is "not economic", but nonetheless required for deliverability. Such a determination (and appeals) is likely to substantially delay instant IC and clustered IC.

 Clarify Interconnection Customer (IC) cost and credit requirements when GIP network upgrades are modified in the transmission planning process (per the new RTPP provisions)

<u>Rank 0-3:</u>

2

Comments:

3. Provide additional transparency regarding Participating Transmission Owner (PTO) transmission cost estimation procedures and per-unit upgrade cost estimates;

Rank 0-3:

0

Comments:

4. Clarify applicability of GIP for a generator connecting to a non-PTO that is inside the ISO Balancing Area Authority (BAA) and wants to have full capacity deliverability status.

Rank 0-3:

0

Comments:

5. Explore potential modifications to the triggers that establish the deadlines for IC financial security postings.

<u>Rank 0-3:</u>

2

Comments:

Calpine has struggled with this issue, and believes that FERC directives should be more accurately reflected in security triggers.

6. Clarify definitions of start of construction and other transmission construction phases, and specify posting requirements at each milestone.

<u>Rank 0-3:</u>

0

Comments:

7. Clarify ISO information provision to assist ICs.

<u>Rank 0-3:</u>

0

Comments:

8. Consider partial capacity as an interconnection deliverability status option.

<u>Rank 0-3:</u>

3

#### Comments:

Partial deliverability could be benefiting both IC and ultimately, ratepayers (as they may avoid significant network upgrades.) The GIP current allows the IC to request the level of deliverability without the highest cost network upgrade, but gives the IC no ability to take that partial level of deliverability. This option must be considered in coordination with (1), the treatment of non-economic upgrades.

9. Develop pro forma partial termination provisions to allow an IC to structure its generation project in a sequence of phases.

Rank 0-3:

3

Comments:

Modular generation facilities (e.g. geothermal) would benefit from clarity on this point.

10. Provide for partial repayment of IC funding of network upgrades upon completion and commercial operation of each phase of a phased project.

<u>Rank 0-3:</u>

3

#### Comments:

Modular generation facilities (e.g. geothermal) would benefit from clarity on this point.

11. Applying Section 25 of the tariff to conversions of grandfathered generating units to compliance with ISO tariff.

Rank 0-3:

2

Comments:

12. Clarify site exclusivity requirements for projects located on federal lands.

<u>Rank 0-3:</u>

1

Comments:

13. Specify appropriate security posting requirements where the PTO elects to upfront fund network upgrades.

Rank 0-3:

1

Comments:

14. Revise ISO insurance requirements (downward) in the pro forma Large Generation Interconnection Agreement (LGIA) to better reflect ISO's role in and potential impacts on the three-party LGIA.

Rank 0-3:

0

Comments:

15. Clarify posting requirements for an IC that is already in operation and is applying only to increase its MW capacity.

Rank 0-3:

3

Comments:

Calpine envisions the possibility of "flexibility upgrades" to existing CCGTs and clarity would be helpful.

16. Standardize the use of adjusted versus non-adjusted dollar amounts in LGIAs.

Rank 0-3:

0

Comments:

17. Clarify how GIP applies to storage facilities and behind-the-meter expansion of existing facilities.

Rank 0-3:

3

Comments:

Calpine envisions opportunities for small renewable collocation with existing facilities.

18. Conform technical requirements for small and large generators to a single standard, and develop study methodology to determine voltage impacts pursuant to FERC's 2010 order on ISO's proposed new interconnection standards.

Rank 0-3:

3

Comments:

19. Revisit tariff requirement for off-peak deliverability assessment.

Rank 0-3:

3

Comments:

Off-peak deliverability studies have been required of geothermal IC. While geothermal is renewable, it is not "primarily delivered off-peak". Geothermal IC studies have been pinned with off-peak deliverability network upgrades that will not be complete for 7 years, unnecessarily holding up deliverability and RA certifications.

20. Include operational impacts in assessing generation interconnection impacts.

Rank 0-3:

0

Comments:

21. Revise provisions for transferring queue position to a new IC.

Rank 0-3:

0

Comments:

### Other Comments:

- 1. Are the five workgroups and their topic areas organized properly? Sure. But we believe that # 1 and # 8 should be in the same group, as the issues are interrelated.
- 2. Are there other topics that you believe should be considered for the scope of GIP 2? For IA's that "affect" rated WECC paths and other "Affected Systems", Calpine believes that GIP should explicitly contemplate the required WECC path review process. In particular, Phase 1 and or 2 studies and deposits must be conditionally refunded based on the results of Affected Systems or WECC rated-path reviews.
- 3. If you have other comments, please provide them here. **Thanks.**