

Interconnection Process Enhancements 2018 PG&E Comments

Submitted by	Company	Date Submitted
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PG&E appreciates the opportunity to comment on the range of topics contained in the CAISO’s IPE 2018 issue paper, published on January 17, 2018. What follows are comments on several of the various topics.

4. Deliverability

4.2 Balance Sheet Financing

PG&E is concerned that balance sheet financing is a way of obscuring risks that a project will become non-viable and be forced to withdraw. Commercial viability criteria are still novel. More time should be given time for those previous IPE enhancements to have an impact. That projects are being forced to withdraw for non-viability is a sign that the commercial viability criteria are working. Regardless of the merits, PG&E does not consider this topic a high priority for this initiative.

4.3 Participating in the Annual Full Capacity Deliverability Option

PG&E supports this topic. We expect that additional qualifying criteria would mean that projects which receive deliverability are more likely to proceed through the interconnection queue and ultimately to commercial operation, while less-viable projects will not be allocated deliverability to the detriment of more viable projects.

4.4 Change in Deliverability Status to Energy Only

PG&E supports the inclusion of this topic and the CAISO’s proposed clarification that cost responsibility for DNUs should not be altered where a project fails to meet commercial viability criteria and is converted to energy only deliverability status—to close an unintended loophole in the interconnection process.

4.7 Transparency on Availability of Deliverability

PG&E welcomes improving the quality of deliverability availability information for interconnection project developers, but is concerned that the benefits of these reports are outweighed by the additional burden of developing these enhanced reports or mechanisms. To the extent there is a substantial gap in available information from current reporting mechanisms preventing reasonably experienced interconnection customers from obtaining necessary understanding, then PG&E supports addressing this gap.

4.8 Commercial Viability Criteria – Continuous Compliance Obligation

If the FERC proceeding concludes while IPE 2018 is still active, PG&E would be interested in seeing this topic discussed.

4.11 Cancellation or Delay of CAISO Approved Transmission Projects

PG&E supports the CAISO's recommendation not to consider this topic in the IPE 2018 initiative.

6. Generator Interconnection Agreements

6.1 Suspension Notice

PG&E supports the consideration of this topic in the IPE 2018

6.2 Affected Participating Transmission Owner

PG&E supports the consideration of this topic in the IPE 2018.

6.3 Clarify New Resource Interconnection Requirements

PG&E supports the consideration of this topic in the IPE 2018.

6.4 Ride-through Requirements for Inverter based Generation

PG&E supports the consideration of this topic in the IPE 2018.

6.5 Affected System Options

PG&E agrees that the current practice of coordinating with affected systems is working effectively. More importantly, PG&E agrees with the CAISO that CAISO has no authority over the affected system and so should not enshrine an unenforceable process in its tariff.

7. Interconnection Financial Security and Cost Responsibility

7.1 Maximum Cost Responsibility for NUs and Potential NUs

PG&E supports providing additional definitional clarity. We expect this may reduce confusion among IC developers, and all stakeholders.

7.3 Financial Security Postings and Non-Refundable Amounts

PG&E supports the consideration of this topic in IPE 2018.

7.4 Queue Clearing Measures

PG&E agrees with CAISO that the topic of commercial viability screening for projects in the queue was already vetted in a previous IPE and approved by FERC. These already-executed enhancements should be allowed to work on the interconnection queue before additional reforms are considered or implemented. Regarding the second topic, PG&E opposes a security forfeiture holiday as this would undermine the rigor of the interconnection process as a one-time matter, and would signal that other security forfeiture holidays may be available in the future, thereby shielding noncompliant projects from consequences for unhelpful behaviors.

7.5 Shared SANU and SANU Posting Criteria Issues

PG&E supports CAISO's reasoning that the proposals would create a gaming opportunity for SANU cost responsibility, and recommends not including these proposals in IPE 2018.

7.6 Clarification on Posting Requirements for PTOs

PG&E supports the consideration of this topic in the IPE 2018

7.7 Reliability Network Upgrade Reimbursement Cap

PG&E supports considering this challenge in the IPE 2018 initiative.

8. Interconnection Request

8.1 Study Agreement

PG&E recognizes that there are process improvements to be made in the sequencing of the study agreements in relation to the interconnection request. PG&E cautions that moving to a simultaneous process for the IR and the study agreements should not reduce the effectiveness of the IR validation, particularly since CAISO has noted how the IR validation process continues to produce so many corrections/changes to IRs.

8.3 Master Planned Projects (Open Ended and Serial Projects)

PG&E is concerned that creating an open-ended interconnection project undermines the current cluster process of studying and developing mitigations to the impacts of new generation interconnecting to the transmission system. As an initial matter, PG&E would be opposed to creating an open-ended interconnection process for a class of resources. Rather, as noted by the CAISO, interconnection project developers already can seek interconnection for a substantial project, which they can later resize to better suit their evolving goals for the resource(s).

9. Modifications

9.1 Timing of Technology Changes

PG&E is concerned that limiting project modifications by imposing a cut-off for fuel or technology type modifications would dis-incentivize interconnection projects from making reasonable, valuable changes to their interconnection projects prior to commercial operation. With the continuously evolving energy landscape, PG&E supports the flexibility to make reasonable changes to an interconnection project that do not negatively impact other same- or later-clustered interconnection projects. Nevertheless, PG&E is open to considering this topic as a means of ensuring that viable projects proceed efficiently through the interconnection queue—and that non-viable projects are incented to make appropriate adjustments to their projects or withdraw from the queue.

9.2 Commercial Viability – PPA Path Clarification

PG&E supports this helpful clarification.

9.3 PPA Transparency

PG&E supports this helpful clarification.

9.4 Increase Repowering and Serial Re-Study Deposit

PG&E supports this proposal that would better align the repowering study deposit to appropriately fit the range of actual study costs.

9.5 Clarify Measure for Modifications After COD

PG&E supports this helpful clarification.

9.7 Material Modification for Parked Projects

PG&E supports the CAISO's reasoning that the effect of parking an interconnection project should be to halt cost-generating activity associated with that project. Therefore, evaluation of modification requests would not be appropriate.

10. Additional Comments

PG&E has no comments on topics not included above, nor additional comments, at this time.