

SDG&E Comments to CAISO proposed Generation Interconnection Procedures Phase 2 (“GIP 2”) Tariff Language

Submitted by	Company	Date Submitted
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SDG&E provides the following comments to CAISO GIP 2 Proposed Tariff Language:

2.4.3 The Interconnection Studies.

All cost estimates for Interconnection Facilities and Network Upgrades contained in Interconnection Studies will be set forth in present dollar costs as well as time-adjusted dollar costs, adjusted to the estimated year of construction of the components being constructed

SDG&E Comment:

SDG&E has not altered its position in that it does not support this tariff language, SDG&E has consistently provided its cost estimates in the dollars for year spent. None of the ICs have requested that SDG&E provide present dollar costs. SDG&E has participated in the CAISO’s recent Unit Cost discussions with the other PTOs. As long as the escalation factor used in the cost estimation is identified by the PTO, the IC can use the factor and deescalate the dollars to derive the nominal/constant dollars. SDG&E finds there is no benefit of including costs estimates in current-year, constant dollars. Providing two sets of cost estimates will only confuse the matter and is unreasonable. The tail should not wag the dog. As a benchmark, SDG&E suggests CAISO should research how other ISOs handle dollar amounts in Interconnection Studies. SDG&E still has not seen the CAISO response to this suggestion.

4.2.1 Flow Impact Test

[GIP item #7 (Proposal Item “Path 4”)] An Interconnection Request shall have satisfied the flow impact test if it satisfies either one of two sets of alternative requirements identified in this Section.

SDG&E Comment:

What is the intention of this statement, please clarify.

Second set of requirements under this GIP Section 4.2.1:

An Interconnection Request requesting to be processed under the Independent Study Process will pass the flow impact test if it satisfies all of the following technical and business criteria for behind-the-meter capacity expansion of a Generating Facility:

SDG&E Comment:

This statement is not clear, flow test is one discrete test, is CAISO implying that all the business criteria for ISP is considered a part of the flow test?

(i) Third bullet:

The expanded capacity for the Generating Facility has been placed under a separate breaker (the expansion breaker) such that the expansion can be metered separately at all times.

SDG&E Comment:

The requirement for the separate meter for the expanded capacity would be applicable if the project was solar or wind with discrete units that has independent MW outputs, however this does not work if a synchronous generator (such as a GT or CC) increases its output due to turbine retrofit or other efficiency improvements. The total MW would be the output of the same generating unit or combination of units.

7.1 Scope Of Phase II Interconnection Study and Operational Deliverability Assessment

The CAISO, in coordination with the applicable Participating TO(s), will conduct a Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous two Phase I Interconnection Studies. Beginning with Queue Cluster 5, the Phase II Interconnection Study will incorporate eligible Interconnection Requests from the previous Phase I Interconnection Study.

SDG&E Comment:

Please clarify - Does this imply that beginning with Cluster 5 (and applicable to all the subsequent Clusters), the Phase II studies will incorporate results for IRs from the Phase I studies from previous Clusters (Clusters 1 – 4 for Cluster 5 Phase II)?

Interconnection Customer Postings of Financial Security

SDG&E Comment:

SDG&E has repeatedly proposed that the CAISO should provide to parties **at the Phase I and Phase II Results Meetings** a summary of the IC's financial security amounts due, due dates, and details of calculations and, (if applicable) cost allocations between PTOs for network upgrades. Has this proposal been addressed in the proposed tariff language? In which section of the tariff language should this be inserted? Results Meetings, or Interconnection Customer Postings of Financial Security?

SDG&E Comment:

6.9 Phase I Interconnection Study Results Meeting

In the Results Meeting, the applicable Participating TO(s) and the CAISO shall address any written comments made by the Interconnection Customer on the final Phase I Interconnection Study report pursuant to GIP Section 6.8. **The CAISO shall provide to parties at the Phase I Results Meetings a summary of the Interconnection Customer's financial security amounts due, the appropriate due date for the posting of the security, the details of calculations of the amounts due, and (if applicable) cost allocations between PTOs for network upgrades.**

SDG&E Comment:

7.7 Results Meeting With The CAISO And Applicable Participating TO(s)

In this **Resutls <TYPO>** Meeting, the applicable Participating TO(s) and the CAISO shall address any **<and all>** comments made by the Interconnection Customer on the final Phase II Interconnection Study report pursuant to GIP Section 7.5. **The CAISO shall provide to parties at the Phase II Results Meetings a summary of the Interconnection Customer's financial security amounts due, the appropriate due date for the posting of the security, the details of calculations of the amounts due, and (if applicable) cost allocations between PTOs for network upgrades.**