

California Public Utilities Commission
Energy Division

**Clean Coalition Comments on Rule 21 Working
Group Data Collection**

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The Clean Coalition strongly supports the Commission's efforts to collect and make available information necessary to effectively monitor, evaluate, and further improve the efficiency and predictability of the interconnection process in California. These are the goals of the Rule 21 Settlement and the current phase of this proceeding. Achieving these goals has, however, often proved elusive and has frustrated the broader effort to bring the benefits of clean local generation to communities throughout the state. We provide comments below in keeping with the desire to meet these goals in a timely manner. Our comments are our reply to the Joint IOU Response from July 12, 2013.

The Clean Coalition appreciates the efforts of the IOUs to offer a joint initial proposal incorporating prior work and party recommendations. Reporting transparency has greatly improved over the years and our points below address only the few unresolved issues.

Information on factors that impact the outcome of interconnection requests is important in order to assess the relative significance of those factors and their potential value in screening criteria or pre-application data access for project siting and location specific project design. This supports optimized use of existing infrastructure, speeds up interconnection processing and reduces study and upgrade costs, improving queue management and deployment outcomes.

I. Proposed Reporting Milestones

The Joint IOU Response states: "Completion date will remain blank until fulfilled." It's not clear if this response is meant to indicate a change in reporting practices because, currently, the planned completion date is included in the public queue. We urge the IOUs to clarify that they will continue collecting and reporting on the initial and current planned in-service dates. Where it occurs, the reporting of planned and actual completion dates provides very substantial value. Planning for COD has important financial implications for facilities owners and planning implications for system operators, often including commitments in procurement, power purchase

agreements, and contributions to local capacity. Tracking changes in planned COD dates is a critical basis for identifying the likelihood of delays and the circumstances under which they occur.

Likewise, it would be helpful to clearly track compliance with deadlines imposed by the tariff on each party in order to identify where these are proving problematic. Applicants and IOUs are already responsible for complying with these tariff provisions and should be aware of deadlines. Since generation of applicable dates can be programmed as an automatic excel function based on the dates already posted, this should not require additional calculation or data entry by staff.

II. Quarterly Report - Technical Issues & Trends Report

We agree that some data points should be tracked in a quarterly report rather than the public queue. The quarterly report should, however, be public until the IOU makes a case for why any specific data should not be public. The IOU Response indicates that the quarterly report may be “public, confidential, or a combination of the two.” As with all confidentiality issues, the Commission has made it clear that there is a presumption of non-confidentiality. To get over this presumption, D.06-06-066 requires that the IOU make a specific showing of why specific data needs to be kept confidential.

a. Cost Data

Interconnection cost data reporting is important for a number of goals in this proceeding, including assessing the accuracy of interconnection study results.

The addition of project applications to the queue only to later see these projects withdrawn remains a major issue in the application process, representing wasted effort and substantial burden on both applicants and utility staff. We know from

discussions with developers that the estimated interconnection costs are often a driving factor in many withdrawals. Reporting on estimated interconnection costs for individual projects in the queue can show how closely study cost estimates correlate with withdrawals. This information can also provide data to establish pre-application predictive correlations and options for reducing project withdrawals. Comparing estimated and final actual costs has clear value in evaluating opportunities to improve the accuracy of estimates. Providing this information in relation to the broad categories of Interconnection Facilities, Distribution Upgrades, and Network Upgrades provides useful insight into the relative role of these factors and consequent opportunities to address them.

b. Deadline Issues

While the reasons for missed or extended deadlines may not currently be found in a database, where deadlines are missed on a recurring basis, by one or more IOUs, it is important for all parties to understand why deadlines are missed or extended so that appropriate changes can be made. We appreciate the IOUs' acknowledging the value of this information and their willingness to consider improvements in tracking these issues.

A time-consuming approach for tracking deadlines is not warranted and we are not calling for such an approach. However, when a deadline is missed by the IOU the reason(s) should be recorded in a project tracking database or similar record keeping (as opposed to in the public queue), and a list of standard categories or common issues may be used to improve efficiency and consistency in reporting. We learned in the workshop that such tracking is already done by each IOU in some manner, so it should be simply a matter of improving what is already being done. Problems like these won't be addressed without identifying where they occur and information on why they occur, and retroactively seeking such information is typically time consuming and impractical. We are only suggesting data collection when a problem occurs, and only enough to identify the type of problem; further

investigation would only occur where this minimal reporting indicates value in doing so, i.e. where a specific type of problem is occurring with unreasonable frequency and resulting in significant delays.

c. Minimum Load Screen

Most FT applications fail initial review based on the 15% Peak Load screen. The 100% minimum load screen was created for Rule 21 to allow projects to proceed within FT if they fail the 15% peak load screen but still constitute less than the minimum load on the circuit/line section at issue. This new Rule 21 Supplemental Review screen is a candidate for adoption in WDT/WDAT as the CPUC seeks tariff alignment. To evaluate the effectiveness of this approach we have been seeking information on the frequency with which minimum load data is readily available (following the investment in smart meters) and the frequency with which the minimum load screen resolves the 15% peak load screen violation (regardless of whether minimum load data was available, calculated, or estimated). We wish to confirm that this information will be reported for Rule 21, and also for WDT/WDAT if the screen is adopted in that tariff.

d. Energy Division Accounting Question – Cost Estimate Reporting

SDG&E “requires further discussion to determine what is meant by actual cost and tracking.” For the Clean Coalition, “actual cost” refers to the final costs of interconnection upgrades, distinct from the interconnection study estimated costs. PG&E and SCE state that additional resources are required to track this data. However, since the cost estimates and actual cost numbers are already being provided to applicants and this information is tracked in some manner for each of these steps, it seems that it should not require significant resources to enter the cost data at the same time. We urge the IOUs to clarify what additional resources may be required and why.

We note also that “reconciliation” in this context was meant to refer to the comparison of study costs vs. actual costs. This is the data that the Clean Coalition is interested in (in order to create better predictive models of actual interconnection costs), so we request that the IOUs suggest a better term for this true-up and to let parties know if this data can be tracked on a rolling basis.

III. Dispute resolution

The IOU Joint Responses states that comments from the IOUs are applicable only to disputes under Section K.2 of Rule 21. We suggest, however, that disputes under Section F.1 also be tracked and made public, as well as disputes resolved under CPUC section 1702. Section F.1 includes disputes resolved by each IOU’s ombudsman (i) as well as the Commission’s Consumer Affairs Branch and under the Commission’s Alternative Dispute Resolution process (ii). Rule 21 refers to Section 1702 as the default dispute resolution procedure (in section K.2) and this option should not be overlooked in terms of dispute resolution tracking data.

IV. Additional Comments

The apparently high costs of construction warrant further examination due to reports of qualified contractors being able to construct required upgrades at costs far below equivalent IOU costs for the same types of work. Unfortunately, the IOUs have instated a blanket policy to not allow third parties to complete required upgrades, even though this option is allowed under the applicable tariffs. We understand that this issue is currently being discussed internally by Commission staff and we urge the Commission to bring the matter forward for party comments.

If interconnection customers are not free to bid out the agreed upon work, it is important to ensure that the utilities are providing construction services at competitive rates and to examine the reasonableness of any discrepancies in costs.

To address these issues, the following information, believed to be correlated with the outcome of interconnection requests, has been sought in joint data requests by the Clean Coalition, Vote Solar, IREC, Sustainable Conservation, Sierra Club and Absolutely Solar. These requests and the responses from the IOUs, were submitted in R. 11-09-011 on April 25th this year. In many cases it has proved time-consuming, difficult, or impossible to obtain such information after the fact, but the IOUs have indicated it would be much easier to track in the course of reviewing applications. Recording this limited set of information over the next 12 months in the course of application reviews and studies will provide a more useful, complete, current, consistent and accessible data set than has been previously available to this proceeding.

We strongly caution, however, against further delays in developing cost certainty mechanisms in Phase 2 based on this ongoing data collection effort. It is our belief that we have sufficient data to create workable cost certainty improvements at this time – and cost certainty options can be improved over time as more data becomes available.

As anticipated in the Ruling establishing this Working Group, with such information parties can better achieve a common understanding of (a) the current utility interconnection upgrade construction practices, timelines and pricing; (b) the current utility interconnection upgrade permitting practices, timelines and pricing; (c) the utility interconnection upgrade constraints and the range of possible experiences in order to align expectations.

This will allow the Commission to make informed decisions regarding the value of continuing to record these or other data points, and apply the necessary information to multiple proposals currently before this proceeding that address interconnection upgrade construction issues, dispute resolution issues, and improving the interconnection process more generally.

As previously submitted, and partially discussed at the Working Group meeting, the following is the Clean Coalition's recommended list of interconnection data, to be collected and reported on an ongoing basis, either in the queue or publicly available quarterly reports:

Clean Coalition recommended list of interconnection data for rolling collection:

1. Utility review deadlines and status of such review
2. Point of interconnection
3. Prime mover
4. Project seasonal peak capacities
5. Substation name (distribution and transmission)
6. Updated in-service date (if different than requested)
7. Actual in-service date (if project is completed)
8. Estimated cost of interconnection (separated by interconnection, distribution and network upgrades)
9. Actual cost of interconnection (if completed)
10. POI approximate distance from substation
11. Circuit and line section penetration level
12. Connection to a Main feeder or branch line
13. Limiting conductor rating
14. Ampacity of circuit at POI
15. Known interconnection constraints on the circuit/line section at issue
16. Utility staff time (hours) required for interconnection studies
17. Notes for any additional items

Explanations

1 is designed to give policymakers and stakeholders more information about the interconnection process for each project

2 is designed to give more transparency into project development and grid implications

3 is designed to give more insight into the particular technologies being developed

4 is designed to give more insight into grid reliability issues and peak supplies

5 is designed to give more transparency into project development and grid implications

6-7 are designed to update the proposed COD information that is already supplied but is very often changed

8 is designed to track cost data as it is provided to applicants

9 is designed to true up estimates with actual costs

10 is designed to allow comparisons of distance to substation with costs of interconnection

11 is designed to allow comparisons between penetration level and cost of interconnection

12 is designed to allow comparisons between feeder/branch and cost of interconnection

13. is designed to allow comparisons between conductor rating and cost of interconnection

14 is designed to allow fine-tuning with respect to expedited interconnection by learning more about ampacity and cost of interconnection

15 is designed to allow stakeholders to know about constraints on the circuit/line section

16 is designed to allow comparisons between actual utility costs of studies and the deposit amounts

17 is a catchall

In addition, parties had previously suggested value identifying whether a project was located in a “preferred” interconnection zone, as identified by utility interconnection maps or other defined criteria. This would aide in accessing the impact or of such preferred citing used by each utility.

Commercial-size NEM comparison to wholesale interconnection

Because NEM interconnection procedures have been very successful, comparison between commercial NEM and non-NEM applications of comparably sized (>50 kW) may be very useful, and will involve only a very small subset of NEM projects.

Again, the Clean Coalition strongly supports the Commission's efforts to collect and make available information necessary to effectively monitor, evaluate, and further improve the efficiency and predictability of the interconnection process in California, and the cooperation of all parties in determining which information is reasonable and appropriate in achieving these goals.