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TECHNICAL REQUIREMENTS AND	§	PUBLIC UTILITY COMMISSION
INTERCONNECTION PROCESSES	§	
FOR DISTRIBUTED ENERGY	§	
RESOURCES (DERs)	§	OF TEXAS

**TEXAS SOLAR POWER ASSOCIATION'S COMMENTS
ON WORKSHOP DISCUSSIONS**

The Texas Solar Power Association (TSPA) appreciates the opportunity to comment on the discussions at the June 16th, June 30th, and July 14th Workshops. TSPA continues to support proposed rules which increase transparency and streamline the interconnection process to reduce interconnection timelines and expenses. Too often customers and DER providers face interconnection delays. In the recent Oncor rate case, the Commission found that the interconnection processes could be improved: "The Commission also recognizes, however, that Oncor could improve timing of, and reduce the delays in, its interconnection process."¹

I. Hosting Capacity Analysis

One way to increase the efficiency and transparency of the interconnection process and reduce delays is to require utilities to perform hosting capacity analysis (HCA). As announced at the July 14, 2023 Workshop, TSPA looks forward to creating a joint task force with the utilities and other interested parties to discuss issues pertaining to HCA (e.g., identification of use cases, modeling methodologies, mapping and updating, forecasting expected growth, grid upgrades needed to supported and integrate DERs,

¹ *Application of Oncor Electric Delivery Company LLC for Authority to Change Rates*, Docket No. 53601, (June 30, 2023), Order on Rehearing at 11.

data validation, and data privacy and security) and report back to the Commission the results of these discussions.

The purpose of an HCA is to provide a streamlined approach that helps DERs, utilities, and regulators make more proactive, cost-effective, and efficient decisions about DER investments and upgrades to existing facilities. The HCA will provide greater transparency about the technical and commercial feasibility of possible points of interconnection sites and provide vital information to assist with grid planning. The objective of the HCA is to simulate the ability of individual distribution circuits to accommodate additional DERs, without requiring significant upgrades, to ensure system safety and reliability. This helps eliminate unnecessary interconnection applications and reduces the interconnection time and expense for both DERs and utilities.

The HCA is a modeling exercise that considers the physical infrastructure, load, and existing generators and load control measures on the distribution system. This data is input into a model to create a “base case” for existing grid conditions, and then simulations are run in order to see how the grid would perform if new DERs were added. The results of the HCA are displayed in the form of maps which help DERs to interconnect quickly and affordably. HCAs also help identify areas where DERs may be able to provide service to address existing grid constraints.

HCAs are being deployed across the United States as part of broader grid modernization or distribution planning efforts. Currently, utilities in at least twelve states produce hosting capacity maps: California, Colorado, Hawaii, Illinois, Massachusetts, Minnesota, Nevada, New Hampshire, New York, Maryland, New Jersey, and Connecticut. In fact, XCEL Energy (the parent company of Southwestern Public Service Company in

Texas) already provides hosting capacity maps for Minnesota and Colorado customers and SDGE (an Oncor affiliate) provides maps in California.

The National Association of Regulatory Utility Commissioners (NARUC) Center for Partnerships & Innovation is leading a new “Grid Data Sharing Collaborative” initiative which will provide information for states, utilities, and DERs regarding HCA and grid data sharing issues. This NARUC-led Collaborative published a report in 2022 which identified and discussed current state activities regarding HCA and the sharing of that data with the public.² NARUC also announced that it will be distributing a grid-sharing framework in 2023 that states will be able to use and tailor to their own goals and priorities. TSPA looks forward to reviewing and discussing the 2023 Report with Staff and stakeholders once it is released.

For further information regarding HCA issues, TSPA also recommends a review of the 2021 report *Hosting Capacity Analysis and Distribution Grid Data Security* by Synapse Energy on behalf of the Minnesota Department of Commerce, Division of Energy Resources which discusses privacy and security issues.³ Finally, the Interstate Renewable Energy Council (IREC), which has been an active participant in the adoption of HCA policies in other states, has released an informative guide titled “Optimizing the Grid: A Regulator’s Guide to Hosting Capacity Analyses for Distributed Energy

² The NARUC Collaborative Report, *Grid Data Sharing: Brief Summary of Current State Practices*, can be found online at <https://pubs.naruc.org/pub/145ECC5C-1866-DAAC-99FB-A33438978E95>.

³ The Synapse report, *Hosting Capacity Analysis and Distribution Grid Data Security*, can be found online at https://www.synapse-energy.com/sites/default/files/Hosting_Capacity_Analysis_and_Distribution_Grid_Data_Security_21-016.pdf.

Resources” based upon lessons learned in other states which can be downloaded from IREC’s website.⁴

II. Deadlines

Until a longer solution such as HCA can be implemented, TSPA continues to recommend that the proposed rules contain specific deadlines so that utilities and DER providers can have reasonable expectations and accountability regarding the timing of the interconnection process. Interconnection delays can result in potential loss of financing, loss of opportunity to receive incentives, loss of revenue, and contractual complications due to missed deadlines. Therefore, the establishment of reasonable deadlines is critical to DER providers for project management.

TSPA recommends removing all qualifiers such as “best efforts,” “commercially reasonable efforts”, or “good faith efforts” from the rule because it injects ambiguity into the process and signals that the deadlines are more aspirational than mandatory (see e.g. (c)(3) and (f)(2)(B)). Additionally, as suggested by TSPA at the workshop, the rules should create backstops (i.e, not-to-exceed dates) in areas where the utility has discretion to extend deadlines. For example, in (c)(3), the draft language states that a DSP can notify the provider of a delay and provide an estimated completion date. TSPA recommends that the backstop for this section be no later than 60 days.

During the workshops, the utilities expressed a desire for longer deadlines imposed on them and shorter deadlines for DER obligations. The rule should create an equal system of obligations for both utilities and DERs. Decreasing interconnection

⁴ The IREC Guide, *Optimizing the Grid: A Regulator’s Guide to Hosting Capacity Analyses for Distributed Energy Resources*, can be downloaded at <https://irecusa.org/blog/regulatory-engagement/tools-to-build-the-modern-grid/>.

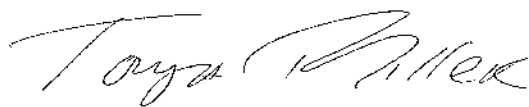
timelines creates obligations on both sides to act reasonably and within prescribed time periods and one side should not have prolonged periods to act while the other side does not. To decrease the disparity in timelines, TSPA agrees with the comments at the Workshops by Enchanted Rock that the shorter deadlines for utility responsibilities in the red-lines should be retained and not expanded. (See e.g. (c)(3) 15 business days; (f)(2)(B) 60 business days).

III. Modifications, Disconnections, and Separate Processes

TSPA also has some reservations about the discussion around modifications, disconnections, and separate processes for DERs that wish to provide Ancillary and Energy services and those that do not. However, without draft language, we are unable to comment further at this time and look forward to reviewing the proposed changes.

TSPA thanks the Staff for their engagement on this very important topic and appreciates the opportunity to participate and offer comments.

Respectfully submitted,



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