

**Stakeholder Comments Template**

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the 2015 Interconnection Process Enhancements (IPE) Issue Paper/Straw Proposal for Topics 1- 11 that was posted on March 23, 2015 and as supplemented by the presentation and discussion during the March 30, 2015 stakeholder meeting.

Submit comments to [initiativeComments@caiso.com](mailto:initiativeComments@caiso.com)

**Comments are due April 10, 2015 by 5:00pm**

The Issue Paper/Straw Proposal for Topics 1- 11 that was posted on March 23, 2015 may be found at:

[http://www.caiso.com/Documents/IssuePaper-StrawProposal\\_InterconnectionProcessEnhancements2015.pdf](http://www.caiso.com/Documents/IssuePaper-StrawProposal_InterconnectionProcessEnhancements2015.pdf)

The presentation for the March 30, 2015 stakeholder meeting is available on the ISO website at: [http://www.caiso.com/Documents/Agenda-Presentation-InterconnectionProcessEnhancements2015\\_IssuePaper-StrawProposal.pdf](http://www.caiso.com/Documents/Agenda-Presentation-InterconnectionProcessEnhancements2015_IssuePaper-StrawProposal.pdf)

For each topic, please select one of the following options to indicate your organization’s overall level of support for the CAISO’s proposal:

1. Fully support;

2. Support with qualification; or,
3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

### Topic 1 – Affected Systems

TID opposes the CAISO’s proposal for the reasons set forth below and in the comments filed by the Modesto Irrigation Districts (“MID”) regarding this proposal. Generally, TID is concerned that, if this proposal is adopted, it could lead to reliability being sacrificed for expediency. Such an outcome can and should be avoided. Specifically, in addition to the concerns identified by MID in its comments, TID has the following concerns about the CAISO’s proposal:

#### **1. The Proposal Must Not Violate NERC Reliability Standard FAC-002-1**

TID is concerned that, as written, the proposed revisions to Section 3.7 may result in the CAISO process violating the requirements of NERC Reliability Standard FAC-002-1. FAC-002-1, which is entitled “Coordination of Plans for New Generation, Transmission and End-User Facilities,” requires that when the CAISO seeks “to integrate generation facilities”<sup>1/</sup> it must do an assessment that: (1) evaluates the “reliability impact of the new facilities and their connections on the interconnected transmission systems;”<sup>2/</sup> (2) ensures compliance with NERC Reliability Standards and applicable Regional, subregional, Power Pool, and individual system planning criteria and facility connection requirements;<sup>3/</sup> (3) includes evidence that the parties involved in the assessment have coordinated and cooperated on the assessment of the reliability impacts of new facilities on the interconnected transmission systems;<sup>4/</sup> (4) includes evidence that the assessment included steady-state, short-circuit, and dynamics studies as necessary to evaluate system performance under both normal and contingency conditions in accordance with Reliability Standards TPL-001-0, TPL-002-0, and TPL-003-0;<sup>5/</sup> and (5)

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<sup>1/</sup> NERC Reliability Standard FAC-002-1, R1.

<sup>2/</sup> *Id.* at R1.1.

<sup>3/</sup> *Id.* at R1.2.

<sup>4/</sup> *Id.* at R1.3. (“While these studies may be performed independently, the results shall be jointly evaluated and coordinated by the entities involved.”)

<sup>5/</sup> *Id.* at R1.4.

documentation that the assessment included study assumptions, system performance, alternatives considered, and jointly coordinated recommendations.<sup>6/</sup>

Because the proposed amendments to Section 3.7 would allow the CAISO to avoid many of the duties associated with the assessment required under FAC-002-1, TID is concerned that the proposal would cause the CAISO to violate the coordination and study requirements of this standard.<sup>7/</sup> For example, it is unclear how the CAISO can represent to WECC and NERC that it has fully evaluated the reliability impact of the new generator on the interconnected transmission systems, as is required by FAC-002-1 R1.1, if the CAISO has not actually conducted or participated in such an evaluation with these systems. The CAISO's failure to evaluate these reliability impacts would violated this requirements.

In addition, it would be difficult for the CAISO to demonstrate, under FAC-002-1 R1.2, that its assessment of the interconnecting generator ensures compliance with NERC Reliability Standards and applicable Regional, subregional, Power Pool, and individual system planning criteria and facility connection requirements because no study would have occurred and no analysis would have been conducted. The CAISO's inability to make the aforementioned demonstration would violate this requirement.

Further, the CAISO would not be able to provide evidence that the parties involved in the assessment have coordinated and cooperated on the assessment of the reliability impacts of new facilities on the interconnected transmission systems, as is required by FAC-002-1 R1.3, because no such coordination and cooperation has occurred. The CAISO's failure to produce the requisite evidence contemplated under this requirement would constitute a violation of the requirement.

Similarly, the CAISO may not be able to produce the requisite evidence, under FAC-002-1 R1.4, demonstrating that its assessment of the interconnecting generator included steady-state, short-circuit, and dynamics studies as necessary to evaluate system performance under both normal and contingency conditions in accordance with Reliability Standards TPL-001-0, TPL-002-0, and TPL-003-0 without doing some degree of coordination with Affected Systems. The CAISO's failure to produce the requisite evidence contemplated under this requirement would also constitute a violation of the requirement.

Finally, it appears that it would be impossible for the CAISO to produce documentation that its assessment of the interconnecting generator included study assumptions, system

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<sup>6/</sup> *Id.* at R1.5

<sup>7/</sup> Such a violation would likely also trigger a violation of the requirements of TPL-001, TPL-002, and TPL-003.

performance, alternatives considered, and jointly coordinated recommendations, as is required by FAC-002-1 R1.5. The CAISO's failure to produce such documentation would violate this requirement.

FAC-002-2, which is scheduled to become effective in January 2016, contains requirements that are basically the same as those discussed above (*i.e.*, FAC-001-1 R1.1-R.1.5). Thus, the concerns reflected above will be applicable to the future FAC-002 standard as well.

Accordingly, the CAISO should re-evaluate its proposed revisions to Section 3.7 so that the process does not violate the requirements of FAC-002-1 and ensures that reliability is not jeopardized. TID recommends that the CAISO revise its proposed amendments to Section 3.7 so that they acknowledge and protect the CAISO's and Affected Systems' rights, duties and responsibilities as they relate to and arise under FAC-002-1.

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## **2. The Proposal Should Be Amended to Ensure It Does Not Conflict with Existing Contracts Between PTOs and Affected Systems**

As discussed in MID's comments, the proposed changes to Section 3.7 should be revised to ensure that it does not conflict with existing contracts between PTOs and Affected Systems. Like MID, TID has an Interconnection Agreement ("IA") with Pacific Gas and Electric Company ("PG&E") that has different duties and obligations than those contemplated in the proposed draft Section 3.7. For example, TID's IA requires PG&E to: (1) notify TID when a generator interconnects to PG&E-owned transmission facilities; (2) study impacts of this interconnection; and (3) if necessary, mitigate any Adverse Impacts that result from the interconnection of generator. In addition, the time frames within which the aforementioned actions are to occur are different than the time frames contemplated in the revisions to Section 3.7. TID's and PG&E's contractual rights, duties and obligations cannot and should not be superseded by the proposed changes to Section 3.7. Therefore, in addition to the language proposed by MID, the CAISO should consider including a statement that expressly qualifies the language of this section so that it avoids conflicting with existing contracts. For example, the CAISO could include a statement to the effect that "Nothing in this section shall be interpreted to supersede the terms and conditions of any contracts between or among the CAISO or PTOs and the Affected Systems."

TID takes no position at this time on any of the other topics, but reserves the right to do so at a later date. TID also reserves the right to supplement its comments on the aforementioned revisions to the CAISO Tariff if it determines additional comments are necessary in the future.

### **Topic 2 – Time-In-Queue Limitations**

**Topic 3– Negotiation of Generator Interconnection Agreements**

**Topic 4 -Deposits**

*Interconnection Request Study Deposits*

*Limited Operation Study Deposit*

*Modification Deposits*

*Repowering Deposits*

**Topic 5 - Stand-Alone Network Upgrades and Self-Build Option**

**Topic 6 - Allowable Modifications Between Phase I and Phase II Study Results**

**Topic 7 – Conditions for Issuance of Study Reports**

**Topic 8 - Generator Interconnection Agreement Insurance**

**Topic 9 -Interconnection Financial Security**

*Process Clarifications*

*Posting Clarification*

**Topic 10 - Forfeiture of Funds for Withdrawal During Downsizing Process**

**Topic 11 –TP Deliverability Option B Clarifications**

