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## FERC Proposes Reforms to Large Generator Interconnection

The Federal Energy Regulatory Commission (FERC) today proposed reforms to its large generator interconnection processes aimed at improving the efficiency of processing interconnection requests, removing barriers to needed resource development, and assuring continued reliability of the grid.

Today's Notice of Proposed Rulemaking (NOPR) revises the Commission's regulations, the *pro forma* Large Generator Interconnection Procedures, and the *pro forma* Large Generator Interconnection Agreement that apply to generators in excess of 20 megawatts (MW). After receiving comments on a June 2015 petition for rulemaking, the Commission convened a technical conference in May 2016 and subsequently identified proposed reforms that could remedy potential shortcomings in the existing interconnection processes.

Today's NOPR reforms fall into three broad categories and are intended to:

- Improve certainty by giving interconnection customers more predictability in the interconnection process;
- Improve transparency by providing more information to interconnection customers; and
- Enhance interconnection processes by making use of underutilized existing interconnections, providing interconnection service earlier or accommodating changes in the development process.

While the NOPR applies to large generating facilities, it also seeks comment on whether any of the proposed reforms should be applied to small generating facilities of 20 MW or less.

Currently, many interconnection customers experience delays, and some interconnection queues have significant backlogs and long timelines. A recurring issue is that withdrawals of interconnection requests late in the process lead to re-studies and subsequent delays for customers lower in the interconnection queue. Furthermore, cost and timing uncertainty presents a significant obstacle, as some interconnection customers are less able to absorb unexpected and potentially higher costs or extended timelines resulting from the withdrawal of requests higher in the queue.

A lengthy interconnection process can be a challenge to generation technologies that are evolving rapidly. The Commission believes that interconnection processes should be capable of incorporating rapidly evolving generation technologies into an interconnection request while maintaining system reliability.

The proposed reforms will benefit interconnection customers through more timely and cost-effective interconnection and will benefit transmission providers by mitigating the potential for re-studies associated with the withdrawal of interconnection requests late in the process. More timely and accurate information, as well as greater transparency, will allow an interconnection customer to more appropriately plan the type, size, and location of generation projects, thereby reducing the incentive for interconnection customers to submit multiple interconnection requests when they intend for only one to reach commercial operation.

Comments on the NOPR are due 60 days after publication in the *Federal Register*.

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