

## Stakeholder Comments Template

### Subject: Modifications to the Small Generator Interconnection Procedures Issues Paper and Meeting

Submitted by	Company	Date Submitted
<i>Please fill in name, email address, and contact number of specific person who can respond to any questions about these comments.</i>	<i>DTE Biomass Energy, Inc. 425 S. Main, Suite 200 Ann Arbor, MI 48104</i>	<i>Please fill in here</i>

This template was created to help stakeholders submit written comments on topics related to the April 1, 2010 Modifications to the Small Generator Interconnection Procedures Issue Paper and April 12, 2010 Small Generator Interconnection Procedures Stakeholder Meeting. Please submit comments and thoughts (in MS Word) to [dkirrene@caiso.com](mailto:dkirrene@caiso.com) no later than the close of business on April 27, 2010.

The ISO is interested in knowing the importance and urgency of the issues identified through this stakeholder process. The issues identified below are further described in the Issues Paper. Please rate the importance of each issue as high, medium or low by checking the check box. In addition, please identify the urgency for getting each of the identified issues resolved. Check the urgent check box for issues that should be resolved in a FERC filing this year. Check the not urgent check box if the issue could be resolved beyond year-end. The information provided will assist the ISO in determining the scope of this stakeholder effort.

Study Process Issues		
	Importance	Urgency
2.1.1 Time required for the SGIP study process	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.1.2 SGIP serial study process coordination with the studies under the large generation interconnection procedures (LGIP)	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.1.3 Avoiding delays caused by the increasing volume of SGIP projects	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.1.4 Detail and necessity	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent

of the feasibility study		
2.1.5 Interconnection request data requirements	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
2.1.6 Should the SGIP accommodate re-studies?	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.1.7 Availability of the current base case data for use by project developers	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.1.8 Delays and uncertainty in study results caused by projects that withdraw	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
Comments:	<p>2.1.1 Is there a summary of the actual performance of the SGIP interconnect applications compared to the timeline? Is the median duration longer or shorter than the SGIP process timeline? Increasing the duration will likely result in a larger number of projects per interconnect project managers at the ISO and the utilities when many of these individuals are currently managing a significant work load. The goal of requiring timely action on both parties is to prevent a project from entering the queue and causing undue impact on later applicants through delays. If the timeline is extended it will likely also result in greater uncertainties to the system upgrades to later projects as there will be more projects in the queue meaning more cases to be evaluated if higher queue projects are delayed or withdraw.</p> <p>We recognize that it is likely that there may be some schedule increase in order to accommodate desired changes in Deliverability and Cost Certainty.</p> <p>2.1.2 We think this is important, primarily to accommodate DA needs. If DA can be provided without coordination with the large generators.</p> <p>2.1.4 How many facilities studies have been conducted compared to the total number of interconnect applications that have proceeded to the system impact study step? How many applications have been withdrawn after a feasibility study?</p> <p>2.1.7 Yes, the most up to date models should be available. By using old data, developers are making decisions based on out of date data when the current data is available. There should be more transparency of the projects planned to allow for developers to properly evaluate potential projects and potentially this may reduce the number of applications that have to be submitted and then withdrawn to resubmit in another area.</p>	

	2.1.8 What method would be used for viability? Each developer will have different criteria for investment thresholds. While a PPA and site control may make a project appear viable, there could be other factors that may require an accounting and engineering audit to determine viability.
Solution Ideas:	<p>2.1.5 Extend the 5 day response time to 20 business days to allow for educated responses. In items like PSLF models or gen-tie line designs, 5 days is not sufficient.</p> <p>2.1.6 Either allow restudies or additional variants to project if higher queue projects withdrawing would significantly affect the applicant. Possibly set a % or \$ amount of change as a threshold for withdrawal from the agreement for an operational study to be conducted after the Interconnect Agreement is signed, similar to the LGIP.</p>
<b>Deliverability Issues Related to Interconnecting Small Generation</b>	
2.2.1 Should SGIP have an option for deliverability?	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low <input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.2.2 Should there be an opportunity to have "partial deliverability"?	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low <input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.2.3 Should there be a later opportunity to change deliverability status after generator is commercially operational?	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low <input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
2.2.4 How would a change in policy affect existing generation and/or existing projects in the queue?	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low <input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
Comments:	2.2.1 Yes, the SGIP should include a deliverability option. This is critical since all major power purchasers are requiring it under new PPAs.
Solution Ideas:	<p>2.2.1 We think it would be good to allow review of the project to confirm full deliverability if the project meets the standards. If not, there could be a separate process to establish the cost for upgrades needed to meet deliverability standards.</p> <p>2.2.3 A project previously granted an interconnect (whether operational or still in construction) should be able to have a Deliverability study conducted.</p>

<b>Issues relating to Cost Certainty</b>			
2.3.1 Developers desire cost certainty	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent	<input type="checkbox"/> not urgent
2.3.2 How to minimize the impacts caused by projects that drop out of the queue?	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent	<input type="checkbox"/> not urgent
2.3.3 Accuracy of the per unit construction cost estimates	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent	<input type="checkbox"/> not urgent
2.3.4 Effects of adding cost certainty measures to the overall SGIP timeline	<input checked="" type="checkbox"/> high <input type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent	<input type="checkbox"/> not urgent
Comments:	<p>2.3.2 Allow for additional operational studies earlier in the process that would evaluate the effect that higher queue position projects would have on the project interconnect costs. This is simpler in areas where 1-2 higher queue projects are in the base case. It will be more difficult and require a larger time delay for the final report for projects that are in an area where there are multiple projects and mean that the utility would have to evaluate multiple scenarios. Also consider adding Small Generators to a Cluster like process.</p> <p>2.3.3 The per unit cost estimates provided by the utilities to CAISO appear to be estimated to represent the higher costs for a wide service territory. Using those costs can result in a high estimate that would not correctly reflect the actual cost of the interconnect and could halt projects that would otherwise go forward.</p> <p>2.3.4 Cost certainty with an extended schedule would be acceptable as the schedule would be factored into the project schedule.</p>		
Solution Ideas:	2.3.3 Potentially allow the utilities to report on a range of cost for the per unit cost basis with more description on the upper and lower bounds of the cost estimate. Consider a Cluster like process.		
<b>Issues related to Eligibility Criteria</b>			
2.4.1 LGIP projects broken up into multiple SGIP projects	<input type="checkbox"/> high <input type="checkbox"/> medium <input checked="" type="checkbox"/> low	<input type="checkbox"/> urgent	<input checked="" type="checkbox"/> not urgent
2.4.2 Real vs. Speculative projects	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent	<input checked="" type="checkbox"/> not urgent
2.4.3 Generation MW size	<input type="checkbox"/> high <input type="checkbox"/> medium <input checked="" type="checkbox"/> low	<input type="checkbox"/> urgent	<input checked="" type="checkbox"/> not urgent

2.4.4 MW Increases to existing projects	<input type="checkbox"/> high <input type="checkbox"/> medium <input checked="" type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
2.4.5 Site Control	<input type="checkbox"/> high <input type="checkbox"/> medium <input checked="" type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
Comments:	2.4.1 Are there many projects that would appear to fit this description? 2.4.2 How would a speculative project be identified? 2.4.5 Is it possible to determine the number of projects in the LGIP process that have furnished the additional deposit in lieu of providing site control?	
Solution Ideas:		
<b>Issues related to application and study fees</b>		
2.5.1 Appropriateness of amount	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input checked="" type="checkbox"/> urgent <input type="checkbox"/> not urgent
Comments:	2.5.1 As the study costs paid are actual costs, the costs are appropriate and are not unfairly discouraging or subsidizing projects.	
Solution Ideas:		
<b>Small Generator Interconnection Agreement Issues</b>		
2.6.1 Pace of SGIA completion	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
2.6.2 Detail of the SGIA	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
Comments:	2.7.1 Agreed that the missing items need to be included and restudies should be added to the SGIP. It should be a stand alone document without the need to interpret how the LGIP applies to the areas where the SGIP is silent.	
Solution Ideas:		
<b>Miscellaneous SGIP tariff issues</b>		
2.7.1 Detail of the SGIP tariff	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
2.7.2 Clarity of SGIP tariff definitions	<input type="checkbox"/> high <input checked="" type="checkbox"/> medium <input type="checkbox"/> low	<input type="checkbox"/> urgent <input checked="" type="checkbox"/> not urgent
Comments:		
Solution Ideas:		
<b>Additional Issues that should be considered</b>		

<i>Please include additional issues here.</i>		<input type="checkbox"/> high	<input type="checkbox"/> medium	<input type="checkbox"/> low	<input type="checkbox"/> urgent	<input type="checkbox"/> not urgent
Comments:						
Solution Ideas:						

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