Reform of Generator Interconnection Procedures and Agreements

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Planning Committee
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• NOPR issued under Docket No. RM17-8-000 on December 15, 2016
• PJM will be required to respond within 60 days following publication in Federal Register (has not occurred as of 1/5/2017)
• Comes following
  – AWEA petition in Docket No. RM15-21-000, and
  – 2016 Technical Conference under Docket No. RM16-12-000 (May 2016)
Three Categories of Reforms

- Improve certainty in the interconnection process
- Improve transparency by providing more information to interconnection customers
- Enhance interconnection processes
Improve Certainty in the Interconnection Process

- Require transmission providers (TP) that conduct cluster studies to move toward a scheduled, periodic restudy process.
- Remove from the LGIA the limitation that interconnection customers (IC) may only exercise the option to build TP’s interconnection facilities and stand alone network upgrades if the transmission owner cannot meet the dates proposed by the IC.
- Modify the LGIA to require mutual agreement between the transmission owner and IC for the transmission owner to opt to initially self-fund the costs of the construction of network upgrades.
- Require that the Regional Transmission Organizations (RTO) and Independent System Operators (ISO) establish dispute resolution procedures for interconnection disputes.
Improve transparency

- Make public a method for determining contingent facilities in their LGIPs and LGIAs based upon guiding principles in the Proposed Rule
- List in their LGIPs and on their Open Access Same-Time Information System (OASIS) sites the specific study processes and assumptions for forming the networking models used for interconnection studies
- Congestion and curtailment information to be posted in one location on each TP’s OASIS site
- Revise the definition of “Generating Facility” in the pro forma LGIP and LGIA to explicitly include electric storage resources
- Create a system of reporting requirements for aggregate interconnection study performance
Enhance interconnection processes

- Allow ICs to limit their requested level of service below their generating facility capacity
- Require TPs to allow for provisional agreements so that ICs can operate on a limited basis prior to completion of the full interconnection process
- Require TPs to create a process for ICs to utilize surplus interconnection service at existing interconnection points
Enhance interconnection processes

• Require TPs to set forth a separate procedure to allow TPs to assess and, if necessary, study an IC’s technology changes (e.g., incorporation of a newer turbine model) without a change to the IC’s queue position

• Require TPs to evaluate their methods for modeling electric storage resources for interconnection studies and report to the Commission why and how their existing practices are or are not sufficient
Additional Items for Comment

• Seeks comment on the extent to which a cap on the network upgrade costs for which ICs are responsible can mitigate the potential for serial restudies without inappropriately shifting cost responsibility

• Seeks comment on proposals or additional steps that the Commission could take to improve the resolution of issues that arise when affected systems are impacted by a proposed interconnection