

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
Keith White <a href="mailto:kwh@cpuc.ca.gov">kwh@cpuc.ca.gov</a> 415-355-5473	California Public Utilities Commission staff	December 9, 2013

Please use this template to provide your comments on the Interconnection Process Enhancements (IPE) Revised Straw Proposal for Topics 3-5 and 12-15 posted on November 8 and as supplemented by the presentation and discussion during the November 18 stakeholder meeting.

Submit comments to [GIP@caiso.com](mailto:GIP@caiso.com) (with the exception of comments on Topic 15 draft BPM language posted on November 18—see below)

**Comments are due December 6, 2013 by 5:00pm**

The Revised Straw Proposal for Topics 3-5 and 12-15 posted on November 8 may be found at:

[http://www.caiso.com/Documents/RevisedStrawProposal\\_Topics3-5\\_12-15\\_InterconnectionProcessEnhancements.pdf](http://www.caiso.com/Documents/RevisedStrawProposal_Topics3-5_12-15_InterconnectionProcessEnhancements.pdf)

The presentation discussed during the November 18 stakeholder meeting may be found at:

[http://www.caiso.com/Documents/Agenda\\_Presentation-RevisedStrawProposal-InterconnectionProcessEnhancementsTopics3-5\\_12-15.pdf](http://www.caiso.com/Documents/Agenda_Presentation-RevisedStrawProposal-InterconnectionProcessEnhancementsTopics3-5_12-15.pdf)

Please provide your comments on the ISO's proposal for each of the topics listed below.

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

Note: The ISO asks stakeholders to provide feedback on the commercial reasons they need phasing, what the minimum megawatt amount and maximum number of phases allowed might be, and whether limits such as those proposed in the revised straw proposal can meet the needs of stakeholders. For example, if you believe that more liberal limits are needed than the limits proposed by the ISO in the revised straw proposal, please provide the proposed limits and the commercial/business justification. Also, as discussed with stakeholders during the November 18

web conference, the ISO is willing to consider allowing phasing after a project has reached its commercial operation date, but wishes to understand from developers the need for such a provision.

CPUC Staff support the approach represented by the November 8 Revised Straw Proposal.

#### **Topic 4 – Improve Independent Study Process**

Note: For those elements of the straw proposal presented as draft tariff changes, please provide general comments at this time in lieu of line-edit suggestions to the tariff language.

CPUC Staff support the approach represented by the November 8 Revised Straw Proposal, except that what constitutes identification of either “transient stability issues” or “reactive support needs” as a basis for failing the independence test - - should be more specifically (and predictably) defined.

#### **Topic 5 – Improve Fast Track**

Note: For those elements of the straw proposal presented as draft tariff changes, please provide general comments at this time in lieu of line-edit suggestions to the tariff language.

At present, CPUC generally agree with the approach reflected in the November 8 Straw Proposal, but expect to more fully assess future development of tariff language including consistency with FERC’s final rule regarding “Small Generator Interconnection Agreements and Procedures”,<sup>1</sup> and also, as applicable, consistency with recent CPUC Rule 21 reforms regarding small generator interconnection to distribution systems.<sup>2</sup>

#### **Topic 12 – Consistency of suspension definition between serial and cluster**

Note: As described in the November 8 revised straw proposal and discussed during the November 18 web conference, this topic has been withdrawn.

#### **Topic 13 – Clarify timing of transmission cost reimbursement**

Note: In addition to general comments on the straw proposal for this topic, stakeholders are also asked to provide example scenarios to help illustrate any questions/issues that they may have on reimbursement for in-service upgrades, multiple reimbursement periods, and posting versus billing.

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<sup>1</sup> Order 796, ER13-2, November 22, 2013

<sup>2</sup> CPUC Decision 12-09-018, September 13, 2012

Interconnection Customers (ICs) should be reimbursed when their project (or a phase of that project to which costs can be assigned) achieves commercial operation and any one of the following three conditions is met: (1) the project's (or phase's) required network upgrades have been completed, (2) the date for completion of such network upgrades as specified in the GIA has been reached, or (3) one year has passed since the project achieved commercial operation.

These provisions should be applied to any IC's having outstanding security deposits whether or not those ICs had signed GIAs at the time of FERC's approving these provisions - - except that no IC having a signed GIA should be left worse off than it would have been under provisions in effect when the GIA was signed.

#### **Topic 14 – Distribution of forfeited funds**

Note: Two alternative straw proposals are presented in the November 8 revised straw proposal for stakeholder consideration. The ISO requests stakeholder to comment on the pros and cons and their preferences for either of these alternatives.

CPUC Staff prefer Option A, i.e., using forfeited funds (such as arising from withdrawal of ICs) to offset the systemwide TAC, since Option B, which requires identifying and proportionately compensating individual PTOs and ICs harmed by activities causing forfeiture of funds, has too many complexities and chances for perverse impacts, and would ultimately flow much of the forfeited funds back to PTOs in the long run anyway (thus offsetting the TAC).<sup>3</sup> However, if, due to actions causing forfeiture of funds, any ICs would be permanently (not rectified by ultimate refund) subjected to significantly increased costs going forward (such as if the affected ICs are self-funding network upgrades), forfeited funds should first be used to reduce or eliminate such future cost increases.

#### **Topic 15 – Material modification requests (formerly “Inverter/transformer changes”)**

Note: On November 18 the ISO posted draft Business Practice Manual (BPM) language regarding the modification process. The ISO is requesting written stakeholder comments on the draft BPM language by 5pm December 9, 2013. Please submit written comments on the draft BPM language to [QueueManagement@caiso.com](mailto:QueueManagement@caiso.com).

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<sup>3</sup> E.g., if forfeited funds were used to offset certain ICs increased security deposit requirements, the ultimate long run result would be that those funds would effectively reduce the amount by which PTOs needed to reimburse those ICs security deposits.