

Thursday, March 30, 2023

## **Scout Clean Energy (“Scout”) Comments on TC-25 proposals**

By e-mail to: [techforum@bpa.gov](mailto:techforum@bpa.gov)

Thank you for the opportunity to submit comments to Bonneville Power Administration (“BPA”) regarding the TC-25 Tariff Proceeding workshops held on March 15, 2023 and March 16, 2023.

Scout supports the proposal to convene a customer-led meeting on April 21st. Scout would like this meeting to address Readiness Requirements, Transition Process, Technical Study Requirements, and Study Flexibility. We believe 60-90 minutes on each topic would be an appropriate amount of time to properly address the issues.

Scout supports the overarching goal to implement certain reforms to BPA’s Standard Large Generation Interconnection Process (LGIP), as well as the decision to move forward with these potential reforms prior to any FERC order on changes to generation interconnection processes.

Scout generally supports the “Hybrid” path of reform proposals as presented during the March Stakeholders meeting, described as a Staff-led Process led by BPA and its stakeholders. We believe the BPA’s concepts present a better set of reforms for BPA’s mission, balancing area and customers, than a “one size fits all” as is implied by the FERC NOPR.

### **1. First Ready/First Served Cluster Study**

#### **a. Readiness Requirements**

Scout agrees with the proposal that would require 100% site control of the generating facility by the execution of the system impact study agreement. This reform will reduce non-ready interconnection applications which are causing significant queue congestion which is having a dramatic effect on this developer’s projects.

Scout agrees with reasonable readiness requirements as a tool to reduce speculative applications and decrease study time and cost. We suggest:

- System Impact Study Site Control Requirements: 100% site exclusivity of the generating facility
- Facilities Study Site Control Requirements: Continued site control of the generating facility, 50% site control of gen-tie by FAS

- LGIA Site Control Requirements: 100% site control of the generating facility and gen-tie line.
- Increased security deposits: Scout thinks \$1000/MW is a reasonable value that will reduce speculation but not be burdensome to those serious about remaining in the queue. In addition, we support maintaining current process for full refundability of security deposits prior to execution of system impact study agreements in a reasonable time frame

If BPA should consider Security Deposits to be at-risk during the interconnection study process, Interconnection Customers should be provided with information such as study results prior to making a decision and causing such Security Deposits to be at-risk.

Scout is opposed to commercial readiness requirements that are tied to executed PPAs or establishment of participation in a resource plan or solicitation process. We consider those conditions to be too restrictive and not provide an adequate balance between readiness and flexibility.

## **2. Transition Process (from current Serial process to Cluster study process)**

Scout supports the proposal in the transition process that would allow projects which have completed the Interconnection System Impact Study (“ISIS”) phase to be considered late-stage projects, and thereby remain in their current position in the study process and not subject to be restudied under a new process. Retroactively pushing advanced projects into a cluster study will complicate and delay the study process, and the progress of those projects.

## **3. Study Costs**

Scout agrees with BPA’s Alternative 1 as reasonable and appropriate:

- \$35,000 plus \$1,000 per MW for requests  $\geq 20$  MW < 80 MW,
- \$150,000 for requests  $\geq 80$  MW < 200 MW; or
- \$250,000 for requests  $\geq 200$  MW

Where the unspent deposits are refunded to the customer.

#### 4. Network Costs

Scout supports **Alternative 1** that proposes to employ the proportional impact method by performing a distribution factor analysis for each request in a cluster, and allocate network costs for that cluster based on current impact by that project. Scout is interested on having further discussions on the constraint identification methodology, i.e. distribution factor thresholds, to be implemented.

#### 5. Technical Study Requirements

Scout agrees with the proposal to improve the process for required modeling information. Scout supports the requirement for WECC-compatible dynamic files and the proposal to not require EMTF models for non-synchronous generating facilities (“IBR”). Additional modeling requirements such as PSCAD and TSAT models should be requested only when there is known or suspected transmission grid issues, as these requirements add cost and several months for each study.

Scout supports **Alternative 2**, involving an update to the Appendix 1 / Attachment A form to one more suited to modern power generation facilities, and IBR characteristics and in line with FERC orders to remove interconnection inefficiencies and create a state of the art, standardized process. We have attached an internally developed draft annex to better describe Battery Electric Storage System facilities in the IR process.

In addition, Scout would like to separately commend and support the proposal for better public dissemination of significant and useful interconnection information, as appropriately scoped in CEII regulations, ideally applicable study models and facilities studies. MISO has developed a [POI Tool](#) that we have found useful, for one example.

#### 6. Study Flexibility

Scout agrees with BPA’s proposal to retain the current position on co-location of resources: Scout has found this to be a reasonable and technologically appropriate process here and in other markets. The concept increases developer options for optimal plant configuration, leading to better cost, transmission utilization, and grid resilience characteristics, and with a project that can better adapt to local conditions, including site suitability, renewable energy (“RE”) availability and grid resources.

Scout supports the concept of allowing injection capacity for interconnection applications for facilities that can be managed by the Power Plant Controller, as a different value than just the aggregation of connected generator nameplate ratings, or Group Installed Capacity (“GIC”). This is commonly done in other markets, with the descriptive term drawn from the Solar industry as “overbuild.” This is supported by a 2003 FERC order to “Remove interconnection inefficiencies.” Not allowing overbuild complicates the application process for effective and economical wind and solar facilities, and creates a need for redundant applications with zero injection which lead to increased queue clutter, as well as increased study time and cost. The current procedure of limiting injection capacity in interconnection applications to GIC also prohibits a developer for employing good engineering practice to maximize renewable energy production by compensating for gen-tie and collection system losses, and expected maintenance. This operational mode is already in effect in many markets where RE facilities’ limit plant output in response to system operator curtailment orders.

Scout appreciates BPA’s review of our comments and recommendations. Nothing contained in these comments constitutes a waiver or relinquishment of any rights, or change request for current projects, as applicable law or under the BPA tariff or otherwise under contracts such as existing E&P agreements.