



9 February 2024

California Energy
Commission
715 P Street, Sacramento,
CA 9581
Via Electronic Filing

CEC Docket 23-IEPR-01: Clean Coalition Comments on Proposed 2023 IEPR

Dear Chair Hochschild, Vice Chair Gunda, California Energy Commission Commissioners, and Staff,

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 unparalleled benefits of local renewables and other DER.

The California Energy Commission (“CEC”) has done an impressive job incorporating portions of the feedback that the Clean Coalition submitted in comments on the draft IEPR and in response to workshops on interconnection on May 4th and 9th. References to the need for greater data transparency, utilizing automation, and enabling third party interconnection upgrades/studies represent solutions that can be implemented in the near future. On the contrary, when it comes to the massive queue of applicants seeking interconnection via the ISO tariff, all indications point to a continued growth in the size of cluster studies. Changing the process through which projects are interconnected to the transmission grid is a far more significant undertaking which will likely require years before a solution is fully implemented. Therefore, we recommend that as systematic reforms to the ISO tariff interconnection take place, the most effective use of the 2023 IEPR is to provide more detailed recommendations for incremental reforms that can improve the existing distribution interconnection processes (e.g., Rule 21 and the Wholesale Distribution Access Tariff (“WDAT”)).

Streamlining interconnection via improvements to the WDAT, a resource category the Clean Coalition refers to as Wholesale Distributed Generation (“WDG”) or community renewables, will drastically improve the amount of renewable capacity sited close to the loads being served, which is the most efficient and cost-effective way to procure new renewable energy when considering the cost of the resource and the infrastructure required to deliver the energy to end-users.

We recommend that the CEC include the following recommendations in the final IEPR:

- The utilities should strive to implement lessons learned from CPUC proceedings streamlining Rule 21 interconnection to the WDAT interconnection process.

- DER interconnection should include a screen to determine whether a resource might have the potential to defer an otherwise required grid upgrade if sized or operated in a particular fashion.
- The utilities should work with stakeholders and the California Public Utilities Commission (“CPUC”) to develop additional single line diagrams in order to reduce the amount of time utility engineers need to spend evaluating a project.
- Increased granularity of ICA data is important, but what is essential is having actionable data (e.g., the ability to use ICA data in the interconnection process). Getting the ICA data to an actionable level should be the goal.
- Implement the Clean Coalition’s Fixed Fee, Utility Pays (“FixUP”) proposal for eligible WDAT projects. FixUP will significantly streamline the interconnection process and reduce costs. Key facets of the proposal include:
 - FixUP will allow front-of-meter (FOM) projects to determine whether they qualify for Fixed Fee interconnection based on publicly accessible eligibility criteria. The Fixed Fee is estimated at \$10,000.
 - All FOM projects that are 1 MW or smaller will avoid the bureaucratically complex process of having to pay for grid upgrades and then legally deed those upgrades to the utility, as well as avoiding the need for an escrow account, which eliminates further complexities and costs.
 - For FOM projects that are 1 MW or smaller and that do not meet all other Fixed Fee eligibility criteria, the utility will still directly pay for any interconnection costs to streamline the interconnection process for these small FOM projects and then recover those costs based on standardized unit costs guides, which each utility publishes annually.
- A cost sharing system that spreads out the cost for distribution upgrades on future applicants rather than requiring a single applicant to shoulder the entire cost will result in a more equitable deployment of DER.
- DER in the footprint of a Community Microgrid should be studied for interconnection in tandem, with all required utility personnel working together rather than in departmental silos.
- Interconnection application information should be far more readily available to help developers design projects to better meet interconnection requirements. Information should be redacted based on developer request; opt-out from information redaction by default, opt-in by choice.
- Third parties should be able to construct grid upgrades or complete the detailed study process, if pre-approved to complete such actions by the utility.
- The deliverability process can inhibit resource deployment, especially because projects applying Rule 21 can only request “energy only” status. The only alternative is to use WDAT and use the years-long CAISO process. Creating a process for DER will streamline the process of adding new dispatchable capacity to the grid.
- Increased utility data collection is necessary to determine whether additional reforms are needed. Currently there is very little understanding of the exact reason that applicants exit the interconnection queue, which limits the ability for precise reforms.

Conclusion

The Clean Coalition appreciates the opportunity to submit these comments in response to the proposed 2023 IEPR. We urge the CEC to include a greater number of detailed recommendations in regard to streamlining distribution-level interconnection.



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