



EDF Renewable Energy
505 14th Street, Suite 1150
Oakland, CA 94612
T : 510.457.2150

September 4, 2018

Chair David Olsen
Governor Ashutosh Bhagwat
Governor Mark Ferron
Governor Angelina Galiteva
Governor Richard Maullin

RE: 2018 IPE proposal for “Timing of Technology Changes”

Dear Chair Olsen and Governors Bhagwat, Ferron, Galiteva, Maullin, and Olsen:

I am writing this letter on behalf of EDF-Renewables (EDF-R) about one agenda item for the September 5, 2018 CAISO Board meeting. EDF-R is a large developer of renewable generation in California and worldwide, with over 1,000 MW of projects both operating and under development in the state, helping to meet California’s ambitious Renewables Portfolio Standard (RPS) goals.

EDF-R has been able to purchase and revive older generation projects in the CAISO Generator Interconnection Queue that are now proceeding toward successful contracting, construction, and operation. I am requesting here that you revise the final proposal from CAISO Management for one item under the “2018 Interconnection Process Enhancements” (IPE) agenda item for this month that has the potential to severely impair such projects.

Specifically, EDF-R asks the Board to direct Management to revise the 2018 IPE proposal for the item called “Timing of Technology Changes” to allow energy storage additions to older generation projects under development, as long as the original project capacity is preserved with the original technology.

The overall Management proposal for this topic would prohibit technology changes (e.g., conversions of natural gas to solar) for generation projects in the queue for longer than the applicable tariff development deadline (7 years for cluster-study projects, 10 years for pre-cluster projects). EDF-R fully supports this proposal in concept and strongly believes that projects in the queue for that long that are not viable with the original proposed generation technology should not be allowed to effectively start over with a completely different technology; instead, they should re-enter the queue as new projects.

However, Management also proposes to prohibit technology additions (as opposed to conversions) for such projects. Buyers in today’s difficult contracting market have taken seriously CAISO pronouncements regarding potential renewables curtailments at certain times of the day and year; as a result, many buyers (including those in active negotiation for Power



EDF Renewable Energy
505 14th Street, Suite 1150
Oakland, CA 94612
T : 510.457.2150

Purchase Agreements for several EDF-R projects) are now requesting addition of energy storage facilities to their renewables contracts.

The CAISO has accommodated increasing requests for such storage additions generally by enabling “behind the interconnection” (BTI) capacity additions, as long as the combined project does not exceed the original maximum output to the grid or Resource Adequacy (RA) deliverability levels. These CAISO policies recognize that such additions for energy storage would increase reliability, and further RPS attainment, by preserving renewable energy for later use that would otherwise be curtailed, and relieving over-generation pressures on the system.

EDF-R understands (and shares) Management’s concerns that older projects may seek to circumvent the technology-conversion prohibition by adding capacity with a different technology through the BTI process and then downsizing the project to remove the original technology. However, those concerns can be mitigated by allowing the technology addition but conditioning CAISO approval of the addition on retention of the original project technology and capacity level, removing the gaming opportunity through downsizing.

The 2018 IPE memo to the Board for this meeting repeats Management’s fears about such gaming but does not address EDF-R’s mitigation proposal (which was supported in the 2018 IPE stakeholder process by the Large-scale Solar Association (LSA) and other large renewables developers – First Solar, NextEra, and SPower). EDF-R and others believe that the proposed mitigation condition should enable the CAISO to enforce the technology-change prohibition for older projects without restricting beneficial technology additions to such projects.

EDF-R thus respectfully requests that the Board direct Management to revise the “Timing of Technology Change” proposal to apply only to the originally proposed generation capacity and not to BTI additions of other technologies (especially energy storage additions), as long as the original project technology and capacity is preserved.

Sincerely,

A handwritten signature in blue ink that reads "IAN BLACK". The signature is written in a cursive, slightly slanted style.

Ian Black
Senior Director, Development