

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the Interconnection Process Enhancements (IPE) Revised Straw Proposal for Topics 4, 5, and 13 posted on February 5 and as supplemented by the presentation and discussion during the February 13 stakeholder meeting.

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

**Comments are due February 28, 2014 by 5:00pm**

The Revised Straw Proposal for Topics 4, 5, and 13 posted on February 5 may be found at:  
[http://www.caiso.com/Documents/RevisedStrawProposal\\_Topics4-5-13\\_InterconnectionProcessEnhancements\\_020514.pdf](http://www.caiso.com/Documents/RevisedStrawProposal_Topics4-5-13_InterconnectionProcessEnhancements_020514.pdf)

The presentation discussed during the February 13 stakeholder meeting may be found at:  
[http://www.caiso.com/Documents/Agenda\\_Presentation-InterconnectionProcessEnhancements-RevisedStrawProposal-Topics4-5-13.pdf](http://www.caiso.com/Documents/Agenda_Presentation-InterconnectionProcessEnhancements-RevisedStrawProposal-Topics4-5-13.pdf)

Please provide your comments on the ISO's proposal for each of the topics listed below.

### **Topic 4 – Improve Independent Study Process**

**Please comment on the ISO's proposed enhancements to improve the independent study process in each of the following four areas:**

- **Criteria for ISP eligibility.**
- **Process and timeline enhancements.**
- **Tests for electrical independence.**
- **Clarification on behind-the-meter (“BTM”) expansion and its impact on net qualifying capacity “NQC”).**

### **Comments:**

LSA's comments on this issue are limited to the last topic listed above - Clarification on BTM expansion and its impact on NQC). LSA's comments are summarized in the chart below and explained further in the remainder of this section.

<b>BTM ISSUE</b>	<b>REVISED STRAW PROPOSAL</b>	<b>LSA POSITION</b>
<b>Enforcement of max output requirement</b>	BTM capacity need not be connected to separate (interruptible) breaker, but “automatic generation tripping scheme” required to ensure that total output $\leq$ MW studied	Support, if intent is to give developer flexibility in meeting max output limitation requirement, but clarification requested
<b>Deliverability of existing facility</b>	Existing facility will maintain deliverability status (FCDS/PCDS) (e.g., not lose FCDS); separate metering & Resource ID required	Support generally, with qualifications
<b>Deliverability of BTM capacity</b>	BTM capacity will have Energy-Only status – if deliverability desired, MW addition must be via regular interconnection process (ISP OK)	CAISO should clarify that BTM capacity is eligible to request deliverability through annual Deliverability Assessment
<b>Material Mod. Assessment (MMA) requests</b>	BTM capacity additions cannot be requested through MMA process	Strongly oppose – MMA request should be allowed, w/regular interconnection process required if possible problems identified

### **Enforcement of maximum output requirement**

The Straw Proposal is somewhat confusing, as it simultaneously removes a requirement that BTM capacity be connected to a separate breaker but then imposes a requirement for an “automatic generation tripping scheme,” which seems to be the same thing. During the stakeholder conference call about this element, the CAISO seemed to clarify that it would still require a plan from the developer to ensure that the combined maximum output of the original and BTM capacity would not exceed the Pmax of the original project, but that this assurance could be provided in another manner besides an automatic trip of the BTM capacity.

LSA supports additional flexibility in enforcing the maximum output limitation and requests that the CAISO clarify its intent more explicitly in the next proposal version.

### **Deliverability of existing facility**

LSA is very pleased to see that the CAISO has accepted LSA’s prior comments and decided that the original project can retain its deliverability status after a BTM capacity addition, with the additional CAISO requirement that the BTM capacity be separately metered and have a separate Resource ID (i.e., be separately scheduled and settled).

However, LSA asks the CAISO to also be open to arrangements where BTM capacity is not separately metered but where the original project retains its deliverability status, with an NQC limit based on the deliverability for which the project was studied. For example, if a 100 MW solar project was studied at 85 MW in the Deliverability Assessment, a BTM capacity addition could safely be made without separate metering/scheduling as long as the maximum output is limited to the original 100 MW Pmax and the Qualifying Capacity does not exceed 85 MW.

### **Deliverability of BTM capacity**

If the BTM capacity is separately metered and scheduled, LSA sees no reason why it cannot apply separately for deliverability under the annual Deliverability Study option. If (as LSA recommends above as an option) the BTM capacity is not separately metered/scheduled, the project should be allowed to apply to increase its NQC from the level studied before to a level that would award deliverability to the BTM capacity.

### **MMA requests**

LSA is puzzled by the Straw Proposal statement, and stakeholder conference call discussion, regarding the ability of developers to request BTM capacity additions through the MMA process, with use of the ISP required if there are any indications that a Network Upgrade (NU) of some kind might be needed.

First, this conclusion is contrary to CAISO statements in the Generation Interconnection Process Phase 2 (GIP-2) initiative where the BTM process was established, and contrary to statements of CAISO representatives in private meetings with developers that took place only recently.

Second, there is no apparent reason for the CAISO to take such a position. For example, the two possible issues of concern mentioned by SCE on the conference call – short-circuit duty (SCD) and Special Protection Schemes (SPSs) do not justify this position.

- The CAISO and PTOs already look at SCD concerns when assessing MMA requests today, so this is not a reason to reject the MMA approach.
- The CAISO and PTOs could easily check on whether the generation capacity limits for any SPS applicable to the existing project would be exceeded through the addition of the BTM capacity. Moreover, as pointed out by CalWEA on the conference call, since the combined output of the original and BTM capacity cannot exceed the level studied for the original project, placing the SPS trip on the main breaker (to interrupt the capacity operating for both projects at that time) would not trip any more capacity than the Pmax of the original project.

Finally, if the MMA identifies any concerns at all – related to SCD, SPS, or in any other area where the CAISO or PTO are uncomfortable approving the request – then the request could be determined to be potential material and can then be processed through the regular interconnection-study process. The CAISO and PTO have complete discretion to make this determination, and this more rational approach would be far preferable to a blanket prohibition on use of MMA requests for BTM capacity additions.

### **Topic 5 – Improve Fast Track**

**Note: The ISO's revised straw proposal consists of two parts: (1) revisions to the fast track screens, processing fees, and the supplemental review timeline; and (2) compliance with FERC Order 792.**

### **Comments:**

LSA has no comments on this issue at this time.

### **Topic 13 – Clarify timing of transmission cost reimbursement**

**Note: Based on stakeholder feedback, the ISO is offering two alternative straw proposals for stakeholder consideration and requests stakeholders to comment on the pros and cons and their preferences relative to each option**

#### **Overall comments:**

LSA supports both of these options, with a few conditions explained below. LSA also recommends that the CAISO consider replacing the current provisions for phased projects with whichever option is chosen here, as any of these options would be far more equitable than those current provisions.

However, LSA asks that the CAISO explain how these options would work under the new CAISO concept of “commercial operation for markets.” LSA is concerned generally about the CAISO’s crafting and implementation of this concept without any apparent tariff definition, stakeholder process, or BPM explanation. We have heard that the concept is intended to allow a phased project to participate in CAISO market once a project phase is complete but without triggering transmission cost reimbursement and want to understand it would relate to the proposed reimbursement constructs.

#### **Please comment on Option A.**

##### **Comments:**

LSA believes that this option would be fair, but only assuming incorporation of the variation that would begin refunds for completed Network Upgrades (NUs) as they come on-line, with an annual refund commencement a reasonable way to implement this provision. In other words, at the start of each year refunds would begin for NUs placed into service the prior year.

LSA’s main problem with the current provisions for phased projects is that they could force developers to wait many years for their refunds, long after many or most of the NUs are on-line and “used and useful.” This option, with the variation, could help address that problem.

#### **Please comment on Option B.**

##### **Comments:**

LSA has two comments on this option.

First, to make this option consistent with the Option A construct, refunds of payments made after COD should commence after future payments are made, and not as future NUs are placed into service.

Second, LSA believes that beginning reimbursement based on the timing of payments would be fair, but only assuming incorporation of a variation that would do the following:

- If this option stays written as is, the variation should begin refunds for completed Network Upgrades (NUs) as they come on-line, with an annual refund commencement a reasonable way to implement this provision.

- If this option is modified as LSA recommends above, the variation should begin refunds for additional NU payments once those payments are made, with an annual refund commencement a reasonable way to implement this provision. In other words, refunds would commence at the start of each year for total NU payments made over the prior year.