

# SDG&E 2014 All Source RFO

Questions & Answers / FAQs

## Interconnection Related Questions

**1. Will a project interconnecting at the East County Substation (ECO Sub) be considered within the San Diego Local Subarea for purposes of this All Source RFO?**

No. See the CAISO "Local Capacity Technical Analysis" for 2015 available at: [http://www.caiso.com/Documents/Final2015LocalCapacityTechnicalStudyReportApr30\\_2014.pdf](http://www.caiso.com/Documents/Final2015LocalCapacityTechnicalStudyReportApr30_2014.pdf). To summarize, projects that interconnect within SDG&E's service territory connecting to SDG&E owned transmission or distribution facilities at a point that is at or electrically west of the Miguel or Suncrest substations and electrically south of the San Onofre Nuclear Generating Station 230 kV switchyard bidding as fully deliverable will be considered as being within the San Diego Local Subarea. Projects connecting at the Miguel or Suncrest substations are considered to be Local Area Projects for these purposes.

**2. Who is responsible for payments of interconnection costs and application fees?**

The Respondent/Project is responsible for interconnection application fees. Non-reimbursable interconnection costs are paid by the Respondent/Project and should be included in the offer price. Reimbursable network upgrade costs that benefit the CAISO grid broadly and are ultimately borne by ratepayers will be considered in the economic evaluation of the offer and should not be included in the offer price.

**3. What does Full Capacity Deliverability Status (FCDS) mean?**

According to the CAISO Tariff, the FCDS definition is "Full Capacity Deliverability Status entitles a Generating Facility to a Net Qualifying Capacity amount that could be as large as its Qualifying Capacity and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO." This means that a project is able to fully deliver all of its rated output on to the transmission system and that the project is eligible to offer and provide resource adequacy. Very often, FCDS requires incremental deliverability network upgrades.

**4. Do Respondents have to obtain an interconnection study before submitting a bid?**

This depends on the type of resource being offered. Please refer to the RFO documents for each specific resource type.

**5. Do projects have to obtain a deliverability study in order to be eligible for this solicitation?**

SDG&E intends that proposed projects count towards SDG&E's RA obligations. In order to become RA eligible, a new project must apply for a deliverability study to be conducted by the CAISO. Respondents with winning offers must demonstrate that: (1) the project has been assessed for deliverability, (2) an assessment is underway, or (3) the Respondent will request a deliverability assessment through the next available CAISO cluster window. This condition must be met for winning offers that will interconnect at either the distribution or transmission level. For winning bids that result in an executed and approved agreement, during the project development process, the project is required to obtain final

interconnection studies (i.e. for transmission level projects, a final Phase II interconnection study report, or for distribution level projects, a final interconnection facilities study report (or equivalent)).

For more information:

SDG&E Interconnection Website: <http://www.sdge.com/business/interconnection.shtml>

- Download and review SDG&E Interconnection Handbook,
- Links to CASIO interconnection queue, tariffs and websites,
- Links to SDG&E interconnection queue, tariffs and websites,
- Link to NERC/WECC Reliability Standards,
- Links to Process Summaries,
- Link to SDG&E Self Generation Technologies site.

CAISO Generation Interconnection Process Contact:

- Project Manager: Judy Brown (916) 608-7062,
- [\*\*JBrown@caiso.com\*\*](mailto:JBrown@caiso.com)

SDG&E Contact:

- Transmission level - Gen. Interconnection Project Manager: Marlene Mishler (858) 654-8640; [\*\*MMishler@semprautilities.com\*\*](mailto:MMishler@semprautilities.com)
- Distribution level - Customer Generation Manager: Ken Parks (858) 636-5581; [\*\*KParks@semprautilities.com\*\*](mailto:KParks@semprautilities.com)

**6. A) Will SDG&E accept bids that don't have deliverability status yet but commit to getting it?**

**B) And/or will SDG&E accept bids from facilities that are partially deliverable?**

A) Yes, SDG&E will accept bids that don't have deliverability status yet but commit to getting it. Deliverability study results are not necessary at the time of the bid solicitation, but FCDS is required at the time of commercial operation. Note that Renewable resources are required to provide a Phase 2 study, which typically includes deliverability study results.

B) Pursuant to the LTPP Track 4 decision, SDG&E is only authorized to accept fully deliverable resources (FCDS status). If a developer's project is partially deliverable, SDG&E would only take the portion of the project that is considered fully deliverable.

**7. If a project has an interconnection and is pursuing a deliverability study, would SDG&E consider it?**

Yes. See response to Question 1 (A) above.

**8. Will preference be given for projects with deliverability, i.e. have deliverability study results?**

Yes, this is an indication of improved project viability.

**9. Does CHP require the CAISO deliverability process, and if so when does it need to be completed? What if it is behind the customer's meter?**

At the time of bid submission, a CHP project must submit its Phase I Study if it is connecting to the transmission system (whether it is connecting directly or is behind the meter and selling excess).

**10. Please elaborate on participation criteria 4-7, is SDG&E saying that the project will not be eligible unless it was entered into the CAISO cluster queue?**

The transmission interconnection eligibility requirements vary by technology, in order to bid: (a) renewable projects must have a completed Phase II study, (b) CHP projects must have a completed Phase I study, (c) conventional projects must have a completed Phase I study, (d) ES projects must indicate their interconnection study process status and include an estimate of reimbursable system upgrade costs, (e) DG projects must provide copies of completed studies or evidence of the application or an explanation of interconnection status, and (f) EE and DR projects are not required to provide interconnection information.

**11. It appears that a Phase I study is required for a conventional project greater than 20 MW. If this is true, then the project would have already had to submit its interconnection request to the CAISO, is that correct?**

Yes. If the project is interconnecting at the transmission level, the interconnection process is through the CAISO. CAISO Phase I interconnection studies begin July 1st of each year with completed and final Phase I study results issued by year end.

**12. Do you need interconnection information for DG, ES, and CHP behind the meter?**

All excess electricity deliveries for sale to SDG&E under this RFO must have interconnection agreements. If the facility connects behind the meter at the distribution level, it must go through the Rule 21 or WDAT process at the level required for the particular resource type. If it connects behind the meter at the transmission level, it must go through the CAISO process at the level required for the particular resource type.

**13. Who performs the FCDS study, and how does it relate to the Fast Track process?**

The CAISO performs the FCDS study to determine costs to ensure that a project is deliverable. The Fast Track process determines the costs for a project to interconnect to the grid. SDG&E has a Fast Track process for distribution level interconnections and the CAISO has a Fast Track process for transmission level interconnections.

**14. Is there a motion to increase the threshold size for participation in the WDAT Fast Track Process?**

FERC has proposed to increase the threshold size for participation in the WDAT Fast Track Process: <http://www.ferc.gov/whats-new/comm-meet/2013/011713/E-1.pdf>. However, under the current Fast Track Process, the current limit for WDAT is 2 MW, and the current limit for Rule 21 is 1.5 MW.

**15. For smaller projects, is there a Fast Track CAISO process for the deliverability study?**

No. For any proposed interconnection of a new Generating Facility with a Generating Facility Capacity of 20 MW or less wherein the Interconnection Customer desires the CAISO to perform a Deliverability Assessment, the Interconnection Customer shall submit an Interconnection Request to the CAISO under the Generator Interconnection Procedures.

**16. Are the Rule 21 and WDAT studies done at the same time, or one before the other, or is it one or the other?**

A project may seek an interconnection study through either the Rule 21 process or the WDAT process, not both.

**17. What is the relationship between Rule 21, WDAT, and GIDAP?**

A Rule 21 application is a request for the interconnection of a Generating Facility to SDG&E's Distribution System, over which the California Public Utilities Commission (CPUC) has jurisdiction.

A WDAT application is a request for the interconnection of a Generating Facility to SDG&E's Distribution System, over which the Federal Energy Regulatory Commission (FERC) has jurisdiction.

GIDAP is the CAISO's Generator Interconnection and Deliverability Allocation Procedures. As these relate to SDG&E's system:

Transmission System – Projects connecting at 69kV and above

- CAISO Generator Interconnection and Deliverability Allocation Procedures (GIDAP)
  - Large Projects greater than 20MW (2 studies)
  - Small Projects Less than or equal to 20MW (2 studies)

Distribution System – Projects connecting at 12.47kV and below

- WDAT
  - As of May 6, WDAT utilizes a GIP for both large and small generators
  - Large Projects greater than 20MW
  - Small Projects less than or equal to 20MW and greater than 1.5MW
- SDG&E Rule 21

**18. If a bidder wanted to go through the fast track process, would they have to pay the entire fee to go through the CAISO deliverability process?**

The Fast Track and CAISO deliverability processes are separate. A project would have to prove that it will not impact the grid to be eligible for Fast Track. Section 5 of the GIDAP Appendix DD specifies the requirements for Fast Track in detail.

[http://www.caiso.com/Documents/AppendixDD\\_GeneratorInterconnectionAndDeliverabilityAllocationProcess\\_Aug1\\_2014.pdf](http://www.caiso.com/Documents/AppendixDD_GeneratorInterconnectionAndDeliverabilityAllocationProcess_Aug1_2014.pdf)

**19. Would a generator behind the meter with all energy used by the customer need a study, and if so would it qualify for the Fast Track process?**

Behind the meter generation interconnections are governed by SDG&E's electric rule 21. So, given that there is no electricity export to the grid as described in this question, here are some important points: first, any generator operating in parallel with SDG&E requires an interconnection study/review; second, pursuant to Section 2. b. i) of rule 21 (paraphrase): non-exporting....generating facilities...are eligible for fast track evaluation regardless of gross nameplate rating...." In short, yes, a generator behind the customer meter with no exports would be eligible for fast track treatment.

**20. Will a project interconnecting and delivering power to Boulevard or Eco substations qualify as LCR?**

No, the project would not qualify. The two substations Boulevard East and ECO are outside the San Diego Local subarea.

**21. The current Local Capacity Requirement RFO specifically states that in order to qualify, a project must interconnect to the West of the Miguel or Suncrest substations, however we believe that we would be able to submit a very competitive offer for incremental solar and wind capacity from the Imperial Valley and ECO substations, respectively. Is there a process for formally requesting a change to the RFO interconnection requirements that could allow us to submit a bid from either of these locations? If so, what is that process or who can we contact to advance this discussion?**

The CAISO, via its Local Capacity Technical Analysis defines the local capacity areas (please see [http://www.caiso.com/Documents/Final2015LocalCapacityTechnicalStudyReportApr30\\_2014.pdf](http://www.caiso.com/Documents/Final2015LocalCapacityTechnicalStudyReportApr30_2014.pdf) for the 2015 study). SDG&E's requirement for this RFO is that resources interconnect within the San Diego local sub-area. If the respondent would like to discuss changes to or definitions of these areas, please contact the CAISO.

**22. CPUC Decision 12-02-040 addresses the eligibility of facility "upgrades" to participate in RFOs, distinct from project "repowering". The language from page 29, says: "Upgrades are defined as expanding the generation capacity at, or enhancing the operations of, a generation facility, so long as such incremental MW can provide the necessary attributes that the Commission has authorized the utility to procure. An upgraded plant or a plant with incremental capacity additions would be a plant where the main generating equipment is retained and continues to operate." (Emphasis added.) Given anticipated needs for more flexible capacity on the system, is SDG&E accepting upgrade proposals?**

D.14-03-004 (the 'Track 4 Decision') clearly states in ordering paragraph (OP) six that SDG&E shall include the elements specified in OP 4 of D.13-02-015 (the 'SCE LCR Decision' or the 'Track 1 Decision'). OP 4 of the Track 1 decision clearly states that resources must be "demonstrably incremental to the assumptions used in the California ISO studies..." This means, for existing facilities, that incremental (new or additional) capacity must be a part of the offer. To the degree new or additional capacity (incremental capacity) is part of an 'upgrade proposal' and the offer meets all the other conformance requirements listed in the applicable RFO document or conformance document, SDG&E will consider the offer.