

Interconnection Discussion Forum Comments/Proposal - Clean Coalition

email response 12.24.2019

In order to provide resilience in a timely manner, or simply to increase the amount of renewable energy projects being developed throughout the IOU service territory, it is necessary to streamline interconnection as much as possible. The two primary contributors to lengthy utility review of interconnection applications are 1. manual processing where automation has not yet been applied, and 2. the need to determine unique and individual cost allocation for each project. Likewise, these are the two areas of greatest opportunity for streamlining, especially as soon as PG&E finally properly implements its ICA after the debacle of their rollout earlier this year.

NEM projects have served as a potent example of the value of simplifying the fee structure for standard designs and of leveraging automation, and these two factors are key to realizing comparable efficiencies in the large majority of other interconnections.

As you are well aware from the Rule 21 working groups and proposals, the intention is to highly leverage the value of ICA pre-study of every node and section of the grid as a central part of the interconnection review process - some aspects are pending CPUC adoption of tariff revisions, but others can be directly implemented through utility business practice reform. Likewise, the development of unit cost guides and the tracking and reporting of interconnection costs provides a strong foundation for the use of standard fees for each defined class or category of interconnection and avoiding the current highly contentious and uncertain custom pricing process for facilities for each and every project (with the exception of those benefiting from NEM standardization).

The Clean Coalition advocates for up-front standard fees, using publicly available resources to inform developer decisions, and short turn-around times following interconnection requests, especially for projects under 1 MW. I have attached two documents that outline proposals to streamline the interconnection of Wholesale Distributed Generation projects.

The first attachment is a Clean Coalition WDG Interconnection Pilot sponsored by the CEC and designed in coordination with PG&E for the Peninsula Advanced Energy Community (PAEC). The Pilot contains the essential policy mechanisms necessary to streamline projects up to 1 MW and beyond. It proposes two phases, originally planned for implementation from 2018 - 2020, but delayed due to PG&E's problems with the ICA implementation.

The Clean Coalition also has direct experience with problems in the PG&E process, including the separate CEC funded Valencia Gardens Energy Storage project, a front of the meter project in a disadvantaged community in the heart of San Francisco. There have been multiple surprises in the interconnection of that project (i.e. increasing costs despite the fact that the project is explicitly intended to demonstrate the use of batteries to increase local hosting capacity), and the

Clean Coalition is currently working on an interconnection case study that should be ready in the next month that will illuminate the challenges we have faced.

The second attachment is the Interconnection Roadmap for Automation that Sahm White of the Clean Coalition and Tam Hunt of the Green Power Institute presented and included in the Rule 21 working group and final report.

With regards to the presentations made last Monday (12/16), streamlining interconnection must mean shortening waiting times by as much as possible; eight to twenty four months is far too long, since the longer the waiting time, the less effective DER can be in meeting local customer needs and the more expensive a project becomes for a developer (and the more likely it is to be not cost-effective). While the pilot projects on streamlining BTM non-exporting storage seemed like a good idea when agreed to in back 2016, there was concern that we were aiming too low. 3.5 years later these concerns have been borne out — taking this long just to get results from a very limited pilot on what should have been the most simple of interconnections is not a path to success and completely misses the urgency of creating a streamlined system, similar to that used for NEM projects.

The Clean Coalition supports the proposal by CESA to enable action before a PSPS event that would allow DER to be safely connected as an islanded source of backup power. Since the DER would not be used with the grid, there is no need for the same level of interconnection review. Focusing on preferred DER resources would inevitably lower the amount of fossil fuel generators currently being stockpiled — the antithesis of the clean energy future California is striving to achieve. In both the short and the long term, adding local DER is the first step towards creating resilient Community Microgrids, which are the best way to keep power over a large area experiencing a PSPS, such as the city of Calistoga.

The Clean Coalition also supports the proposal by Tesla to create standard diagrams for NEM projects. The Clean Coalition believes this should idea be extended to any project, regardless of whether it lies behind and in front of the meter, allowing developers to understand that the interconnection process will be expedited should they use one of the pre-approved designs.