

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider
Streamlining Interconnection of Distributed Energy
Resources and Improvements to Rule 21.

Rulemaking 17-07-007

**CLEAN COALITION REPLY COMMENTS ON DECISION ADOPTING
RECOMMENDATIONS FROM WORKING GROUPS TWO, THREE, AND
SUBGROUP**

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September 14, 2020

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I. INTRODUCTION

Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”) the Clean Coalition submits these reply comments in response to the Proposed Decision Adopting Recommendations from Working Group Two, Three, and Subgroup. The Proposed Decision (“PD”) is the compilation of years of work from each of these working groups and should be implemented in as prudent and timely of a manner as is possible. Given the comments by the three IOUs that appear to be almost unanimous in some regards, it appears clear that the utilities are requesting six months for the implementation of certain aspects of the PD and nine months for other changes, namely changing the screening process. The Clean Coalition is of the opinion that the Commission should use its power to encourage the utilities to hasten the process of carrying out amendments to the interconnection process wherever possible and file Advice Letters if there is a need for more time. For this reason, the Clean Coalition is in support of the modifications CALSSA suggests to Issue 22, with the inclusion of quarterly reports by the IOUs, as well as the Tesla suggestion of each utility reporting costs and fees associated with processing non-NEM projects within 30 days (if the Commission does not choose to implement Tesla’s main suggestion).

Two important purposes of streamlining interconnection are removing the uncertainty in the interconnection process, with the addition of up-front, standard fees, and cutting down the overall time from when a project begins an application to the date when a final decision is made. The Clean Coalition is in alignment with most parties making opening comments that this PD would effectively streamline the process with regards to both goals listed above, especially with the inclusion of the party modifications listed below.

- As mentioned by Tesla and CALSSA, the Commission should clarify that through Proposal 8a, any project is eligible for Fast Track status regardless of available

hosting capacity.

- The standard interconnection application fee should be reduced from \$800 to align with the fees for NEM projects. Current fees discriminate against standalone storage projects, which makes it more difficult for project developers, especially those developing small systems.
- The Clean Coalition wishes to reiterate that it is essential that the utilities provide a single representative as a point of contact during the interconnection process to reduce the uncertainty facing project developers, especially as a project bounces from department to department in the application process over the span of many weeks.

II. DESCRIPTION OF PARTY

The Clean Coalition is a nonprofit organization whose mission is to accelerate the transition to renewable energy and a modern grid through technical, policy, and project development expertise. The Clean Coalition drives policy innovation to remove barriers to procurement and interconnection of distributed energy resources (“DER”) — such as local renewables, demand response, and energy storage — and we establish market mechanisms that realize the full potential of integrating these solutions for optimized economic, environmental, and resilience benefits. The Clean Coalition also collaborates with utilities, municipalities, property owners, and other stakeholders to create near-term deployment opportunities that prove the technical and financial viability of local renewables and other DER.

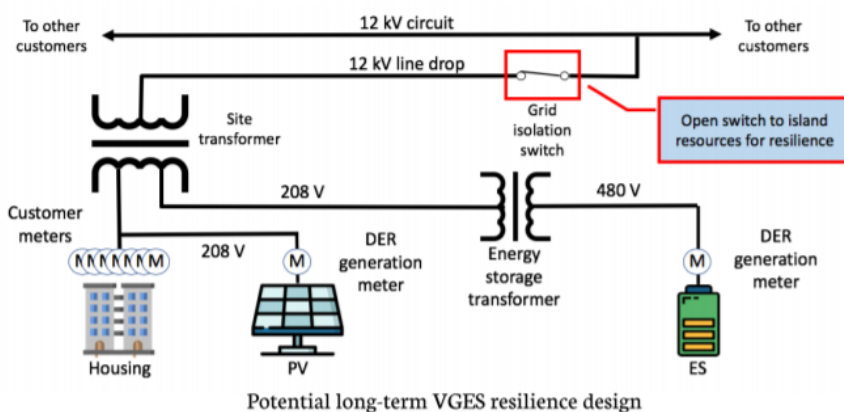
III. COMMENTS

- a. The Commission should clarify that through Proposal 8a, any project is eligible for Fast Track status regardless of available hosting capacity.**

In opening comments, the Clean Coalition openly supported Proposal 8a as an important step towards making the application process more efficient for most projects, especially those over 30kVA. Party comments were equally supportive but made the important distinction that the removal of the eligibility limit should apply regardless of the available hosting capacity. While Tesla simply requested that the Commission “clarify and affirms,”¹ the proper language, CALSSA went as far as to call the extra language, “superfluous,” and deemed a change

¹ Tesla Opening Comments at 2

necessary, “to avoid confusion.”² The Clean Coalition concurs with both parties that truly removing the size limit for eligibility for the fast track process requires removal of the conflicting phrasing, or else risking the adoption of a proposal that is sound in name, but toothless in terms of practicality. The Clean Coalition submits as an example, the Valencia Gardens Energy Storage (VGES) project, a partnership with the CEC and PG&E.³



The project is a Front of the Meter energy storage project located in the middle of downtown San Francisco on a congested feeder. While the feeder only had 35 kW of hosting capacity available, part of the purpose of the energy storage system is to increase the total hosting capacity of the feeder, providing a public benefit to the ratepayers. Thus, in the ideal world, the VGES interconnection application would be able to utilize the Fast Track process, reducing the amount of time before the energy storage system could be deployed.

b. The standard interconnection application fee should be reduced from \$800 to align with the fees for NEM projects.

The Clean Coalition strongly supports suggestions by Tesla and CALSSA to reduce the \$800 interconnection fee to more closely align with fees charged to NEM projects. In opening comments, the Clean Coalition made its support clear for Proposal 8s, which would reduce the application fee to \$300 for certain categories of projects. Party comments demonstrate that both Tesla and CALSSA are in favor of Proposal 8s, or something like it. CALSSA notes that, “if it is not paired with solar, the fee jumps from less than \$150 to \$800, even if it is a small, standardized system.”⁴ That increase targets storage projects like VGES, the exact type of

² CALSSA Opening Comments at 1

³ <https://clean-coalition.org/community-microgrids/valencia-gardens-energy-storage-project/>

⁴ Ibid, at 4

projects California desperately needs to promote a resilient grid in the face of wildfires and other natural disasters. Proposal 8s gives the Commission a regulatory opportunity to promote the development of energy storage projects, which might otherwise not be as diverse as they could be.

c. It is essential that the utilities provide a single representative as a point of contact during the interconnection process to reduce the uncertainty facing project developers

The Clean Coalition concurs with CALSSA that the utilities have an obligation to provide a single representative to communicate with the developer responsible for submitting an interconnection application. As CALSSA is keen to point out, Rule 21 states, “Distribution Provider will establish an individual representative as the single point of contact for Applicant, but may allocate responsibilities among its staff to best coordinate the Interconnection of an Applicant’s Generating Facility.”⁵ It is understandable that an application cannot be fully verified by one person at a utility but that makes it all the more reasonable that Issue 10, Proposal 1, should be adopted by the Commission at this time. It is an effective allocation of resources to ensure that the administration of an interconnection application and the subsequent agreement falls to one individual that knows the applicant and the specifics of a case. It also allows an applicant to wade through the massive bureaucracy that is an IOU, which ensures that a question will be answered accurately and in a timely fashion, increasing the chances an application will be approved. The Clean Coalition stands firmly with CALSSA on the subject and urges the Commission to adopt the proposal.

IV. CONCLUSION

The Clean Coalition appreciates the opportunity to submit these reply comments in response to the Proposed Decision. We urge the Commission to adopt the aforementioned proposals, to the benefit of both the ratepayers and the IOUs. The more effectively a utility can process an interconnection application and communicate with developers, the less time and money all sides need to spend on the process. The Commission should seek to adopt the proposals that best reduce the uncertainty caused by variable fees and ever-changing timelines; the three issues

⁵ Ibid, at 6

listed above are essential additions to the proposals already marked for approval in the PD.

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