

## Stakeholder Comments Template

### Subject: Small and Large Generator Interconnection Procedures Draft Final Proposal and Meeting

Submitted by	Company	Date Submitted
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This template was created to help stakeholders submit written comments on topics related to the July 20, 2010 Small and Large Generator Interconnection Procedures Draft Final Proposal and July 27, 2010 Small and Large Generator Interconnection Procedures Stakeholder Meeting. Please submit comments and thoughts (in MS Word) to [dkirrene@caiso.com](mailto:dkirrene@caiso.com) no later than 5:00 pm PDT August 4, 2010.

Please add your comments where indicated responding to the questions raised. Your comments will be most useful if you provide the business case or other reasons why you support particular aspects of the proposal. Any other comments on the proposal are also welcome. The comments received will assist the ISO with the development of the FERC filing of modified tariff language.

#### Overall Assessment of the ISO Proposal

In September, the ISO Board of Governors will be asked to authorize a filing at FERC of tariff language to implement the elements of the Draft Final Proposal (with possible modifications in response to this round of comments).

1. Do you support ISO Board approval of the proposal? Why or why not?

*SPI supports board approval of the proposal. We feel this is an important step forward in improving the interconnection process for a number of reasons.*

*First it removes the artificial distinction between projects based on an arbitrary size threshold and facilitates recognition of the plain facts that whether a project is 19 MW or 21 MW or 100 MW its impacts on the system and the process required to assess the system's ability to accommodate that project are the same.*

*Second, it shortens the time frame for studies compared to the existing LGIP (presumably by relieving staff of the burden associated with the serial SGIP process).*

Third it provides a reasonable mechanism for smaller projects to attain deliverability, and thus will support more rational resource planning for the CAISO controlled area.

Finally, it incorporates the Independent Study Process, which is rationally implemented will dramatically expedite the study process for a number of facilities, thus accelerating the attainment of many of the State's energy policy goals.

2. Do you believe the proposal accomplishes the objectives this initiative was intended to address? If not, please explain.

The answer to this question is dependent upon the actual implementation of the proposal. As noted below, allowing a second cluster window risks undermining the broad based objectives the proposal is intended to accomplish.

3. Do you believe the proposal reflects an appropriate balance of the various stakeholder interests and concerns raised in this process? If not, please explain.

Yes

#### Proposed Study Deposit Amounts and/or Processing Fees

1. In general, do you support the proposed study deposit amounts and/or processing fees?

SPI has no opinion on this question

2. If not, what modifications are needed and why?

#### Proposed Annual Cluster Study Track

1. In general, do you support the ISO's proposal to study projects of any size in a single, unified cluster?

Yes

2. If not, what modifications are needed and why?
3. If you do not support a single cluster approach in any form, what would be your preferred alternative and why?

#### *Second Application Window – Scoping Meeting*

1. In general, do you support the ISO's proposal to open a second application window to receive interconnection requests for the purpose of receiving a scoping meeting?

As mentioned above, SPI is concerned that a second window may make it more difficult to achieve the broad based objectives the proposal is intended to accomplish.

2. If not, what modifications are needed and why?
- Second Application window – Enter Cluster at Phase II*

1. In general, do you support the ISO's proposal to open a second application window to receive interconnection requests for the purpose of waiving the Phase I study and entering the cluster for study at the Phase II study?
2. If not, what modifications are needed and why?

*Second Application Window – Enter Cluster at Phase II Criteria*

1. In general, do you support the ISO's proposed criteria to qualify a project to waive the Phase I study and enter the cluster at the Phase II study?
2. If not, what modifications are needed and why?

Coordination with the Transmission Planning Process

1. In general, do you support the ISO's proposal to reevaluate certain network upgrades in the Transmission Planning Process?

SPI has no opinion on this question

2. If not, what modifications are needed and why?
3. If a network upgrade is selected for reevaluation by the Transmission Planning Process should the associated generation project proceed with a Large Generator Interconnection Agreement that contains a provision to allow for later amendment of the Large Generator Interconnection Agreement if warranted by the Transmission Planning Process reevaluation results? Why or why not?

Independent Study Processing Track

1. In general, do you support the ISO's Independent Study Processing Track proposal?

SPI strongly supports the ISP

2. What modifications are needed and why?

SPI thinks that the ISP conditions necessary to qualify for the ISP track are appropriate. At the same time, we support the use of a certain amount of judgment by the CAISO professional staff as they undertake their efforts to determine if a project does qualify for the ISP

3. What specific aspects of a developer's project development process make it impossible for a developer to demonstrate eligibility for the Independent Study Processing Track at the time of the Interconnection Request?

Fast Track less than 2 MW

SPI has no opinion on these questions

1. Should the ISO remove the 10<sup>th</sup> screen from the Fast Track? Why or why not?
2. Should the ISO increase the size limit for Fast Track qualification? If so, would you support a 5MW size limit or a different value? Explain your reasons.

#### Method to Determine Generator Independence

1. In general, do you support the ISO's proposed method to determine generator independence?

As we stated above, we think the criteria are generally good, but the professional engineers assessing a particular project should have some latitude in using their judgement. For example assume a 20 MW project and a 50 MW project both want to interconnect at the same place, but the engineer assessing the projects knows that the requested point of interconnection can wasily accommodate an injection of 200 MW. The is no good reason not to allow these projects to accellerate their studies through the ISP, even though they, based on the strict reading of the criterion.

2. If not, what approach would you propose for determining generator independence? Explain why your proposed approach is superior to the ISO's proposal.
3. If you prefer completely eliminating the independence criterion to qualify for the Independent Study Processing Track, how would you address the concern about impacts of Independent Study Processing Track projects on other interconnection customers (including cluster projects) in higher queue positions?

#### Deliverability Proposal

##### *One-Time – Enter Cluster 4*

1. In general, do you support the ISO's proposal to allow a one-time deliverability assessment to obtain Full Capacity during cluster 4?

SPI has no opinion on these questions

2. If not, what modifications would you support and why?

##### *Annual – Available Transmission*

1. In general, do you support the ISO's proposal to provide an annual opportunity for qualified projects to request and obtain Full Capacity using available transmission?

SPI has no opinion on these questions

2. If not, what modifications would you support and why?

Financial Security Postings

1. In general, do you support the ISO's financial security postings proposal?

SPI believes that financial security requirements serve as a valuable screening tool, and are a bell weather to project viability

2. What modifications are needed and why?

Transition Plan

1. In general do you support the ISO's proposed transition plan?

SPI has no opinion on this question

2. What modifications are needed to all you to support the ISO's transition plan?

What aspect of the ISO's Draft Final Proposal do you find most favorable?

The ISP Track

What aspect of the ISO's Draft Final Proposal do you find least favorable? Please provide the business case or other rationale for your answer.

Do you have any additional comments that you would like to provide?

No, thank you.