## UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

American Wind Energy Association

Docket No. RM15-21-000

## COMMENTS OF THE NEW ENGLAND STATES COMMITTEE ON ELECTRICITY

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Pursuant to the Federal Energy Regulatory Commission's ("Commission" or "FERC") July 7, 2015 Notice of Petition for Rulemaking in the above-captioned proceeding and its July 16, 2015 Notice of Extension of Time, the New England States Committee on Electricity ("NESCOE")<sup>1</sup> hereby files these comments on the June 19, 2015 petition of the American Wind Energy Association ("AWEA") requesting that the Commission initiate a rulemaking to revise generator interconnection rules and procedures (the "AWEA Petition").

The AWEA Petition proposes reforms in four general areas and with the following objectives: "(1) enhancing certainty in the study/restudy process; (2) providing more transparency in the interconnection process; (3) creating more certainty on network upgrade costs; and (4) ensuring more accountability" relative to a transmission provider's performance of its duties.<sup>2</sup> The AWEA Petition outlines industry experience that has informed the proposed interconnection changes and states that current practices are "out of date in comparison to current market conditions and do not ensure that the generation interconnection process is just, reasonable, and not unduly discriminatory or preferential."<sup>3</sup> While requesting a rulemaking on the proposed reforms, AWEA recognizes that the Commission's first step in such a proceeding is

<sup>&</sup>lt;sup>1</sup> NESCOE is the Regional State Committee for New England.

<sup>&</sup>lt;sup>2</sup> AWEA Petition at 4.

<sup>&</sup>lt;sup>3</sup> *Id.* at 2.

often to convene a technical conference "to further consider issues set forth in a petition before issuing a proposed rulemaking" and supports that approach if it "would aid [the Commission in] its decision-making process[.]"<sup>4</sup>

NESCOE supports the Commission's establishment of a technical conference to review interconnection rules and procedures and to consider potential changes to these practices. In New England, more than 4,000 MW of wind resources were in the ISO New England ("ISO-NE") interconnection queue as of June 2015.<sup>5</sup> That is roughly one-third of the total power generation in the ISO-NE queue.<sup>6</sup> State laws promoting clean energy are expected to accelerate further the integration of renewable resources into the region's energy mix—and, in turn, the number of requests for interconnection in New England from these resources.<sup>7</sup> There is, accordingly, a current and ongoing dialogue in New England regarding potential modifications to the ISO-NE interconnection process.

While NESCOE does not at this time take a position on the specific revisions proposed in the AWEA Petition, NESCOE agrees that a technical conference would provide the Commission with a forum to explore the numerous technical, policy, and legal issues associated with changes to interconnection processes. A technical conference would provide the Commission and others with an opportunity to understand in detail how existing rules and procedures are being implemented, current best practices employed across the country, and the targeted and appropriate set of uniform changes needed to increase certainty, transparency, and accountability throughout the interconnection process.

<sup>6</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> *Id.* at 5.

<sup>&</sup>lt;sup>5</sup> ISO New England Inc., Gordon Van Welie, President and CEO, *Challenges Facing the New England Power System: 2015 IEEE Power & Energy Society General Meeting*, July 28, 2015, at Slide 7, *available at* <u>www.iso-</u> ne.com/static-assets/documents/2015/07/ieee\_pes\_general\_meeting\_van\_welie\_slides\_07282015\_final.pdf.

<sup>&</sup>lt;sup>7</sup> See, e.g., *id.* at Slide 5 (setting forth certain state statutory requirements relative to renewable energy).

A technical conference would also provide for consideration of the range of implications associated with the proposals in the AWEA Petition. For example, it is unclear whether and to what extent some of the requested changes would ultimately impose costs on consumers. There are several places in the petition where greater clarification in this area is warranted, including proposals to (i) make transmission providers "responsible" for study delays,<sup>8</sup> (ii) ensure that interconnection customers "pay no more for each interconnection facility and network upgrade" than the good faith estimate provided, absent extraordinary circumstances,<sup>9</sup> and (iii) require transmission providers to pay liquidated damages if they fail to provide timely and accurate study or restudy results or do not list a contingent facility that is needed for interconnection service.<sup>10</sup> Among other issues, any technical conference should fully explore how costs and penalties would be imposed in connection with proposed interconnection rules and procedures. To the extent costs would be passed through to consumers, the Commission should consider whether such a mechanism provides the right incentive for performance and what alternatives might be available to achieve the same objective without placing risks on consumers.

NESCOE supports the Commission initiating a technical conference as an initial step toward possible reforms to interconnection practices. A technical conference would complement current activities in New England and inform both the Commission's and the industry's perspective on needed changes to the interconnection process.

<sup>&</sup>lt;sup>8</sup> AWEA Petition at 17.

<sup>&</sup>lt;sup>9</sup> *Id.* at 49. *See also id.* at 47 ("A Transmission Provider should not be able to assess costs beyond the allowed accuracy margin.").

<sup>&</sup>lt;sup>10</sup> *Id.* at 58-67.

Respectfully submitted,

/s/ Jason Marshall

Jason Marshall General Counsel New England States Committee on Electricity 655 Longmeadow Street Longmeadow, MA 01106 Tel: (617) 913-0342 Email: jasonmarshall@nescoe.com

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