

UNITED STATES OF AMERICA
BEFORE THE FEDERAL REGULATORY COMMISSION

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DOCKET NO. RM13-2-000

SOLAR ENERGY INDUSTRIES ASSOCIATION PETITION FOR RULEMAKING
TO UPDATE SMALL GENERATOR INTERCONNECTION RULES AND
PROCEDURES FOR SOLAR ELECTRIC GENERATION

CLEAN COALITION COMMENTS ON
NOTICE OF PROPOSED RULEMAKING

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June 3, 2013

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The Clean Coalition is a California-based nonprofit project of Natural Capitalism Solutions. The Clean Coalition's mission is to implement policies and programs that accelerate the transition to a decentralized energy system that delivers cost-effective renewable energy, strengthens local economies, minimizes environmental impacts, and enhances energy security. The Clean Coalition drives policies to remove the top barriers to Wholesale Distributed Generation (WDG), which is defined as renewable energy systems connected to the distribution grid that sell all electricity produced to the local utility and serve only local load. Since local balancing of energy supply and demand is generally required when more than 20% of energy consumption is served by WDG, the Clean Coalition also advocates for policy innovations to support Intelligent Grid (IG) solutions, such as demand response and energy storage. The Clean Coalition is active in proceedings at the California Public Utilities Commission, the California Energy Commission, the California Independent System Operator, the Federal Energy Regulatory Commission, and other agencies that shape energy policy in California and other states. In addition, the Clean Coalition designs and implements WDG and IG policies and programs at the state, local, and utility level across the country.

The Clean Coalition supports the Solar Energy Industries Association (SEIA) petition and provides here some additional feedback to complement party comments at the conference and our previous written comments.

I. Discussion

The NOPR summarizes FERC's proposed changes as follows:

Specifically, the Commission proposes to modify the pro forma SGIP to: (1) Incorporate provisions that would provide an Interconnection Customer with the option of requesting from the Transmission Provider a pre-application report providing existing information about system conditions at a possible Point of Interconnection; (2) revise the 2 MW threshold for participation in the Fast Track Process included in section 2 of the pro forma SGIP; (3) revise the customer options meeting and the supplemental review following failure of the Fast Track screens so that the supplemental review is performed at the discretion of the Interconnection Customer and includes minimum load and other screens to determine if a Small Generating Facility may be interconnected safely and reliably; and (4) revise the pro forma SGIP Facilities Study Agreement to allow the Interconnection Customer the opportunity to provide written comments on the upgrades required for interconnection. The Commission also proposes to clarify or correct certain sections of the pro forma SGIP and SGIA.

The NOPR also states:

The Commission preliminarily finds that the reforms proposed in this NOPR are needed to ensure that the rates, terms, and conditions of interconnection service for Small Generating Facilities are just and reasonable and not unduly discriminatory or preferential.

The Clean Coalition is generally very supportive of FERC's suggested changes, as we describe below. We suggest, however, some modifications.

a. Pre-application report

Knowing "what can go where" with little or no modification to the existing grid helps customers establish realistic expectations regarding interconnection at their property, or choose between locations to site new generation, and submit appropriate designs. This is easily achieved by making grid information accessible, including public maps and data regarding existing and planned

system capacities and interconnections to support appropriate project siting and design proposals. Access to information early in the decision-making process, including pre-application data or meetings, supports well planned and appropriate applications resulting in a high percentage of applications leading to successful deployments with minimal delays.

There is great value in potential applicants having the ability to understand and estimate when a proposed facility may necessitate upgrades on the grid. This will allow proposals to be designed to fit within any local constraints, make optimal use of existing capacity, and avoid submitting proposals that would prove non-viable or result in unnecessary more detailed study by utility staff. Well-informed applicants reduce the time staff spends reviewing proposals and increased the likelihood that applications will lead to successful installations and happy customers.

Accordingly, we fully support the addition of a Pre-Application Report (PAR) to SGIP. The Clean Coalition recommends also that FERC provide a definition for “already available” information. We were intimately involved with the development of the Rule 21 pre-application report process, proposing what became the final process during the Phase I reform effort in 2012. One area that remains unresolved in the Rule 21 process is the definition of “already available” and we recommend here that FERC fix this gap in order to avoid confusion or disagreements over the meaning of this phrase.

We note also that the option of a PAR is in no way intended to replace the efficiency of appropriate informal communication between the utility and applicant related to information potentially included in a PAR. For example, National Grid has provided a version of the PAR without charge for years, and many utilities support informal consultation during project planning phase before submitting an application. Instead, the PAR is intended to further

encourage efficiencies through access to more fully identified critical design and project viability information prior to engaging in a full application process, while at the same time discouraging excessive requests and allowing reasonable cost recovery if needed. The proposed fee is not supposed to cover all customer interaction. \$300 is, rather, intended to cover average costs above and beyond informal contact and to provide an option for more information than may reasonably be provided informally. Some concern has been expressed over “thousands” of requests – but California’s big three utilities have had only 80 in six months.

In the March workshop, PJM/PEPCO suggested the option of completing a quick and informal assessment to recommend project size for the developer. The Clean Coalition supports this idea while also strongly supporting the opportunity for a more detailed PAR.

The NOPR suggests that the following items be included in the PAR:

- a. Total capacity and available capacity of the facilities that serve the Point of Interconnection;
- b. Existing and queued generation at the facilities likely serving the Point of Interconnection;
- c. Voltage of the facilities that serve the Point of Interconnection;
- d. Circuit distance between the proposed Point of Interconnection and the substation likely to serve the Point of Interconnection (Substation);
- e. Number and rating of protective devices and number and type of voltage regulating devices between the proposed Point of Interconnection and the Substation;
- f. Number of phases available at the proposed Point of Interconnection;
- g. Limiting conductor ratings from the proposed Point of Interconnection to the Substation;
- h. Peak and minimum load data; and
- i. Existing or known constraints associated with the Point of Interconnection.

FERC's suggested list is a little different than the current list of data items in Rule 21's PAR. However, we recommend the following items be included as a more helpful set of data than FERC proposes. We support the "already available" criteria as recommended in both Rule 21 and the NOPR, but if the below data is already available we see no reason why utilities should not supply this additional data to PAR applicants. The first two data items go directly to the size eligibility under FERC's proposed Fast Track limits, which information may not otherwise be available to developers.

- (a) Amperage of circuit and/or line section at issue
- (b) Distance between substation and Point of Interconnection.
- (c) Number of phases available at the proposed Point of Interconnection;
- (d) Known power quality or stability issues on the circuit
- (e) Load data, by month for each of the last twelve months, including day-time and night-time minimum loads and smaller time increments if available
- (f) Line and line segment available capacity (subtracting any other applicants on the same line and segment)
- (g) Line and line segment voltage and peak capacity and limiting conductor rating
- (h) Known electrical dependencies at requested locations related to currently pending applications or plans
- (i) Substation voltage and capacity
- (j) Existing short circuit interrupting capacity
- (k) Location, type, and rating of protective and regulating equipment on circuit (including reclosers)
- (l) Location of secondary networks.

In a similar vein, we also recommend that FERC require that simple records be maintained by each PTO in a public spreadsheet/database, for all distribution interconnection applications, for easy review and tracking by developers, advocates and policymakers. Such records should include:

1. Application submission date
2. Queue position
3. Application status

4. Study request type
5. Review deadlines and status
6. Point of interconnection
7. Energy type
8. Prime mover
9. Seasonal peak capacities
10. Substation name
11. Requested in-service date
12. Updated in-service date (if different than requested)
13. Actual in-service date
14. Notes for any additional items

This up-to-date grid information should be maintained and readily available to generation interconnection staff and customers in order to:

- Address qualification screens, predict costs, reduce potential redesign and restudy, and generally know "what can go where" early in the project development process
- Efficiently process interconnection requests
- Track the progress and outcomes of interconnection requests

We also recommend that where warranted by demand, existing grid information should be made available in map and spreadsheet formats with viewer/user search and rank order ability enabled, and published on the utility's website for ease of access.¹

¹ Examples of maps can be seen at:

California investor owned utilities:

PG&E: <http://www.pge.com/b2b/energysupply/wholesaleelectricssolicitation/PVRFO/pvmap/> (user account creation required)

SDG&E: <http://sdge.com/builderservices/dgmap/> (registration required)

SCE: <http://www.sce.com/EnergyProcurement/renewables/renewable-auction-mechanism.htm> (download of Google Earth required)

Additionally, the Sacramento Municipal Utility District released map in PDF form in support of its feed-in tariff program:

<http://www.smud.org/en/community-environment/solar-renewables/Documents/InterconnectionMap.pdf>

The Ontario Power Authority (OPA) supported its feed-in tariff program with interactive Google maps, one showing in detail all planned or proposed projects under the FIT Program.

<http://fit.powerauthority.on.ca/Page.asp?PageID=924&ContentID=10634>, and another pair showing in less detail regional transmission capacity that would be equally adaptable at the distribution level:

<http://www.powerauthority.on.ca/Page.asp?PageID=829&ContentID=4061&SiteNodeID=162> and

b. Increasing the MW threshold for Fast Track

The Clean Coalition agrees with FERC's recommendations on increasing the MW threshold. We would prefer no MW threshold, because the screens themselves screen out (by definition) projects that aren't appropriate for Fast Track, mooted the MW threshold. However, due to IOU pushback on eliminating the MW threshold we support FERC's suggestions for increasing the MW threshold in the circumstances described.

c. Customer options meeting and supplemental review

The Clean Coalition strongly supports the customer options meeting and supplemental review screens that FERC proposes. We have found that the Rule 21 supplemental review has already led to significant improvements in the Fast Track process, including allowing larger projects to succeed in Fast Track than would be allowed under the traditional 15% of maximum load screen.

Rachel Peterson's testimony at the March workshop supports this conclusion. She let participants know that the 100% minimum load screen is being informally applied to Southern California's WDAT, even though it's not required to do so at this time. Re Rule 21's new Fast Track process over the past six months, Peterson informed participants that 10 applicants have passed, 12 failed, and 3 passed in supplemental review. For WDAT applications in 2012, 29% passed, 69% failed, of which 19 went supplemental review, and 10 passed. This equals 77% passing in supplemental review. Accordingly, the 100% minimum load supplemental review screen was a major factor in passing through the new Fast Track.

planned new transmission lines. http://fit.powerauthority.on.ca/Storage/101/11002_FITMap06.swf
OPA also provides access to a pair of spreadsheets with substation level available capacity information

d. Review of required upgrades

The Clean Coalition also supports FERC's proposal to allow the Interconnection Customer to review required upgrades, as is currently allowed in the LGIP. We recommend, however, that FERC add the ability for the Interconnection Customer to utilize third party contracts to perform the required upgrades, as is allowed under Rule 21,² at the Interconnection Customer's option. This will allow competition to reduce prices for upgrades and ensure that PTOs are doing what they can to keep upgrade costs low for Interconnection Customers. As is, the process can be very expensive and there is little accountability or pressure to keep costs low.

e. The Commission should require states with combined LGIP and SGIP to make the same changes required for SGIP

The SEIA Petition calls explicitly for SGIP reform. This is necessary and urgent. However, some states (California, for example) have eliminated SGIP as a separate interconnection procedure by combining SGIP and LGIP into a single "Generator Interconnection Procedure" (GIP), administered by the California Independent System Operator for the transmission system, and by Participating Transmission Operators (PTOs) for non-state-jurisdictional distribution-level interconnections.

² For example, Southern California Edison's Rule 21, Section I. 2, states: "Subject to the approval of the Distribution Provider, a Producer may, at its option, employ a qualified contractor to provide and install Interconnection Facilities and Distribution Upgrades." We recommend that FERC employ this language but remove the first clause "subject to the approval of the Distribution Provider," because this discretion has been abused by California utilities in that they have, as a blanket policy, declined all such requests.

In order for reforms achieved under this new proceeding at the Commission to be most effective nation-wide, the Clean Coalition strongly urges the Commission to ensure that any SGIP reforms apply equally to grid operators using SGIP and to those that have combined SGIP and LGIP into a single GIP. The problems highlighted by SEIA apply equally to states using SGIP and a combined GIP, so any reforms should flow to both.

Similarly, the problems we highlight below apply to both SGIP and GIP and we urge the Commission to proactively address these issues in a way that affects both SGIP and GIP.

II. Conclusion

We urge FERC to adopt the proposed changes to SGIP, with the caveats and additions described above.

Respectfully submitted,

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Dated: June 3, 2013

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing document to be served electronically according to Rule 385.2010(f) of the FERC's Rules of Practice and Procedure.

Dated at Santa Barbara, California, this 3rd day of June, 2013.

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name Tamlyn Hunt.

Tamlyn Hunt