

## Stakeholder Comments Template

### Subject: Generation Interconnection Procedures Phase 2 (“GIP 2”)

Submitted by	Company	Date Submitted
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This template was created to help stakeholders structure their written comments on topics detailed in the April 14, 2011 *Straw Proposal for Generation Interconnection Procedures 2 (GIP 2) Proposal* (at <http://www.caiso.com/2b21/2b21a4fe115e0.html>). We ask that you please submit your comments in MS Word to [GIP2@caiso.com](mailto:GIP2@caiso.com) no later than the close of business on May 5, 2011.

Your comments on any these issues are welcome and will assist the ISO in the development of the draft final proposal. Your comments will be most useful if you provide the reasons and the business case for your preferred approaches to these topics.

Your input will be particularly valuable to the extent you can provide greater definition and clarity to each of the proposals as well as concerns you may have with implementation or effectiveness.

**Comments on topics listed in GIP 2 Straw Proposal:****Work Group 1**

1. Develop procedures and tariff provisions for cost assessment provisions.

Comments:

The Clean Coalition continues to believe that this highly complex and controversial issue should be dealt with in a separate proceeding that isn't as rushed as the current proceeding is.

2. Clarify Interconnection Customer (IC) cost and credit requirements when GIP network upgrades are modified in the transmission planning process (per the new RTPP provisions)

Comments:

The Clean Coalition has no comments on this issue at this time.

**Work Group 2**

3. Participating Transmission Owner (PTO) transmission cost estimation procedures and per-unit upgrade cost estimates;

Comments:

The Clean Coalition has no comments on this issue at this time.

4. Generators interconnecting to non-PTO facilities that reside inside the ISO Balancing Area Authority (BAA);

Comments:

The Clean Coalition supports providing this option to developers and we support the criteria ISO proposes for allowing deliverability for projects connecting to non-PTO systems.

5. Triggers that establish the deadlines for IC financial security postings.

Comments:

## Comments Template for April 14, 2011 Straw Proposal

The Clean Coalition has no comments on this issue at this time.

6. Clarify definitions of start of construction and other transmission construction phases, and specify posting requirements at each milestone.

Comments:

The Clean Coalition has no comments on this issue at this time.

7. Improve process for interconnection customers to be notified of their required amounts for IFS posting

Comments:

The Clean Coalition has no comments on this issue at this time.

8. Information provided by the ISO (Internet Postings)

Comments:

The Clean Coalition appreciates ISO's stated willingness to work with stakeholders to improve data transparency. We understand ISO has some limitations imposed by CEII issues but it seems clear from the robust information sharing in some other jurisdictions around the country that CEII issues can be respected while also allowing far more sharing than ISO currently practices. We have cited Pacificorp's extensive sharing of interconnection information as a good example for ISO to emulate, so we would appreciate learning more from ISO in this process as to how much the Pacificorp example could be emulated.

### Work Group 3

9. Develop pro forma partial termination provisions to allow an IC to structure its generation project in a sequence of phases.

Comments:

The Clean Coalition has no comment on this issue at this time.

10. Reduction in project size for permitting or other extenuating circumstances

Comments:

11. Repayment of IC funding of network upgrades associated with a phased generation facility.

Comments:

The Clean Coalition supports this additional flexibility for developers to be reimbursed for network upgrades because we see no downside to allowing phased reimbursement. Ratepayers will benefit equally from a 20 MW wind project whether it is built as a phase of a larger project or as a stand-alone project.

12. Clarify site exclusivity requirements for projects located on federal lands.

Comments:

The Clean Coalition has no comments on this issue at this time.

13. Interconnection Refinements to Accommodate QF conversions, Repowering, Behind the meter expansion, Deliverability at the Distribution Level and Fast Track and ISP improvements

a. Fast Track application to facility repowerings

Comments:

The Clean Coalition strongly supports ISO's proposal to allow Fast Track for repowering of existing facilities. We see many merits to this option and envision no downsides. We urge ISO, however, to impose clear "anti-splitting" rules akin to what had been in place for SGIP before SGIP was merged with the LGIP. In other words, ISO should create clear rules prohibiting larger projects from splitting into many 5 MW projects to qualify for Fast Track. These rules should not be overly draconian, but should prevent obvious abuses of this expedited process.

b. QF Conversion

Comments:

The Clean Coalition also supports additional flexibility for QF conversion.

- c. Behind the meter expansion

Comments:

The Clean Coalition has no comments on this issue at this time.

- d. Distribution level deliverability

Comments:

The Clean Coalition strongly supports the “safe harbor” suggestion in the Straw Proposal, under which distribution-interconnection renewable energy projects under a certain size would be presumed to have full capacity deliverability. We recommend that 5 MW be the initial threshold, matching the Fast Track limit for CAISO and PG&E. We support this change because of our concerns about PTOs’ increasing demands (sometimes with CPUC approval) that renewable energy projects obtain fully capacity deliverability in order to obtain a PPA. This condition is being sought by PTOs in the new RAM program and if the CPUC allows this demand to stand it will reduce any bids into the RAM program in the first year to a tiny trickle because almost no renewable energy projects have obtained full capacity deliverability to date (as revealed by the CAISO queue). If the safe harbor proposal is adopted for 5 MW and below, a dramatic increase in possible bids would occur and the interconnection process for 5 MW and below projects would be further streamlined.

**Work Group 4**

- 14. Financial security posting requirements where the PTO elects to upfront fund network upgrades.

Comments:

The Clean Coalition has no comments on this issue at this time.

- 15. Revise ISO insurance requirements (downward) in the pro forma Large Generation Interconnection Agreement (LGIA) to better reflect ISO’s role in and potential impacts on the three-party LGIA.

Comments:

The Clean Coalition has no comments on this issue at this time.

16. Standardize the use of adjusted versus non-adjusted dollar amounts in LGIAs.

Comments:

The Clean Coalition has no comments on this issue at this time.

17. Clarify the Interconnection Customers financial responsibility cap and maximum cost responsibility

Comments:

The Clean Coalition has no comments on this issue at this time.

18. Consider adding a "posting cap" to the PTO's Interconnection Facilities

Comments:

The Clean Coalition has no comments on this issue at this time.

**Work Group 5**

19. Partial deliverability as an interconnection deliverability status option.

Comments:

The Clean Coalition has no comments on this issue at this time.

20. Conform technical requirements for small and large generators to a single standard

Comments:

The Clean Coalition has no comments on this issue at this time.

21. Revisit tariff requirement for off-peak deliverability assessment.

Comments:

The Clean Coalition has no comments on this issue at this time.

22. Annual updating of ISO's advisory course on partial deliverability assessment

Comments:

The Clean Coalition has no comments on this issue at this time.

23. CPUC Renewable Auction Mechanism requirement for projects to be in an interconnection queue to qualify

Comments:

The Clean Coalition supports further study of this issue. It is important to clarify, however, that the issue is not only that utility procurement programs like RAM are increasingly requiring an active interconnection application but, in addition, utilities are increasingly requiring full capacity deliverability (or at least trying to require it, sometimes with CPUC support). We commented above in support of ISO's proposal to provide a safe harbor for some renewable energy projects for deliverability studies and we support ISO's proposal here to examine in more detail the requirements of the various new renewable energy procurement programs vis a vis interconnection procedures. Interconnection has now risen to the top of the list of hurdles for renewable energy projects in California, particularly for the Wholesale Distributed Generation, the market niche that the Clean Coalition focuses on. As such, we look forward to working with ISO further to best facilitate easy coordination between procurement programs and interconnection procedures.

**Other Comments:**

1. Provide comments on proposals submitted by stakeholders.
2. If you have other comments, please provide them here.