

Decision on Interconnection Requirements Reform for Renewable Resources

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Management requests approval to refine renewable resource interconnection requirements.

- Proposed requirements promote renewable development by maintaining future grid reliability.
- Proposal focuses on fundamental characteristics generators traditionally contribute to help preserve reliability
 - Ability to control output
 - Generation power management
 - Stay on-line during a disturbance
 - Voltage and frequency ride-through
 - Provide reactive power and voltage support
 - Power factor requirements
 - Voltage regulation



The ISO aligned its stakeholder process with operational and financing issues.

- Renewable capacity in "serial" and "transition" cluster amounts to nearly 20,000 MW
 - Potential last chance to address these pending interconnection projects
 - National and regional process uncertain in timing and scope
- ISO expedited initiative to meet accelerated interconnection schedule for projects seeking American Reinvestment Recovery Act funding



New standards are targeted and limited in scope.

| | Existing | | | New | | |
|------------------|-------------------------------|--|----------------------------|------------------------------|---|---|
| Resources | Power Factor | LVRT | Active Power Control | Power Factor | LVRT | Active Power Control |
| Wind | .95 lag .95 lead (POI) | Zero volts at POI for maximum of 9-cycles | Yes | No Change | No Change | •5MW •5% - 20% of rated capacity per minute |
| Solar Thermal | .90 lag .95 lead (Gen.) | Remain on- line | Yes | No Change | No Change | No Change |
| Solar PV | .90 lag .95 lead (Gen.) | None | Yes | .95 lag .95 lead (POI) | Zero volts at POI for maximum of 9-cycles | •5MW •5% - 20% of rated capacity per minute |
| Conventional | 90 lag .95 lead (Gen.) | Remain On-line | Yes | No Change | No Change | No Change |



Proposed requirements account for commercial considerations.

- Mitigate possibility of project delay or impacting otherwise viable projects
 - Relied on existing standards to the extent practical
 - Confirmed availability of technical capability
 - Allowed flexible compliance whenever possible
 - Crafted reasonable exemptions



ISO resolved many, but not all, issues through the stakeholder process.

- Apply power factor requirement
 - FERC rules require capability only when need is proven by transmission provider
 - Inherent in modern renewable resource capabilities
 - Practicality, reliability, and equity
- Agreed to eliminate high voltage requirement ridethrough
- Conformed generation power management to resource capabilities



FERC filing will not disrupt execution of interconnection agreements.

- ISO intends to file with FERC in early June for a decision in early August
 - Meets American Reinvestment Recovery Act project schedules
 - Request FERC to direct ISO to conform any tendered agreements to language FERC adopts
- Issues related to use of capabilities, including changes to market rules will be addressed in a subsequent stakeholder process



Management requests limited changes to the proposal described in the May 10, 2010 Board memorandum.

- Modify the low voltage ride-through requirement to apply only to asynchronous generators
- Synchronous machines already demonstrate adequate performance during low voltage disturbance conditions

