172 FERC ¶ 61,024 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman; Richard Glick, Bernard L. McNamee, and James P. Danly.

Deseret Generation & Transmission Co-operative, Inc. Docket No. ER19-1902-002

ORDER ON COMPLIANCE

(Issued July 16, 2020)

1. In a filing submitted on May 1, 2020 (May Compliance Filing), Deseret Generation & Transmission Co-operative, Inc. (Deseret) proposed revisions to its Open Access Transmission Tariff (Tariff) in compliance with the requirements of Order Nos. 845 and 845-A¹ and the order on compliance issued on February 20, 2020.² As discussed below, we find that the May Compliance Filing partially complies with the Commission's directives in the February 2020 Order. Accordingly, we accept the filing, effective May 20, 2019, and direct Deseret to submit a further compliance filing within 120 days of the date of this order.

I. Background

2. Order Nos. 845 and 845-A amended the Commission's *pro forma* Large Generator Interconnection Agreement (LGIA) and *pro forma* Large Generator Interconnection Procedures (LGIP) to improve certainty for interconnection customers, promote more informed interconnection decisions, and enhance the interconnection process. In Order Nos. 845 and 845-A, the Commission adopted 10 different reforms to improve the interconnection process and required transmission providers to submit compliance filings to incorporate those reforms into their tariffs.

² Deseret Generation & Transmission Coop., Inc., 170 FERC ¶ 61,114 (2020) (February 2020 Order).

¹ Reform of Generator Interconnection Procedures and Agreements, Order No. 845, 163 FERC ¶ 61,043 (2018), errata notice, 167 FERC ¶ 61,123, order on reh'g, Order No. 845-A, 166 FERC ¶ 61,137, errata notice, 167 FERC ¶ 61,124, order on reh'g, Order No. 845-B, 168 FERC ¶ 61,092 (2019).

3. In the February 2020 Order, the Commission found that Deseret's May 20, 2019 compliance filing partially complied with the requirements of Order Nos. 845 and 845-A. The Commission directed further revisions to the following sections of Deseret's LGIP: section 3.1 (Requesting Interconnection Service below Generating Facility Capacity); section 3.3.2 (Surplus Interconnection Service); section 3.8 (Identification and Definition of Contingent Facilities); section 4.4.6 (Material Modifications and Incorporation of Advanced Technologies);³ and revisions to LGIA article 5.9.2 (Provisional Interconnection Service).⁴

II. <u>Notice and Responsive Pleadings</u>

4. Notice of Deseret's filing was published in the *Federal Register*, 85 Fed. Reg. 27,218 (May 7, 2020), with interventions and protests due on or before May 7, 2020. None was filed.

III. <u>Discussion</u>

A. <u>Substantive Matters</u>

5. As discussed below, we find that Deseret's filing partially complies with the requirements of Order Nos. 845 and 845-A and the directives in the February 2020 Order. Accordingly, we accept Deseret's compliance filing, effective May 20, 2019, and direct Deseret to submit a further compliance filing within 120 days of the date of this order.

1. <u>Material Modifications and Incorporation of Advanced</u> <u>Technologies</u>

6. In the February 2020 Order, the Commission found that Deseret's proposed procedure for allowing an interconnection customer to incorporate technological advancements into its interconnection request did not comply with the requirements of Order Nos. 845 and 845-A.⁵

7. Specifically, in the February 2020 Order, the Commission found that Deseret's proposed revisions to section 4.4.6 of its LGIP did not provide a timeline for informing the interconnection customer of whether a change is a material modification.⁶ Consistent

³ *Id.* PP 41, 51, 22-25, 63-65.

⁴ *Id.* P 43.

⁵ *Id*. PP 61-65.

⁶ Id. P 61.

with Order No. 845,⁷ the Commission directed Deseret to revise its proposed technological change procedure to provide that Deseret will determine whether or not a technological advancement is a material modification within 30 calendar days of receipt of the initial request.⁸ In addition, the Commission directed Deseret to revise its technological advancement procedure to state that an interconnection customer must submit a technological advancement request if it seeks to incorporate technological advancements into its proposed generating facility.⁹

8. The Commission also found that, because Deseret did not define the term "technical specifications," it was unclear how Deseret would determine whether a proposed technological change is a permissible technological advancement. The Commission directed Deseret to revise section 4.4.6 of its LGIP to clarify how it will assess changes to a generating facility's technical specifications.¹⁰

9. With respect to the timing of when a transmission provider is no longer required to accommodate technological advancements, the Commission found that Deseret did not justify its proposal to accept technological advancement requests up until the conclusion of the system impact study rather than prior to the execution of the facilities study agreement as required by Order No. 845.¹¹ Accordingly, the Commission directed Deseret to file a further compliance filing to justify its proposal to accept technological advancement requests up until the conclusion of the system impact study.¹²

a. <u>Deseret's Compliance Filing</u>

10. Deseret proposes to revise its LGIP section 4.4.6 technological change procedure to state that it will make a determination regarding the proposed technological advancement request and provide a written explanation within 30 days of receiving the

⁸ Id.

⁹ Id. P 62.

¹⁰ Id. P 63.

¹¹ *Id.* P 64 (citing Order No. 845, 163 FERC ¶ 61,043 at P 536).

¹² Id.

⁷ *Id.* (citing Order No. 845, 163 FERC ¶ 61,043 at P 535; Order No. 845-A, 166 FERC ¶ 61,137 at P 155).

request.¹³ In addition, the proposed technological change procedure provides that an interconnection customer may submit a request if it seeks to incorporate technological advancements into its proposed large generating facility. The proposed revision to LGIP section 4.4.6 also provides that an interconnection customer may submit a technological advancement request any time prior to the execution of an interconnection facilities study agreement.

11. Deseret also proposes to revise LGIP section 4.4.6 to state that a technological advancement request should include an analysis and other supporting information to explain how the request affects the original interconnection request, including a demonstration that the change: (1) will result in electrical performance that is equal to or better than the electrical performance expected prior to the technology change; and (2) will not cause any reliability standard criteria (including any applicable North American Electric Reliability Corporation (NERC) Transmission Planning (TPL) or Protection and Control standards), short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response impacts. Deseret states that this revised language is intended to clarify how changes to "technical specifications" will be assessed.¹⁴

b. <u>Commission Determination</u>

12. We find that Deseret's proposed revisions to the technological change procedure partially comply with the directives of the February 2020 Order and the requirements of Order Nos. 845 and 845-A. Specifically, we find that Deseret's proposed revisions that allow an interconnection customer to submit a request if it seeks to incorporate technological advancements prior to the execution of the interconnection facilities study,¹⁵ that clarify how it will assess changes to technical specifications,¹⁶ and that provide for Deseret to reach its determination and inform the interconnection customer within 30 days of receiving a technological advancement request,¹⁷ comply with the requirements of the February 2020 Order.

¹⁶ Id. P 63.

¹⁷ *Id*. P 61.

¹³ Deseret, OATT, Attachment N, Standard Large Generator Interconnection Procedures (4.0.2), (Proposed LGIP) § 4.4.6 (Technological Change Procedure).

¹⁴ May Compliance Filing at 2.

¹⁵ February 2020 Order, 170 FERC ¶ 61,114 at PP 62, 64.

13. However, we note that Deseret has removed from the technological change procedure the deposit the interconnection customer must provide if Deseret determines that additional studies are necessary to assess whether the technological change is a material modification. Order No. 845 states that the transmission provider in its technological change procedure should specify the amount of the deposit needed to evaluate whether a technological change is a material modification.¹⁸ Accordingly, we direct Deseret to file, within 120 days of the date of this order, a further compliance filing to specify the deposit amount the interconnection customer must tender if Deseret determines that additional studies are needed to evaluate whether a technological change is a material modification.

2. <u>Other Revisions</u>

a. <u>Requesting Interconnection Service Below Generating</u> <u>Facility Capacity</u>

14. In the February 2020 Order, the Commission found that Deseret's proposed tariff revisions to section 3.1 of its LGIP did not fully incorporate the *pro forma* LGIP language adopted by Order No. 845 with regard to associated costs for interconnection service study requests.¹⁹ Accordingly, the Commission directed Deseret to submit a further compliance filing to incorporate the *pro forma* language into section 3.1 of its LGIP, as required by Order No. 845.²⁰

15. In the May Compliance Filing, Deseret proposed revisions to section 3.1 of its LGIP to include the omitted *pro forma* language.²¹

b. <u>Surplus Interconnection Service</u>

16. In the February 2020 Order, the Commission found that Deseret's proposed tariff revisions failed to comply with the requirement that the original interconnection customer, the surplus interconnection service customer, and the transmission provider will enter into an agreement for surplus interconnection service prior to the

¹⁸ Order No. 845, 163 FERC ¶ 61,043 at P 534.

¹⁹ February 2020 Order, 170 FERC ¶ 61,114 at P 40 (citing Order No. 845-A, 166 FERC ¶ 61,137 at P 117).

²⁰ Id. P 41.

²¹ Proposed LGIP § 3.1

commencement of service.²² Accordingly, the Commission directed Deseret to revise section 3.3.2 of its LGIP to provide that the original interconnection customer, the surplus interconnection service customer, and the transmission provider will enter into an agreement for surplus interconnection service prior to the commencement of service.²³

17. In the May Compliance Filing, Deseret proposes revisions to section 3.3.2 of its LGIP to provide that the original interconnection customer, the surplus interconnection service customer, and the transmission provider will enter into an agreement for surplus interconnection service prior to the commencement of service. Deseret also proposes that all agreements will be filed in accordance with the Commission's regulations governing service agreements under Deseret's Tariff.

c. <u>Identification and Definition of Contingent Facilities</u>

18. In the February 2020 Order, the Commission found that Deseret's proposed Tariff revisions lacked the requisite transparency required by Order Nos. 845 and 845-A because the proposed Tariff revisions did not detail the specific technical screens or analyses and the specific thresholds or criteria that Deseret will use as part of its method to identify contingent facilities.²⁴ Therefore, the Commission directed Deseret to submit a further compliance filing to include in section 3.8 of its LGIP the method it will use to determine contingent facilities, including the specific thresholds or criteria it would use in its technical screens or analysis to achieve the level of transparency required by Order No. 845.²⁵

19. The Commission also directed Deseret to include language it omitted from section 3.8 of its LGIP that explicitly requires the transmission provider to provide the estimated costs and timelines to construct interconnection facilities and/or network upgrades for each contingent facility to the interconnection customer when available and if not commercially sensitive.²⁶

20. In the May 2020 Compliance Filing, Deseret proposes in section 3.8.1 of its LGIP a four-step methodology within the system impact study process for how it will identify

²² February 2020 Order 170 FERC ¶ 61,114 at P 51.

²³ Id.

²⁴ *Id.* P 22.

²⁵ *Id.* P 23 (citing *pro forma* LGIP § 3.8 ("The method shall be sufficiently transparent to determine why a specific Contingent Facility was identified.")).

²⁶ Id. P 25.

contingent facilities, if any, upon which the interconnection customer's costs, timing, and study findings are dependent. In step one, Deseret proposes that during each system impact study, it will review higher queued interconnection requests, determine whether any of those request(s) have unbuilt interconnection facilities and/or network upgrades that may be necessary to provide the interconnection customer's requested interconnection, and note such unbuilt facilities and/or upgrades as potential contingent facilities. In step two, Deseret proposes that near completion of the system impact study, Deseret will finalize the list of contingent facilities by removing each previously identified potential contingent facility, and if applicable, any affected system facility modifications from the study cases, and perform steady state, short circuit, voltage stability, and/or transient stability analyses to determine whether the transmission system is able to demonstrate acceptable system performance as outlined in Table 1 of the NERC standard TPL-001-4.²⁷

21. Deseret proposes that acceptable system performance would mean that system operating limits would not be exceeded for all pre- and post-contingency scenarios and that the system must demonstrate compliance with Western Electricity Coordinating Council (WECC) Criterion TPL-001-WECC-CRT-3.2, or its successor, which requires, for example, pre-contingency voltage between 95% and 105% of nominal, post-contingency voltage between 90% and 110% of nominal, voltage recovery following fault clearing to 80% of pre-contingency voltage within 20 seconds, and oscillations showing positive damping within 30 seconds.²⁸ Deseret adds that acceptable system performance would also mean that manufacturer fault interrupting ratings for all fault interrupting devices are not exceeded for all faults that they would be expected to interrupt.²⁹

22. In the third step, Deseret proposes that, if in the acceptable system performance analysis for each potential contingent facility, the transmission system fails to demonstrate acceptable system performance, the potential contingent facility would be confirmed as a contingent facility.³⁰ In addition, potential contingent facilities associated with communications, protection, and automation systems necessary for the operation of the generating facility or associated with delivery of its output, would be deemed

²⁸ Id.

²⁹ Id.

 30 Proposed LGIP § 3.8.1, Method for Identifying Contingent Facilities, subsection iii.

 $^{^{27}}$ Proposed LGIP § 3.8.1, Method for Identifying Contingent Facilities, subsection ii.

contingent facilities.³¹ In the fourth step, Deseret proposes to list each contingent facility in the system impact study report and why it was identified as such.³²

23. Deseret further proposes that, upon the interconnection customer's request, Deseret will provide the estimated costs of interconnection facilities and/or network upgrades and estimated in-service completion times of each contingent facility identified in the system impact study, if, and to the extent that Deseret determines that such information is readily available and is not commercially sensitive.³³ Deseret proposes to include in the interconnection customer's LGIA any contingent facilities identified for the interconnection customer at the conclusion of a system impact study, to the extent they are still applicable.³⁴

24. Lastly, Deseret has included language it omitted from section 3.8 of its LGIP that explicitly requires the transmission provider to furnish to the interconnection customer the estimated costs and timelines to construct interconnection facilities and/or network upgrades for each contingent facility.³⁵

d. <u>Provisional Interconnection Service</u>

25. In the February 2020 Order, the Commission found that Deseret failed to comply with the requirement to replace the bracketed placeholder in article 5.9.2 of the *pro forma* LGIA with language in its *pro forma* LGIA specifying the frequency with which it will study and update the maximum output of a generating facility in a provisional LGIA. Accordingly, the Commission directed Deseret to revise article 5.9.2 of its *pro forma* LGIA to include a frequency or other specific trigger for updating provisional interconnection studies.³⁶

³¹ Id.

 32 Proposed LGIP § 3.8.1, Method for Identifying Contingent Facilities, subsection iv.

³³ Proposed LGIP § 3.8.2, Estimates Available for Contingent Facilities.

³⁴ Proposed LGIP § 3.8.3, Inclusion of Contingent Facilities in LGIA.

³⁵ Proposed LGIP § 3.8.

³⁶ February 2020 Order, 170 FERC ¶ 61,114 at P 46.

26. In the May Compliance Filing, Deseret proposes to provide that it will study and update the maximum output of a generating facility in a provisional LGIA on a quarterly basis.³⁷

3. <u>Commission Determination</u>

27. We find that Deseret's proposed revisions regarding Surplus Interconnection Service, Requesting Interconnection Service Below Generating Facility Capacity, Identification and Definition of Contingent Facilities, and Provisional Interconnection Service comply with the directives in the February 2020 Order.

The Commission orders:

(A) Deseret's compliance filing is hereby accepted, to become effective May 20, 2019, as requested, subject to a further compliance filing, as discussed in the body of this order.

(B) Deserve is hereby directed to submit a further compliance filing within 120 days of the date of this order, as discussed in the body of this order.

By the Commission.

(SEAL)

Nathaniel J. Davis, Sr., Deputy Secretary.

³⁷ Proposed LGIA § 5.9.2.