



**California:
Proposed Distribution
Group Study Tariffs**

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California Group Study

Development

- Summer of 2012 – SCE and PG&E present proposals for DGS process and parties comment on them
 - The primary difference between the proposals is how the distribution study groups are formed and how many are performed a year
- September 2012 – Revised Rule 21 settlement and tariffs approved (Phase I)
- **February 2013** – IOUs file draft group study tariffs (PG&E/SDG&E and SCE)
 - Primary difference still group formation, though certain other details vary as well.
- March 2013 – Party comments and replies
- Q3 2013 – Decision on DGS anticipated

Entering Group Study

- **Pass Screen Q** – Project is not electrically interdependent with the transmission system
- **Fail Screen R** – Project is electrically interdependent with earlier-queued and yet-to-be-studied interconnection requests on the distribution system (§ G.3.b)
 - Electrically dependent—“If the location of the new project allows its electrical output to combine with the electrical output of the queued-ahead interconnection request” (PG&E slides)
 - **Mandatory** for such projects to enter group study
 - If fail Screen R today—go into transmission Cluster Study process (WDAT/WDT)
- **Choose to enter Group Study** – e.g., single developer with multiple applications in the same area submitted at the same time (§ F.3.b)

Group Formation

- **PG&E/SDG&E—§ F.3.b.i–iii**

Fixed group study windows

- Two group study application windows per year
- Applicant must submit all application materials no later than 10 business days after the close of the window
- Utility performs Screen Q and R tests within 20 business days of close of window (*needs clarification*)
- At Scoping Meeting, utility advises applicant re expected start date for Phase I Interconnection Study (among other things)
- At utility’s discretion, each window may have one or more groups; groups may have one or more applicants

Group Formation

- **SCE—§ F.3.b.ii**
Rolling group studies
 - First applicant that fails Screen R initiates group
 - That is, there is a project ahead of it being studied, with which it is electrically interdependent
 - Any subsequent applicants (if any) that fail Screen R, i.e., are electrically interdependent, will be added to the group
 - Could end up with a group of one—i.e., an independent study
 - Scoping Meetings for all applicants in a group must be held more than 30 days before the start of the Phase 1 Interconnection Study
 - Otherwise applicant will be included in next group
 - Study starts when either (1) earlier-queued applicant's/group's study is complete or (2) utility determines upgrades triggered by earlier-queued request(s)
 - Once study starts, any subsequent applications that fail Screen R would form or join the next group

Group Formation:

Fixed Windows vs. Rolling Studies

- **Why?** PG&E expects many more distribution-level group studies than SCE
- **Pros:** More up-front timing certainty, easier to manage for utility
- **Cons:** Less efficient, developers have to wait for next window (up to 6 months)
- **Why?** Most of SCE's interdependent applications end up in transmission Cluster Study
- **Pros:** More efficient, likely less wait time for developers
- **Cons:** Less up-front timing certainty, may be difficult to manage (at least at higher volumes)

Con for both—Two different processes may be confusing for applicants and difficult to manage longer term for regulators

Cost Allocation

- Study costs “allocated equally” among generators in a group (§§ E.3.a.ii (PG&E/SDG&E), E.3.e (SCE))
- Upgrade costs—assigned to all requests in a group “pro rata” based on each request’s need for the upgrade (§ E.4.e)
 - §§ G.3.c (PG&E/SDG&E), G.3.c.1 (SCE)—costs of short circuit-related upgrades assigned pro rata on the basis of the short duty contribution of each facility
 - § G.3.c (PG&E/SDG&E)—all other upgrades and shared interconnection facilities assigned pro rata based on maximum MW electrical output

Timelines

- Phase I Interconnection Study (PG&E/SDG&E) or System Impact Study (SCE) =
 - 60 business days (§ F.b.iv (PG&E/SDG&E))
 - 90 calendar days (§ F.b.ii (SCE))
- Phase II Interconnection Study (PG&E/SDG&E) or Facilities Study (SCE) =
 - 60 business days (§ F.b.viii (PG&E/SDG&E))
 - 90 calendar days (§ F.b.viii (SCE))
- Time to tender interconnection agreement = 30 calendar days (§ F.3.e.i)
- Timeframes same as independent study process
- Otherwise study process & requirements generally the same including process for notifying applicants in writing if utility determines it will exceed timelines

Timelines

- **Automatic timing extension**—if during a certain period the number of applications exceeds by 50% the number of requests in the preceding period, timelines automatically increase (§ F.3.b.xiii)
 - PG&E/SDG&E (6-month period):
 - Phase 1 and Phase 2 studies = 60 to 120 business days each
 - Tender IA = 30 to 45 calendar days
 - SCE (3-month period)—only if minimum of 10 active group studies:
 - Impact & Facilities studies = 90 to 135 calendar days each
 - Tender IA = 30 to 45 calendar days

Drop-outs and Restudy

- If applicants withdraw, upgrades may have to be reevaluated/restudied (§ F.3.b.xi)
 - Upgrade costs shared among remaining applicants
 - Not clear how long from withdrawal to notice to other applicants, and from notice to restudy
 - Applicants have 10 business days to agree
 - SCE: If no response, deemed to have agreed
- Restudy completed and provided to the group (§ F.3.b.xii):
 - PG&E/SDG&E: Within 60 calendar days of withdrawal
 - SCE: Within 90 calendar days of withdrawal
- Financial security deposits intended to discourage drop-outs

Why Group Study?

1. Avoid the transmission Cluster Study process for projects without transmission-level interdependencies (*California-specific*)
2. Share the costs of upgrades, which might otherwise be prohibitive (and costs of studies)
3. Time efficiencies for studying electrically interrelated applications as a group versus in a serial process
4. Better up-front certainty for utilities and developers regarding interconnection process, including specifically timelines