Stakeholder Comments Template

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

Submitted by	Company	Date Submitted
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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 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	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
2.1.2 SGIP serial study process coordination with the studies under the large generation interconnection procedures (LGIP)	☐ high ☒ medium ☐ low	☐ urgent ☒ not urgent
2.1.3 Avoiding delays caused by the increasing volume of SGIP projects	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
2.1.4 Detail and necessity	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent

of the feasibility study		
2.1.5 Interconnection request data requirements	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
2.1.6 Should the SGIP accommodate re-studies?	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.1.7 Availability of the current base case data for use by project developers	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
2.1.8 Delays and uncertainty in study results caused by projects that withdraw	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent

Comments:	Many of the problems addressed in the CAISO paper of April 1, 2010 and the stakeholder meeting on April 12, 2010 revolve around issues of timelines, serial study methods, feasibility studies and cost certainty. While these are complex issues, the FIT Coalition believes that increasing interconnection visibility could improve all of these issues and substantially reduce the pressures currently impacting the SGIP. Specifically, the FIT Coalition recommends mandating a grid-wide study of interconnection availability that is shared with the public.
Solution Ideas:	If interconnection data were made visible to developers, we believe that many of the projects applying to the SGIP would be in those areas where capacity is known to be available. As a result, these projects would face far fewer approval hurdles and the CAISO could substantially reduce the time spent on the following issues: a) Serial process coordination. Assuming the interconnection data provided includes capacity queued under the LGIP, serial process coordination is a much smaller issue. b) Feasibility study. We believe that the three levels of possible analysis required by the IOUs should be replaced by one low cost study, as is the case with the current "Fast Track" process that applies to 2 MW and below. Increasing interconnection data availability would make this goal easier to achieve. c) Interconnection request data requirements will be minimal, as most of the data will already be known to all parties. d) Re-studies should not be necessary in this faster process. e) Base case data freshness will be less relevant, as most of the relevant data will already be known to all parties. f) Cost certainty. Foreknowledge of interconnection availability should reduce much of the cost uncertainty currently experienced by developers. g) Projects that withdraw. While there will always be projects that withdraw, we believe that queue certainty will be increased due to fewer projects succumbing to unforeseen interconnection costs. Clearly, the more detail provided in the interconnection data, the more efficient the process becomes for both developers and the ISO. The FIT Coalition believes that the mandate should cover the following information: a) Identify the total and currently available capacity of all substations and distribution feeder line segments. b) Identify allocations for capacity that have already been made and/or are

	queued at all substations and feeder line segments. c) Specify expected available capacity remaining at all substation and feeder line segments. d) Simplify the "Fast Track" interconnection screens so there is much higher likelihood that developers can identify sites that are eligible for fast track interconnection. e) Utilize interconnection processes that are simple, economical, transparent, and pre-defined; ie, utilize interconnection processes that preempt surprises. f) Indicate the estimated network upgrade costs for each substation and distribution feeder line segment through the stated expected available capacity levels that are provided at each interconnection point. Alternatively, require utilities to ratebase distribution grid network upgrade costs for projects that are sited at sensible locations; based on the information provided by the utilities. g) Require IOUs to make all this information available in advance, online, and in real-time. A good example of how to provide interconnection data can be seen in the reports that the Ontario Power Authority (OPA) has made available to support their Feed-In-Tariff program. OPA provides easy access to two reports that enable prospective project developers to analyze the feasibility of interconnecting projects at specific substations and distribution feeder lines. The first report shows the capacity of all substations and feeder lines on their distribution network. The second report shows all allocated capacity at each substation and feeder line. Ontario utilities are required to update the reports weekly. In order to access this data, a developer only has to register at the OPA's feed-in tariff web page.i In other programs, California utilities have chosen to provide far less detail than the OPA, which we believe would reduce the efficiencies described above. For example, Southern California Edison (SCE) provided some interconnection data in relation to its new Solar Photovoltaic Program (SPVP).ii Under this program, SCE uses Google Maps to identify areas that could have lower costs of interconnection to the SCE system. However, rather than providing information by specific substation, the map only highlights broad regions with interconnection availability and many of the areas are limited to maximum additional interconnections of 3MW. This limited information would be far less useful in terms of ameliorating the SGIP issues of timelines, serial study methods, feasibility studies and cost certainty.

Deliverability Issues Related to Interconnecting Small Generation

2.2.1 Should SGIP have an option for deliverability?	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.2.2 Should there be an opportunity to have "partial deliverability"?	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.2.3 Should there be a later opportunity to change deliverability status after generator is commercially	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent

operational?		
2.2.4 How would a change in policy affect existing generation and/or existing projects in the queue?	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
Comments:		
Solution Ideas:		
Issues relating to Cost Certainty		
2.3.1 Developers desire cost certainty	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
2.3.2 How to minimize the impacts caused by projects that drop out of the queue?	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.3.3 Accuracy of the per unit construction cost estimates	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.3.4 Effects of adding cost certainty measures to the overall SGIP timeline	☐ high ☒ medium ☐ low	☒ urgent ☐ not urgent
Comments:		
Solution Ideas:		
Issues related to Eligibility Criteria		
2.4.1 LGIP projects broken up into multiple SGIP projects	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.4.2 Real vs. Speculative projects	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.4.3 Generation MW size	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
2.4.4 MW Increases to existing projects	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
2.4.5 Site Control	☒ high ☐ medium ☐ low	☒ urgent ☐ not urgent
Comments:	**SGIP Classification** The most important outcome of this SGIP modification process is to ensure that SGIP interconnection becomes easier, not harder. As such, any temptation to roll SGIP and LGIP analysis into the same category should be rejected. It is already far too difficult, in terms of expense and, more importantly, time, to achieve SGIP interconnection. We also point out that one of the rationales for the SGIP was to remove unfair impediments to market entry for small generators by reducing	

	interconnection costs and time. Given the multi-year timeline in the LGIP, we believe that combining the SGIP with the LGIP would result in substantial unfair impediments to small generators. We agree, however, with the Issues Paper suggestion that "there needs to be very clear and transparent criteria for classifying SGIP projects versus LGIP projects." Another issue to explore is the expansion of the "Fast Track" process that already exists for projects under 2MW. We believe this could potentially be achieved by expanding the visibility of interconnection data. **Site Control** The SGIP currently requires demonstration of site control at the time the application is submitted, putting critical financial and time burdens on developers and reducing the number of competitive developers. Alternatively, the developer could be given a choice to either demonstrate site control or pay an additional deposit, as is the case under the LGIP. Either option will ensure the desired goal of avoiding unproductive speculation.
Solution Ideas:	

Issues related to application and study fees

2.5.1 Appropriateness of amount	☐ high ☐ medium ☐ low	☐ urgent	☐ not urgent
Comments:			
Solution Ideas:			

Small Generator Interconnection Agreement Issues

2.6.1 Pace of SGIA completion	☐ high ☐ medium ☐ low	☐ urgent	☐ not urgent
2.6.2 Detail of the SGIA	☐ high ☐ medium ☐ low	☐ urgent	☐ not urgent
Comments:			
Solution Ideas:			

Miscellaneous SGIP tariff issues

2.7.1 Detail of the SGIP tariff	☐ high ☐ medium ☐ low	☐ urgent	☐ not urgent
2.7.2 Clarity of SGIP tariff definitions	☐ high ☐ medium ☐ low	☐ urgent	☐ not urgent
Comments:			
Solution Ideas:			

Additional Issues that should be considered		
Please include additional issues here.	☐ high ☐ medium ☐ low	☐ urgent ☐ not urgent
Comments:		
Solution Ideas:		

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

The FIT Coalition is a leading force in bringing Feed-In Tariffs (FITs) and other renewable energy best practices to the United States. The FIT Coalition's mission is to apply its extensive experience in the renewable energy industry to identify policies that massively scale cost-effective deployments of renewable energy, in a timely fashion, and drive the adoption of these policies throughout the country.

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i http://fit.powerauthority.on.ca/Storage/98/10756_FIT_Registration_Instructions.pdf
ii http://www.sce.com/EnergyProcurement/renewables/spvp-ipp