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Docket Number:	23-IEPR-04
Project Title:	Accelerating Bulk Grid Connection
TN #:	250290
Document Title:	American Clean Power – California Comments on the Commissioner Workshop on the Clean Energy Interconnection - Bulk Grid
Description:	N/A
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Submitter Role:	Applicant Representative
Submission Date:	5/23/2023 4:14:30 PM
Docketed Date:	5/23/2023



May 23, 2023

California Energy Commission
Docket Unit, MS-4
Docket No. 23-IEPR-04
715 P Street
Sacramento, California 95814

Submitted Electronically

Re: American Clean Power – California: Comments on the Commissioner Workshop on the Clean Energy Interconnection – Bulk Grid (23-IEPR-04)

American Clean Power – California (“ACP-California”)¹ appreciates this opportunity to provide the following comments for consideration by the California Energy Commission (“CEC”) on the May 4, 2023, Commissioner Workshop on the Clean Energy Interconnection – Bulk Grid (“the Workshop”).

We commend the CEC for developing this thorough and public process to evaluate policy solutions to expedite the interconnection of new utility-scale clean energy. As noted in many of the presentations, long-planned transmission developments continue to suffer delays and reprioritization. Transmission planning, approval, and project completion rates are failing to meet the pressing need to expand the reach of the electric grid. For example, as Center for Energy Efficiency and Renewable Technologies (“CEERT”) / GridLab’s presentation highlighted, the current Integrated Resource Planning (“IRP”) resource portfolio calls for an additional 80 GW of clean energy resources to be online by 2035.² While the California Independent System Operator (“CAISO”) cluster 14 and 15 interconnection requests have reached an unprecedented number to meet the demand for new clean energy resources, the pace

¹ The American Clean Power Association (“ACP”) is the national voice of companies from across the clean power sector that are providing cost-effective solutions to the climate crisis while creating jobs, spurring massive investment in the American economy, and driving high-tech innovation across the United States. ACP’s mission is to transform the U.S. power grid to a low-cost, reliable, and renewable power system. ACP-California is a state project of ACP, representing companies who develop, own, and operate utility-scale solar, storage, land-based wind, offshore wind, and transmission assets to power a clean and renewable economy for California and the West.

² CEERT / GridLab’s Presentation on Accelerating Clean Energy to the Grid, presented by Ed Smeloff on May 4, 2023, page 2.

of studying and building these interconnection facilities and network upgrades are dependent on overburdened permitting and network upgrade processes.

This situation underscores the long-term nature of transmission planning, which the state must improve to get on track to develop at the pace and scale identified in the last Senate Bill (“SB”) 100 report. To remedy these shortcomings in transmission planning timelines, the state should build on existing policy designs and utilize the programs in place by focusing on burdens within the existing permitting process and planning to a 15-to-20-year horizon. Incentivizing the development of and focusing on a process to address the need for long-term transmission investments will better position California to meet its climate commitments in the energy sector.

Response to Workshop Presentations

CAISO Zonal Planning Presentation: The CAISO notes that the 2022-2023 Transmission Plan addresses California’s escalating load forecasts and resource needs while laying the foundation for additional resource development.³ While ACP-California supports the use of a zonal planning approach within the interconnection process enhancement initiative, CAISO must remain mindful of the risks of delays due to open access related-challenges at the Federal Energy Regulatory Commission (“FERC”).⁴ FERC Order 1000 affords the state wide latitude (including both the California Public Utilities Commission [“CPUC”] and the CEC) in communicating matters of state policy for consideration in the Transmission Planning Process (“TPP”). ACP-California accordingly recommends that CAISO evaluate zonal and policy-based prioritization in the TPP.

Human Resource Constraints: PG&E notes that constrained resources and supply chain issues have created delays to bringing resources online and that this is an “industry-wide concern.”⁵ While there is certainly a need for more transmission engineers industry-wide, the utilities face distinct challenges given their staffing relative to the demand for new network upgrade work. This issue is unique to the investor-owned utilities (“IOUs”) in part because, except for a few limited exceptions, they are the only entity that is allowed to build network upgrades. So while we agree that, as PG&E mentioned, staff increases can help accelerate the

³ CAISO Presentation on Transmission Planning, May 4, 2023, presented by Jeff Billington, page 2.

⁴ See ACP-California’s Interconnection Process Enhancements 2023 Comments, Attachment 1 to these comments.

⁵ PG&E Presentation on Bulk Grid Connection, May 4, 2023, presented by Marco Rios, page 3.

pace at which transmission upgrades are developed, there are also process improvements (e.g., non-incumbent transmission development) that can also help resolve network upgrade delays. In many cases, interconnection customers and non-incumbent transmission developers are better positioned to develop network upgrades on time and at a lower cost than incumbent transmission owners.

Solar Energy Industries Association (“SEIA”) echoes the concern that there is a shortage of staffing and resources to address interconnection as well as a lack of transparency relating to project status.⁶ ACP-California agrees that increased transparency on the timeline and status of upgrades can help address the continued delays in project status.⁷ SEIA also recommends that the CEC use the Integrated Energy Policy Report (“IEPR”) to discuss an incentive/penalty on the return on equity that rewards participating transmission owners for completing projects on time and penalizes them for missing deadlines.⁸ We support this consideration in the 2023 IEPR.

ACP-California’s Recommendation IEPR Bulk Transmission Recommendations

1. The CEC, CPUC and CAISO Should Develop a Transmission Implementation Plan and Development Rubric to Provide Transparency and Mitigate Future Delays.

In order to better analyze upgrades resulting from the TPP, ACP-California suggests that the large IOUs develop an implementation plan with an associated rubric derived from the Transmission Plan Review process recently adopted by CPUC Resolution E-5252. The goal of the rubric would be for IOUs to provide a clear and easily-tracked progress chart that would also create a level of accountability and transparency as applied to the TPP. The rubric should classify the different reasons for delays a transmission owner (“TO”) might provide – for example, whether the TOs have sufficient financial and human capital to execute on the upgrades on time, when long lead-time purchases for each project need to be made, and other common rationales for delays. The rubric should then compare how each TO can route, design, and scope each network upgrade and provide an expected timeline. Ultimately the TOs should work backward from the identified online dates in the TPP and outline a step-by-step plan for how they will reach that deadline given the scoping time and the rubrics above. The rubrics should

⁶ SEIA Presentation on the Bulk Interconnection System, presented by Rick Umoff, page 4.

⁷ *Id.*, page 5.

⁸ *Id.*, page 5.

also analyze the CEC's and CPUC's ability to begin as much proactive and programmatic siting as possible while working with the TOs, and where, if at all, the TOs can help expedite that process. If possible, the utilities should accelerate the timelines provided in the TPP especially in areas where this would take less effort. To the extent there are limitations and tradeoffs, the process should identify clear criteria for which projects must be prioritized. This rubric would help the agencies and project developers incorporate realistic timelines for network upgrade development and provide more certainty for projects executing Power Purchase Agreements.

2. The CEC Should Supplement the CPUC's inputs and assumptions for the TPP with the CEC's SB 100 Busbar Mapping Results for Policy-Driven Upgrades (15-20 year horizon).

The CEC, CPUC and CAISO should work in concert to incorporate long-term transmission planning in their processes, specifically through load forecasting, the IRP, and the new SB 100 land-use screen and busbar mapping process. The CAISO should implement a 15- and 20-year outlook across transmission planning through updates to the modeling horizon in the Transmission Planning Process, starting with the 2024-25 TPP. Similarly, the CEC should provide clear indications of long-term state policy needs through portfolios and busbar mapping data to the CAISO at the end of 2023. An extended 15-to-20-year outlook will naturally lead to increased transparency on the status of transmission projects as well as the near and medium-term effects on available deliverability of new incremental capacity. This will help address delays and facilitate more timely completion of network upgrades.

CEERT notes that the CPUC and CEC should continuously update busbar mapping based on interconnection applications.⁹ The interconnection application process should not inform busbar mapping until it is clear that projects are moving forward to finance new upgrades. The CEC should not over-rely on interconnections that have simply been submitted. The CAISO network upgrade process already contains a series of steps to ensure that interconnection customers are fully vested in their requests by requiring security deposits, proof of site exclusivity, etc. before the projects move forward to approval. We believe the busbar mapping process has more value in identifying new projects that are not otherwise studied and prioritized in the interconnection process. The CEC should use its busbar mapping process to align the

⁹ CEERT / GridLab's Presentation on Accelerating Clean Energy to the Grid, page 9.

long-term, California-wide SB 100 focus into discrete inputs in the TPP each year. The focus should be on projects that may not be reflected in the interconnection process. By contrast, updating busbar mapping based on interconnection applications would take a premature assessment of projects that may already be captured in the CPUC's busbar mapping process. However, the CPUC has yet to provide busbar results that project more than 12 years out. Taking a longer look out and modeling 15 to 20 years into the future to supplement the CPUC's existing process while validating the results against active generation interconnection projects that continue to meet financial security posting deadlines would provide a more stabilized mapping process that balances both the 10-year planning horizon and the longer-term needs of SB 100.

Conclusion

ACP-California appreciates the opportunity to provide these comments on the Workshop. ACP-California encourages the CEC, CPUC and CAISO to continue to expand and refine their coordinated efforts to expedite the transmission planning, approvals, and on-time delivery that California needs to support a clean, affordable and reliable electric grid.

Sincerely,

/s/

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Attachment 1:

**ACP-California's Comments to the CAISO on the
Interconnection Process Enhancements 2023 Initiative**



Submit comment on Final proposal and draft Tariff language

Initiative: Interconnection process enhancements 2023

1. Please share your organization's overall position on the final proposal:

ACP-California appreciates CAISO's efforts to address Cluster 15, given the present unsustainable situation with the interconnection queue. While the delay in Cluster 15 is not an ideal situation for any party, we understand the need to adjust the schedule for processing and studying Cluster 15 interconnection requests. And, as a general matter, ACP-California agrees that the ISO cluster study process is in need of significant reform to support the accelerated pace of resource development and we look forward to continued engagement with the CAISO on Track 2 reforms. We urge CAISO to review the proposal that ACP-California put forward in comments on the Straw Proposal (comments located [here](#)). Specifically, in response to question #7, ACP-California outlined a process for Track 2 which we believe could achieve the goals CAISO has identified for reforming the interconnection process while still maintaining some flexibility in procurement and interconnection requests.

With respect to the Final Proposal for Track 1 of IPE 2023, ACP-California looks forward to the provision of additional details on the potential paths and treatment for TransWest going forward. In the proposal, CAISO recognizes that TransWest Express is in a unique circumstance where it is being studied through transmission planning processes and offers that it would "*explore addressing TransWest Express's transition from a transmission planning process project as needed, but without a separate GIDAP process at this time*". It is our understanding that CAISO is not proposing a separate study process at this time, and that any proposal that might come forward would come through a future stakeholder initiative. We would appreciate CAISO's clarification of the potential approach for considering TransWest Express.

In addition, ACP-California urges CAISO to ensure that Track 2 moves forward as expeditiously as possible, such that modifications are in place when the Cluster 15 studies resume and the future reforms can be applied to the Cluster 15 applications that have already been submitted. Given that Cluster 15 is comprised of an extremely large number of interconnection requests, it will be extremely important that the reforms enacted in Track 2 can be applied to manage the anticipated volume of applications in Cluster 15.

ACP-California thanks CAISO for their work on this initiative, and supports the continued, proactive management of the interconnection queue to help bring resources online in a timely manner.

2. Please provide a summary of your organization's comments on the draft Tariff language.

On the draft Tariff language, ACP-California suggests providing some flexibility in the opening of Cluster 16 (addressed in Section 17.1.e). While CAISO may not currently believe that it will be feasible or necessary to open the Cluster 16 window in 2024, it should provide a path forward to

opening that window in the event it is deemed necessary and appropriate. It is important to provide this option within the tariff language, as no one currently knows where the IPE 2023 Track 2 reforms will land and there is a possibility that unforeseen circumstances may result in the need to open the Cluster 16 window in 2024. Therefore, we suggest the following language for section 17.1.e:

The CAISO will not open the Queue Cluster 16 Cluster Application Window in 2024, unless it determines doing so is feasible, in which case CAISO will provide at least 60 days' notice prior to the opening of Cluster 16.