

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

Pacific Gas and Electric Company

Docket No. ER11-3004-000

**INTERVENTION AND COMMENTS OF THE  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

The California Independent System Operator Corporation (“ISO”) respectfully moves to intervene and file comments in this docket, through which Pacific Gas and Electric Company (“PG&E”) seeks to amend its Wholesale Distribution Access Tariff (“WDT”) to revise its generator interconnection procedures pertaining to its Distribution System.<sup>1</sup>

**I. BACKGROUND INFORMATION RELATING TO PG&E’s WDT  
AMENDMENT FILING**

On March 2, 2011 PG&E filed its amendment to its WDT, which the Commission designated as Docket No. ER11-3004-000 (“WDT Amendment”).

As stated in PG&E’s Transmittal Letter, one of the reasons that PG&E is filing the WDT Amendment is to conform PG&E’s interconnection processes to the newly established ISO Generation Interconnection Procedures (ISO GIP), which the Commission approved December 16, 2010, with an effective date of December 19, 2010.<sup>2</sup>

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<sup>1</sup> The ISO makes its request pursuant to Rules 211 through 214 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.211, 385.212, 385.213, and 385.214 (2010) and the Combined Notice of Filings dated March 3, 2011. The ISO is sometimes referred to as the “CAISO,” including within PG&E’s Amendment filing.

<sup>2</sup> See, e.g., PG&E’s Transmittal Letter at p.1 and pp. 5-6; The Commission conditionally accepted the ISO’s GIP in its December 16, 2010 *Order Conditionally Accepting Tariff Revisions*, 133 FERC ¶ 61,223 in Docket No. ER11-1830. The order can be accessed on the ISO’s website at <http://www.caiso.com/286e/286eae8221bd0.pdf>. The ISO’s GIP is Appendix Y of the ISO Tariff and is accessible on the ISO’s website at <http://www.caiso.com/2872/2872862b51c40.pdf>.

## II. COMMUNICATIONS

The ISO requests that all communications and notices concerning this motion and these proceedings be provided to:

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## III. MOTION TO INTERVENE

The ISO is a non-profit public benefit corporation organized under the laws of the State of California, with a principal place of business at 250 Outcropping Way, Folsom, CA 95630. The ISO is the Balancing Authority Area operator responsible for the reliable operation of the electric grid comprising the transmission systems of a number of utilities, including PG&E, San Diego Gas & Electric Company, Southern California Edison Company, the Cities of Vernon, Pasadena, Anaheim, Azusa, Banning, and Riverside, California, of Atlantic Path 15, LLC and Startrans IO, L.L.C. and, with regard to the Path 15 transmission lines in California, the Western Area Power Administration, Sierra Nevada Region. As the Balancing Authority, the ISO coordinates the ancillary services and electricity markets within its Balancing Authority Area.

The ISO operates under the terms of the ISO Tariff, which is on file with the Commission. A component of that tariff is the ISO GIP mentioned above. As noted within PG&E's filing, there is an interrelation of activities with respect to PG&E's

processing of its Distribution System interconnection requests under PG&E's procedures that are the subject of these proceedings and the ISO's GIP. By way of example, ISO's GIP Section 8.3 provides that PG&E interconnection customers can obtain an ISO determination as to what (if any) Delivery Network Upgrades to the ISO-Controlled Grid are required to allow the PG&E interconnection customer's generation facility to be deliverable to the aggregate of Load on the ISO-Controlled Grid. Accordingly, these GIP tariff provisions, together with PG&E procedures, provide for the ISO to conduct activities in furtherance of PG&E's interconnection processes. As such, the ISO has an interest in these proceedings, and no other party can adequately represent the interests of the ISO in these proceedings.

#### **IV. COMMENTS**

The ISO agrees with PG&E that PG&E's WDT interconnection procedures should be amended in order to: (1) address the "large and increasing volume of small generators [that] have sought to interconnect to PG&E's transmission system (meaning, here, its Distribution system);"<sup>3</sup> and (2) modify PG&E's interconnection processes to parallel the ISO's GIP.<sup>4</sup> The ISO concurs with PG&E's witness, Mark Esguerra that, without such coordination, the allocation of network upgrade costs and the study processes through which such upgrades are identified would likely become unworkable.<sup>5</sup> Moreover, parallelism of PG&E's WDT and the ISO's GIP procedures are important with respect to such things as the timing queue cluster windows and study cycles. In particular, the WDT procedures and ISO's GIP procedures provide

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<sup>3</sup> Prepared Direct Testimony of Mark Esguerra, (PG&E Filing Exhibit PGE-1) at p 2, lines 30-32 to p. 3 lines 1-10.

<sup>4</sup> Esguerra Testimony, *supra*, at p.3 lines 12-23.

<sup>5</sup> *Id.*

for the Participating TOs (as distribution providers) and the ISO to undertake parallel and sometimes interrelated activities, such as the work which must be done for PG&E's WDT IRs seeking deliverability to the aggregate of Load on the ISO-Controlled Grid.

In reviewing the specifics of PG&E's proposed tariff provisions, the ISO is supportive of the WDT Amendment Filing, though with the following additional notations:

1. The ISO does not take a position on any portion of PG&E's WDT Amendment Filing where PG&E's GIP has departed from the ISO's GIP for reasons particular to the circumstances of PG&E's Distribution Grid. The ISO has not formulated an opinion on these issues of concern to the Distribution System.

2. With respect to PG&E's GIP Section 3 [*Independent Study Process*], the ISO offers a proposed change with respect to proposed Section 3.1.1.1 [*The ISO's Determination of Electrical Independence for the ISO Grid*]. By the ISO's reading, this section tracks SCE's language for SCE GIP Section 5.5.1 [*The ISO's Determination of Electrical Independence for the ISO Grid*] in the Commission's concurrent Docket No. ER11-2977, and provides for the ISO's input into the distribution provider's electrical independence evaluation. The ISO's suggested change here is the same change that the ISO has proposed in Docket No. ER11-2977-000 relating to SCE's WDAT Amendment Filing, which SCE has submitted in part to harmonize its WDAT interconnection procedures with the ISO's GIP.<sup>6</sup> In this regard, the ISO suggests that the provision include an initial consultation between

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<sup>6</sup> The ISO has suggested the identical language changes to SCE's WDAT Amendment Section 5.1.1 in the ISO's Intervention and Comments filed March 22, 2011 in Docket ER11-2977-000. (See item 3 therein at pp. 6-7.)

PG&E and the ISO in conjunction with PG&E's exercise of engineering judgment as to whether the independent study process request might require or contribute to the need for Network Upgrades to the ISO-Controlled Grid. This consultation could save time and would inform PG&E's determination, should the ISO have an opinion of "no impact" driving Network Upgrades to the ISO-Controlled Grid without having to actually run the formal studies. In this regard, the ISO suggests the following change to PG&E's Proposed Section 3.1.1.1:

If the Interconnection Request to the Distribution System is of sufficient MW size to be reasonably anticipated, in the engineering judgment of the Distribution Provider in consultation with the ISO, to require or contribute to the need for Network Upgrades, Distribution Provider will request that the ISO perform the incremental power flow...

The ISO notes that the rest of the sentence of proposed Section 3.1.1.1 implies that it will be the ISO that performs the short circuit duty tests under ISO GIP Section 4.2<sup>7</sup>, when in fact the short circuit duty tests are performed by the particular Participating TO that is the distribution provider. To correct the possible misimpression, the ISO suggests that it may be more accurate to delete the reference to short circuit duty as follows:

... and aggregate power flow, ~~and short-circuit duty~~ tests as set forth in Section 4.2 of Appendix Y to the ISO Tariff.

Finally, as to the effective date requested by PG&E<sup>8</sup>, the ISO concurs with PG&E that it is important that SCE's Amendment Filing be made effective no later than March 31, so that the ISO can include its part of the work related to deliverability

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<sup>7</sup> As written, Section 3.1.1. states that if the distribution provider determines there may be impact driving upgrades the "Distribution Provider will request that the ISO perform the incremental power flow, aggregate power flow, and short-circuit duty tests as set forth in Section 4.2 of [the ISO GIP]. While ISO GIP mentions short circuit duty testing, it is the Participating TO that actually performs the short circuit duty test.

<sup>8</sup> PG&E's Transmittal Letter at page 15 notes that PG&E stakeholders suggested that PG&E should seek a March 2011 effective date.

requests from PG&E's interconnection requests in the ISO's next Deliverability Study cycle, which is scheduled to begin in the second quarter of 2011. PG&E has requested March 3, and the ISO has no objection to the Commission setting this effective date.

## V. CONCLUSION

As indicated by the foregoing, the ISO supports, subject to the suggestions the ISO has mentioned in these comments, PG&E's WDT Amendment tariff provisions submitted in its March 2, 2011 filings and PG&E's request that the Commission accept the proposed provisions with modification as suggested herein by the ISO and also accept PG&E's requested effective date of March 3, 2011.

Respectfully submitted,  
**By: /s/ Baldassaro "Bill" DiCapo**  
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Attorneys for the California Independent  
System Operator Corporation

Dated: March 23, 2011

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in the above-captioned docket, in accordance with the requirements of Rule 2010 of the Commission Rules of Practice and Procedure (18 C.F.R. §385.2010).

Dated this 23<sup>rd</sup> day of March, 2011 at Folsom, California.

*/s/ Anna Pascuzzo*

Anna Pascuzzo