## 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 <u>GIP@caiso.com</u>

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

The presentation discussed during the February 13 stakeholder meeting may be found at:

<u>http://www.caiso.com/Documents/Agenda\_Presentation-</u> 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:

In comments submitted on December 6, 2013, in response to the initial IPE Revised Straw Proposal on this topic, SCE stated its general agreement with the CAISO on refinements proposed up to that point in time regarding the independent study process (ISP). SCE reaffirms its general support of the CAISO's proposed enhancements to improve the ISP. As an active participant in the ISP working group which helped develop the proposed ISP enhancements, SCE believes the latest proposal is generally a workable solution to address the major shortcomings of the current ISP process. However, SCE provides comments below in areas where it believes that further refinements are needed.

- Criteria for ISP eligibility. SCE has no further comment.
- Process and timeline enhancements. SCE concurs that if a combined System Impact Study (SIS) / Facility Study (FAC) agreement is executed, there is a significant savings in the time required to evaluate a project, and 120 calendar days should be sufficient time to complete both studies. However, 120 calendar days might not be sufficient time if the two studies are performed separately.

If an Interconnection Customer (IC) seeking an ISP Interconnection, requests an SIS in order to assess its Interconnection Request (IR) before moving forward with an FAC, then it is necessary to identify the study duration for each of the studies. SCE proposes that the time allowed to perform the SIS be 90 calendar days and the duration to perform the FAC be 60-90 calendar days.

Further, SCE appreciates the CAISO including in the revised straw proposal the requirement proposed by SCE that the IC shall have no more than 90 calendar days to execute an Energy-Only GIA and that deferral of such time requirement is not allowed for a generating project studied through the ISP. Additionally, the CAISO's willingness to clarify that an Energy-Only GIA will be amended when and if Full Deliverability studies are completed is helpful.

- Tests for electrical independence. SCE has no further comment.
- Clarification on behind-the-meter ("BTM") expansion and its impact on net qualifying capacity "NQC"). SCE recommends that it be a requirement for BTM expansions that the expanded capacity be owned by the owning entity of the original generating facility (with a single Tax ID); and that the expansion could not be sold to a separate entity nor treated as a separate distinct project due to retail metering issues. In the event that the BTM expansion is for the purpose of sharing a generation tie-line, the configuration of mutual parties must be such that the Retail Service Provider's current Rules for Retail Metering are met. If there is a separate owner proposing the expansion, it is really a

separate project and not an expansion of the original facilities. In such instances, the proposed project should be studied through the cluster interconnection process.

## <u>Topic 5 – Improve Fast Track</u>

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.

Please comment on the ISO's proposed revisions to improve the fast track process including revisions to the fast track screens, processing fees, and the supplemental review timeline.

Please comment on the ISO's proposal to comply with FERC Order 792 in each of the following areas:

SCE supports the CAISO's proposal to comply with FERC Order 792 in each of the following areas.

- Pre-application report process
- Fast track eligibility
- Customer options meeting and supplemental review process.
- Opportunity to submit comments on any required upgrades in the facilities study
- Account for the interconnection of storage devices under small generator interconnection procedures
- Require ICs wishing to interconnect using network resource interconnection service to do so under the LGIP

## 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.

Please comment on Option A.

SCE supports the adoption of Option A, such that the reimbursement of transmission costs to ICs would be aligned with those network upgrades that are in-service at the time that the generating facility or phase achieves its COD. Reimbursement for network upgrades that are

energized subsequent to the generating facility or phase achieves its COD would commence as soon as the last associated network upgrade is in-service. This approach to the reimbursement of network upgrades would be consistent with the policies and requirements of FERC's Order 2003 series of orders where FERC made it clear that "repayment of network upgrade costs is appropriately tied to the utilization of the transmission provider's transmission system." SCE agrees that in order to not have ICs in the same study cluster, or even the same study group, negotiate an interconnection agreement and operate under disparate reimbursement rules, that this new policy be applied on a going-forward basis for both phased and non-phased projects.

Please comment on Option B.

As indicated above, SCE prefers the adoption of Option A over Option B, which would require the reimbursement for amounts funded by the IC up to the time the generating facility or phase achieves its COD, rather than being based on whether network upgrades are in-service. Reimbursement for the remaining amounts funded by the IC subsequent to the generating facility or phase achieving COD would begin once the final network upgrade is in-service. However, tying the reimbursement to payments made by the IC, rather than being based on whether network upgrades are in-service would be incompatible with FERC's Order 2003 series of orders which require that "repayment of network upgrade costs is appropriately tied to the utilization of the transmission provider's transmission system."