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Panel Statements of Roger Salas, Senior Engineer,
on behalf of Southern California Edison
Review of Small Generator Interconnection Agreements and Procedures
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Panel 2 Opening Statement

Thank you for the opportunity to participate in today's panel discussion. My name is Roger Salas, and I am a supervising engineer for Southern California Edison. In my current role, I supervise a team of engineers who are responsible for reviewing generator interconnection requests and performing system studies under our FERC-jurisdictional tariff as well as under California's Rule 21 tariff.

I respectfully encourage the Commission to reject SEIA's proposal that transmission owners be required to collect and provide minimum load data to generation developers. Our experience over the last three years with the review of approximately 590 applications under the SGIP demonstrates that the current SGIP Fast Track process works as intended by separating projects that could interconnect quickly without safety and reliability concerns from those that require further study.

At SCE, the 15% screen is not the most significant factor as to whether a project meets the Fast Track requirements. Rather, the most significant factor is whether developers chose to propose projects in a transmission-constrained, rural area, as opposed to proposing projects in a non-transmission constrained, urban area.

Since January 1, 2011, SCE has completed analysis of approximately 95 Fast Track projects. 31 of these projects were proposed in transmission-constrained areas. Only one out of the 31 qualified for the Fast Track. The other 30 projects failed at least two of the Fast Track screens related to transmission constraints.

On the other hand, of the 64 projects that were proposed in non-transmission constrained areas, 50 of the 64 passed the Fast Track requirements. This demonstrates that the existing Fast Track process is appropriately distinguishing between projects that have no potential for safety and reliability issues, and those projects that require further study.

Furthermore, complying with the SEIA request would impose significant burdens, both in terms of resources and expenses, without delivering the benefits that the generation developers are expecting. In its request, SEIA proposes that utilities publish minimum and peak load on all circuits with penetration greater than or equal to 10% of the peak load. However, the 15% screen is applied not at the circuit level, but at the line section level. Looking at SCE's distribution system, while we do have load data on approximately 5,000 line sections, we do not have load data on approximately 33,000 line sections. For these other line sections, SCE would be required to install new devices and communication systems to determine when such line sections meet the 10% peak of load requirement. Furthermore, simply obtaining the raw load data is not enough. The load data would need to be analyzed before it could be provided to project developers, requiring additional engineering staff to verify and determine the appropriate minimum loads for all line sections. Proper verification requires trained engineers

with knowledge of SCE's system conditions. These measures are simply not practical and will not address SEIA's concerns.

As I explained previously, the most significant factor for the fast track analysis is whether the proposed location is within a transmission-constrained area.

Approximately half of the line sections in SCE's service territory are in transmission-constrained areas. Publishing minimum load data for these line sections will not enable more projects to pass Fast Track. In fact, even if the projects in these areas pass the 15% or the 100% minimum load screen under the supplemental review, these projects ultimately would still have to go through the study process as all these projects would fail other screens.

Nor will the SEIA proposal provide any meaningful help to the projects seeking to connect in non-transmission constrained areas because the existing Fast Track process works well for these projects. Since January 1, 2011, approximately 78% of Fast Track projects in non-transmission constrained areas have met the Fast Track requirements. The 78% passing rate speaks for itself -- the fast track process is working as intended.

In conclusion, my experience with the fast track interconnection process has shown that it is working, and that it is not unduly discriminating against solar developers. Of course, I am interested in hearing the other panelists' perspectives on this issue and look forward to our discussion today.

Panel 3 Opening Statement

I would like to again thank the Commission for the opportunity to participate in today's conference and to offer SCE's perspective on SEIA's proposal that the SGIP be modified to provide for a third-party expert review of upgrades identified as a requirement for interconnection. SEIA's proposal requires transmission owners such as SCE to give "substantial weight" to the third party expert's findings and recommendations for the identified upgrades, and to provide a "fulsome explanation of the factual basis" for rejecting the expert's recommendations.

It is SCE's position that qualified third-party experts can provide meaningful input during the interconnection process. That being said, we respectfully oppose SEIA's proposal because it would not facilitate meaningful dialog between the utility and a third-party expert, but would instead likely create additional delays and disputes during the interconnection process.

During the prior panel discussion, I explained that the SGIP is working as intended in SCE's service territory and that it does not unduly discriminate against solar developers. What I would like to expand upon here is how the current SGIP already allows for meaningful dialogue between the utility and the interconnection customer with respect to upgrade requirements. We have studied nearly 600 interconnection requests in the last three years under SGIP and in our experience, the process works well, <u>but only when the third party expert is familiar with typical distribution system standards and practices</u>.

Under the current process, applicants are encouraged to bring, and often do bring, engineering experts to study results meetings to discuss the upgrade requirements that SCE identified during the study process. During these meetings, we sometimes hear suggestions regarding modifications to proposed distribution system upgrades. We are not averse to implementing these suggestions as long as the proposed changes meet SCE's standards in terms of design, construction operation and maintenance as those standards have been reviewed and approved by SCE experts in these respective areas. This is crucial, as distribution upgrades and interconnection facilities must comply with our company's standards to ensure the safe and reliable operation of our system for our employees and customers. Nonstandard equipment, design or construction may cause hazardous safety conditions, problems operating the system or longer delays with service restoration during an emergency.

We explained in our comments on SEIA's proposal that we believe that an outside expert can provide meaningful input during the interconnection process provided that the expert is familiar with our distribution system. And, in fact, we have had instances where an applicant's expert engineers were familiar with our system and did suggest appropriate changes that reduced their cost for upgrades. We also believe that applicants who hire such an expert would benefit from involving the expert at the start of the application process, as opposed to waiting until after the studies have been completed and the results have already been provided to the applicant. Waiting until the results are provided will only serve to further delay the process and potentially increase the cost to the applicant.

In conclusion, we respectfully submit that the SGIP works well for applicants who take the time to hire a third party expert that is familiar with distribution system standards and practices. We hope the perspective that we have provided here

today is helpful to the Commission and the solar energy participants, and look forward to further discussion on this subject.