

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the presentation and discussion from the stakeholder meeting held on August 13, 2014.

Submit comments to EnergyStorage@caiso.com
Comments are due August 20, 2014 by 5:00pm

The presentation discussed during the August 13, 2014 stakeholder meeting may be found at:
<http://www.caiso.com/Documents/AgendaPresentation-EnergyStorageInterconnection.pdf>

LSA's comments here are limited to the CAISO's characterization of the application process for addition of "Behind the Meter" (BTM) storage capability to existing generating facilities, as described on slide 20 of the presentation at the August 14th stakeholder meeting.

LSA appreciates and agrees with the CAISO's determination that a BTM capacity addition request could be submitted through a Material Modification Assessment (MMA) request if the original generation project has not yet begun construction (is still "in the queue," to use the language in the slide).

The MMA request would have to meet the requirements for BTM capacity additions, including applicability of the original maximum output (Pmax) limitations to the resulting combined capacity and limitation of the capacity increase to 25% of the original capacity amount. The CAISO and PTO would examine the request (on a case-by-case basis) to determine the impact of any added equipment on short-circuit duty issues, participation in applicable RAS or SPS, and other relevant factors.

LSA's understanding is that – as with any MMA request – if issues of materiality are identified that cannot easily be resolved or mitigated, or if a detailed study is needed, the request would be denied. If the request is denied, the Interconnection Customer (IC) must then submit an Interconnection Request (IR) for the addition, under the Independent Study Process (ISP).

The above-referenced slide stated that a project that has “achieved COD” wanting to make the same BTM capacity addition would not be eligible to request the change through the MMA request process but could only do so through submission of an IR, through the ISP.

As discussed on the stakeholder conference call, LSA does not believe that the CAISO description of the BTM process is consistent with the following factors:

- **The earlier Interconnection Process Enhancement (IPE) Topics 4-5** regarding BTM additions, where the CAISO stated that it would allow BTM capacity proposals through the MMA request process.
- **The applicable “Modifications” provisions in Generator Interconnection Agreements**, e.g., LGIA Section 5.19. Those provisions do not limit the modifications that may be requested under this provision and, in fact, specifically allow for consideration of “modifications that do not require the Interconnection Customer to submit an Interconnection Request.”
- **Policy considerations in addition to the above.** It is not clear why a BTM addition would be immaterial if a project has not yet begun construction but would be material if the project had already reached COD.

To illustrate this concept, consider two 100-MW solar generation projects (Project A and Project B). They are located next to each other, with the same Point of Interconnection (POI) – say, a substation – and will use the same generation technology and be configured similarly. Each project wishes to add a 10-MW BTM storage facility, using the same storage technology. The only difference between them is that Project A has not yet reached COD but Project B has.

The operational impact of the 10 MW BTM storage addition to Project A would be exactly the same as the operational impact of the 10 MW storage addition to Project B. There is no apparent rationale for allowing Project A’s modification request to go through the ~45-day MMA request process while forcing Project B to use the 9-10 month ISP.

In other words, an IC should be allowed to request a BTM capacity addition through an MMA request, regardless of the construction status of the original project, as a first step in the evaluation process. As noted above, requests that raise potential materiality concerns can be processed through the ISP, whether or not the original project operational, as a secondary path if necessary.

LSA appreciates the CAISO’s consideration of these comments and looks forward to clarification of this important issue.