

Stakeholder Comments Template

Submit comments to GIP@caiso.com

Submitted by	Company	Date Submitted
Sahm White Sahm@clean-coalition.org 831 425 5866	Clean Coalition	April 30, 2013

This document contains the Clean Coalition's comments on the ISO's Interconnection Process Enhancements Scoping Proposal posted on April 8 and supplemented by the presentation discussed during the April 22 stakeholder web conference.

Part 1

Please provide your feedback on the 12 topics initially proposed to be in scope in the April 8th Scoping Proposal by responding to the following:

1. *If you believe that one or more of these 12 topics should not be in scope, identify those and provide a detailed explanation of why –*

While we do not feel that any of the topics listed do not warrant attention, as discussed below in Part II, from our perspective topics 3,6,9,10,11,12 are candidates for lower priority ranking due to lesser urgency or impact on the interconnection process, but that does not mean that none of these six should be in scope for this round of interconnection enhancements.

2. *If you believe that the description of a topic (i.e., one of the 12) is not accurate, provide your preferred description of the topic –*

No inaccuracies noted at this time

Part 2

Please select five topics of greatest importance to you from (i) the 49 topics included in the April 8th Scoping Proposal and (ii) any additional generation interconnection process related topics not already included in the 49 topics, and rank them in order of importance using the table provided below (a rank of “1” being most important). Note: Numerical rankings are informative but the detailed explanations you provide below the table will be critical for the ISO as we assess the scope of this initiative.

Top 5 topics selected by stakeholder

Topic No. <i>(if one of the 49 topics; otherwise use N/A)</i>	Topic Name <i>(either the topic name used in the Scoping Proposal or, if a new topic provide your own name for the topic)</i>	Rank
5	Improve the Fast Track Study process	1*
4	Improve the Independent Study process	2*
30	Inability to delay a shared reliability network upgrade (for cluster projects)	3
40	Inverter/transformer changes	4
13	Coordination with CPUC (and perhaps other LRA) procurement efforts	5

While the five topics listed above receive our priority ranking, we would nominate the following additional three topics for inclusion in scope. (In particular, notification of FCDS certification appears to be a simple and uncontroversial procedural matter that may be easily implemented):

- 8. Length of time in queue provision for SGIP projects
- 27. Unresolved PIRP solar issues
- 33. FCDS certification

*Note: The Clean Coalition’s primary focus emphasizes renewable energy projects that are planned and designed for predictable rapid and cost effective deployment to make best use of existing infrastructure capacity with minimal impact. As such, effective Fast Track and ISP processes in support of such projects are our highest priority. We recognize and acknowledge that other issues represent real and pressing needs of the ISO and other parties and it is not our intention to state that FT and ISP are objectively the most critical issues that can be addressed this year. It is, however, our position that these accelerated study processes are very important to the significant SGIP sector of the market, and that the ineffectiveness of the current processes represent a missed opportunity to attract and support projects that brought on line quickly with less effort and greater certainty, and failure to meet the standards for which SGIP was ordered by FERC. Improvements in these study tracks are overdue and we appreciate the ISO staff proposal to include them as priority topics this year. Outside of these issues, the Clean

Coalition supports addressing all topics that require a low amount of effort if clear and convincing rationale is offered by parties.

Detailed explanations

1. *Provide a detailed description of each topic. Use the topic description in the Scoping Proposal if you believe it is an accurate description of the issue; otherwise provide your preferred description of the topic. For new topics, provide your own detailed description. –*

We are not proposing new topics or changes in the topic descriptions provided with the Scoping Proposal.

2. *Provide a detailed explanation of the rationale for your selection of these five topics and your rankings –*

5. Improve the Fast Track Study process

As ISO staff have noted, the current approach has resulted in delays in the screening process and few projects have been able to pass the process screens and qualify for Fast Track treatment. As the ISO is aware, the presumed viability of accelerated options was a key part of FERC's determination that the CAISO SGIP reform proposal and creation of a single GIP process was not discriminatory against small generators:

"CAISO's proposal does support the unique concerns of small generators, contrary to the Joint Solar Parties' arguments, by expanding the availability of two alternative study processes: (i) the modified Fast Track process; and (ii) the new ISP. The addition of these options will ensure that truly small and/or electrically independent projects that meet minimum criteria have the opportunity to be studied on a very expedited schedule."

We agree with the need to develop more appropriate screening criteria for projects that meet the Fast Track size restrictions to qualify for Fast Track treatment and more quickly interconnect to the ISO grid. We note in particular that generation may more appropriately be considered in relation to coincident load, and that screening can and should aim for three results – quickly offering interconnection to projects that present no issues, screening out and redirecting projects that require full studies to an appropriate study track, and thirdly, identifying those projects that can proceed with expedited Fast Track interconnection if concerns or simple solutions may be addressed in short order through limited Supplemental Review.

4. Improve the Independent Study process

FERC's order conditionally approving CAISO's proposal in 2010 stated that CAISO should develop objective criteria for ISP eligibility under the electrical independence test (p. 30): "In order to ensure that the process for determining eligibility for the ISP is transparent and non-discriminatory, it is appropriate for CAISO to establish basic objective criteria."

Accordingly, it seems necessary for CAISO to include this issue to ensure that ISP is a viable option for projects to avoid the very lengthy cluster study process. We appreciate CAISO's interest in ISP review and reform and there is still a substantial need to better understand how electrical independence is determined.

As we have expressed in prior comments, criteria and clear information regarding interconnection capacity thresholds and constraints will support and encourage well planned and well sited projects, increasing the success of applications, reducing the study burden on staff, and reducing the likelihood of later withdrawal from the queue. Effective Fast Track and ISP processes result in much faster project decisions and are a factor in reducing the size of the interconnection queue and the complexity of the cluster study process.

30. Inability to delay a shared reliability network upgrade

As noted in prior comments by Wellhead, when the upgrade is not needed unless/until the last of the projects sharing in the upgrade comes on line, the current GIP language does not contain any specific provisions that allow the ISO to address this situation in a way that accomplishes the following reasonable outcomes: (1) no material adverse impact on other projects; and, (2) avoiding the construction of facilities that are not needed by linking the construction activities to the project(s) that trigger the ultimate need. Changes needed to allow the appropriate review and action should be relatively minor, non-controversial and would not impact other projects' interconnection position/rights. This approach may allow some later queued projects to proceed and commence delivery using existing transmission capacity or prior to the completion of all upgrades identified in their GIA while the outcome of projects dependent on such capacity upgrades remains uncertain. This has the potential to benefit FT and ISP projects in the queue as well.

40. Inverter/transformer changes

Clarification of "non-material" changes will reduce delay and approval requests from generators working in a fluid market for system components. Both functionally and economically improved options develop during both the study and develop periods and all parties may benefit from pre-defined options to allow substitution, especially as increased inverter functionality is both available and desired by facility and system operators

13. Coordination with CPUC (and perhaps other LRA) procurement efforts

The ISO, CEC and CPUC have made very substantial strides in coordination with real and tangible results, and opportunities for further efforts should be pursued. In particular, studies benefit greatly from recognition of realistic limits on procurement at the regional or even nodal level that influence expected upgrades to transmission capacity, and TPP conclusions in turn influence project siting and applications. Coordination with procurement processes is a factor in reducing the size of the interconnection queue and the complexity of the cluster study process in addition to providing greater certainty in procurement planning and outcomes. Such coordination also reduces the risk and uncertainty related to interconnection and eligibility for procurement processes. Whether through greater certainty, or through greater participation and competition from increased numbers of eligible bids,

significant ratepayer savings are likely to result.

3. *Identify which of the 12 topics initially proposed to be in scope you recommend your selected topics should replace –*

3. Clarify tariff and GIA provisions related to dividing up GIAs into multiple phases or generating projects

- As noted by the ISO, it is not clear whether parties still seek attention to this issue. The Clean Coalition does support coordination of LSE PPA procurement opportunities (item 13) as a priority, and there is some overlap of phasing issues with staff proposed scoping of issues related to downsizing policy and failure to proceed on planned later project phases (topics 1 and 2).

6. Provide for ability to charge customer for costs for processing a material modification request

- While we support addressing this issue as a matter of fairness, it has not been shown to be an urgently pressing issue of significant impact to an efficient and effective GIP, and addressing other issues first will have greater impact.

9. Clarify that PTO and not ISO tenders GIA

- This issue would seem to be so easily addressed that it should not displace a topic of more substance or consequence. As noted above, we support including more topics that require a low amount of effort to the degree that ISO staff can do so while still addressing priority topics.

10. Timeline for tendering draft interconnection agreements

- While we recognize the challenges of increased interconnection requests, we also observe that the GIP timeline is already too long and that the issue described here seems to be one that can be addressed simply by the addition of interconnection staff at the PTOs. As such, we oppose any extension of the GIP timelines. If timelines are not being met, the focus should be on correcting practices that result in missing timelines, not on adjusting the goal to meet performance.

That said, where the delivery of IAs is lumped together as a result of clustered studies, reasonable accommodation can be made on issues related to delivering a large number of IAs all within the same short window. We believe this issue may be addressed with minimal effort and should not displace other topics.

11. LGIA negotiations timeline

- While commitment to the timeline has been an issue, it has not been shown that the timeline itself is an urgently pressing issue of significant impact to an efficient and effective GIP, and addressing other issues first will have greater impact.

12. Consistency of suspension definition between serial and cluster

- We believe this issue may be addressed with minimal effort and should not displace other topics

The Clean Coalition is a strong advocate of increased grid transparency and queue transparency. As we commented in prior filings with the CAISO and the FERC, increasing the interconnection information made available to the developer community ("Grid Transparency") benefits all parties since a more informed developer community will present the CAISO with higher quality interconnection requests, resulting in less dropped projects and, therefore, less analysis time wasted by CAISO and the IOUs. This is particularly important now that the SGIP has been collapsed and the time penalty of dropping a project and entering a later cluster has become more severe.

We also feel that more information should be provided on the current queue ("Queue Transparency"). FERC agreed with us in their 2010 order conditionally accepting CAISO's proposal, stating (p. 23): "As discussed below, because we share [the Clean Coalition's] interest in seeing how the Fast Track and ISP mechanisms develop as they are integrated into the new GIP, we will require CAISO to incorporate an informational update on these two processes as a part of CAISO's existing LGIP quarterly reports." And (pp. 31-32):

We share [the Clean Coalition's] interest in seeing how the ISP mechanism develops as it is integrated into the new GIP. Thus, while we decline to require CAISO to compile and make available the extensive data [the Clean Coalition] suggests above, we will require CAISO to incorporate an informational update on the ISP mechanism as a part of its existing LGIP quarterly reports. In particular, CAISO should include information about the number of projects requesting interconnection through the ISP, the outcome of those requests, the complete length of time for recently completed ISP interconnection studies (from initial application through final approval), and the reason for any rejections of projects requesting ISP treatment. This information will improve the transparency of the ISP, which is in the best interest of all market participants.