

## Stakeholder Comments Template

### Subject: Generator Interconnection Procedures Straw Proposal and Meeting

Submitted by	Company	Date Submitted
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#### Proposed Independent Study Process

1. Do you think that the proposed independent study process criteria are appropriate?

The criteria proposed for a project to qualify for an independent study process path are extremely stringent, some are subjective (e.g. 6.1(b)), and it may be impractical for any project to qualify for this process. LS Power recommends CAISO to revisit this criteria within the work group meetings and either make it more practical or completely remove this process.

Further, if independent study process is established, it should be outlined when and how a determination of whether a project can be independent be made in accordance with proposed section 6.1(b). The rationale use to qualify a project under 6.1(b) should be posted for the benefit of all interconnection customers.

2. How should the proposed independent study process be specifically modified to incorporate desired features that are in the current SGIP serial process?
3. How can the independent study criteria be modified to allow PTOs to utilize this process if they do not have a backlog and waiting for the cluster window does not make sense?
4. What pre-application information and guidance is needed to prequalify projects so that the process is not overwhelmed with applications?

It appears that most of the pockets within CAISO control area would not qualify for independent projects. Periodically updated Information on CAISO/PTO websites about which areas of the system will definitely not qualify for independent study process will be helpful for project developers in limiting the

independent study applications. Further, the criteria must be better defined, as suggested in 1.

5. How much "ISO and PTO judgment" should be allowed in qualifying projects and how should it be delineated?
6. What would be sufficient transparency into the ISO and PTO judgment process in qualifying projects and how would that be provided?

To the extent possible, the criteria should be transparent such that ICs can understand the decisions taken by CAISO & PTO staff about whether a project qualifies for independent study or not.

7. If the proposed independent study process is included in the final proposal, is there still a need for the current LGIP Phase II accelerated study process? (CAISO Tariff Appendix Y Section 7.6)

The accelerated study process, as part of existing tariff has less criteria for a project to qualify for accelerated studies, as compared to the criteria being discussed for independent study process. We believe these two should be reconciled and there should be only one fast track study process, independent or accelerated.

#### Proposed Study Deposit Amounts

Are the proposed study deposit amounts appropriate, if not please explain?

The straw proposal proposes to increase the study deposit amount for SGIP projects to \$50,000. Although LS Power understands the intent of increasing the study deposit, but we think the deposit amount proposed is too high of an increase for SGIP projects from their current levels. We propose CAISO consider reducing this to \$25,000.

CAISO should provide its rationale for the study deposit amounts and provide typical costs amounts for current SGIP and LGIP processes and how these study costs will change under the proposed GIP reform. The study costs are important given that IC's are responsible for actual costs.

#### Proposed Cluster Study Process

Do the proposed timelines for the cluster study process seem reasonable? Please add explanations for both yes or no responses?

LS Power is generally supportive of more opportunities to enter the study process and for shorter study times, however, it is important that certainty exists in the process and that CAISO and the PTOs meet the timelines. LS Power recommends that PTOs and CAISO review the timeline and revise these, if necessary to make the proposed timelines practical and create certainty for generators (e.g. Section 5 states 30 calendar days to hold Phase II Study results meetings, but CAISO/PTOs are often not able to

meet these timelines). The Interconnection Customers rely on these timelines for project financing and in meeting other critical project milestones. Therefore, if needed, the timeline should be adjusted by CAISO & PTO staff, but once the timelines are finalized, every effort should be made to meet these.

#### Coordinating generator interconnections with the transmission planning process

Do you support the concept of coordinating the proposed generator interconnection process with the transmission planning process, why or why not?

Yes, LS Power supports the coordination of proposed generator interconnection process with transmission planning process. To the extent there are transmission planning projects that can be utilized for reducing the need for upgrades for generation interconnection, these should be used for the generator interconnection basecase assumptions. This will avoid over building transmission & will eventually save cost to the ratepayers.

#### Deliverability Assessments

1. What are your thoughts on the proposed alternatives for deliverability assessments?
2. What adjustments should be made to each alternative?

LS Power recommends pursuing Option 2 for deliverability assessment. Under this option, as proposed, existing EO generation should be required to submit a request for converting to Full Capacity.

Option 1 proposes to allocate available transmission to all EO generation, on an annual basis. While LS Power supports the general proposal of providing a mechanism to existing and in-process (within SGIP, LGIP processes) EO generation to become deliverable, but we believe Option 1 could lead to inefficiency in allocation of Full Capacity status to generators. Through Option 1, some existing EO generators who do not need deliverability and do not value Full Capacity status, may be granted deliverability. This will be at the expense of generators who may need and value deliverability. Any Full Capacity applicant that applies for the interconnection through the queue cluster may trigger transmission upgrades to be deliverable. If existing EO generation that does not need deliverability is awarded full capacity status, then the need for new transmission upgrades triggered by new Full Capacity projects would increase, thereby leading to building more transmission than would have been necessary.

Further, Option 1 could pose a limitation for existing & in-process EO projects that would like to attain deliverability. If transmission capacity is not available, than through Option 1 an existing EO generation project can't elect to fund for transmission upgrades necessary to become deliverable. This could pose a serious limitation for these projects. Lastly, if Option 1 is selected to be preferred option, an issue of allocation of available transmission capacity will need to be addressed. Under Option 1, if it is determined that

there is transmission capacity available and if there are multiple EO generators who could qualify for that capacity, how would the allocation of this capacity be done?

#### Proposed Transition Plan

1. Do you think that the proposed transition plan is reasonable for LGIP projects?
2. Do you think that the proposed transition plan is reasonable for SGIP projects?
3. Do you have any comments on the proposed dates for grandfathering projects in queue and migration of new projects and in queue projects into the proposed cluster process?

The straw proposal requires all SGIP projects to increase their current study deposit amount to \$50,000 to continue with the interconnection process. LS Power recommends that new deposit requirements should only be imposed on projects that have filed IR after the “transition” date. Any projects that had filed for IR prior to the transition date should be allowed to follow the old SGIP deposit requirements.

The straw proposal is vague in regards to projects that would remain in the SGIP serial process. Would the studies required for these projects be completed prior to the one-time SGIP cluster? Can projects that are eligible to remain in the SGIP serial process elect to join the one-time SGIP cluster? What are the differences between the SGIP serial process and the one-time SGIP Cluster?

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

LS Power has two additional comments:

#### (1) Site Exclusivity Requirement in Section 4.3.4

The straw proposal enforces the requirement for site control up to COD for projects. LS Power supports the site control requirement, but recommends that this requirement should not be up to COD, but should require that projects have site control through the expected length of the GIP process. Many ICs use options to purchase or lease to secure site control. The terms of these options usually cover the amount of time that it takes to permit a project (including the GIP process), but do not cover the length of time to COD. Most developers would exercise the right to purchase the property prior to construction which is well before the expected COD.

#### (2) Study Costs

The straw proposal does not adequately describe the current study costs for SGIP and LGIP projects and how these costs may or may not change under the new GIP. Please provide typical study costs under the current processes, expected typical costs under the straw proposal, and elaborate on how study costs will be determined under the new GIP (i.e. example calculation). This information is important as it may be possible that

SGIP projects will bear a larger burden of the study costs based on quantity of projects and stakeholders should be informed of CAISO expectations.