



Item of Interest from June 16, 2022, FERC Open Meeting: Commission Issues Proposed Rule on Improvements to Generator Interconnection Procedures and Agreements

1 message

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Good morning State Colleagues,

We wanted to inform you that the Federal Energy Regulatory Commission, at its open meeting held this morning, issued a Notice of Proposed Rulemaking Improvements to Generator Interconnection Procedures and Agreements.

The proposed rule itself is not yet available; we will circulate the text when it is ready. In the meantime, below is a press release summarizing the rule, along with a link to the staff presentation.

Press release (also pasted below): <https://www.ferc.gov/news-events/news/ferc-proposes-interconnection-reforms-address-queue-backlogs>

Staff presentation: <https://www.ferc.gov/news-events/news/staff-presentation-nopr-improvements-generator-interconnection-procedures-and>

Comments on the proposed rule are due 100 days after publication in the Federal Register, and reply comments are due 30 days later.

TEXT OF PRESS RELEASE:

FERC Proposes Interconnection Reforms to Address Queue Backlogs

June 16, 2022

FERC today issued a proposed rule focused on expediting the current process for connecting new electric generation facilities to the grid. The notice of proposed rulemaking (NOPR) aims to address significant current backlogs in the interconnection queues by improving interconnection procedures, providing greater certainty and preventing undue discrimination against new generation.

At the end of 2021, there were more than 1,400 gigawatts of generation and storage waiting in interconnection queues throughout the country. This is more than triple the total volume just five years ago. Projects now face an average timeline of more than three years to get connected to the grid. As the resource mix rapidly changes, the Commission's policies must keep pace. Today's NOPR proposes reforms to ensure that interconnection customers can access the grid in a reliable, efficient, transparent and timely manner.

"Today's unanimous action addresses the urgent need to update, expedite and streamline our processes to interconnect new resources to the grid," FERC Chairman Rich Glick said. "We are witnessing unprecedented demand for new resources seeking to interconnect to the transmission grid, and queue delays are hindering customers' access to new, low-cost generation."

The proposed rule includes several key areas of reforms.

Implement a first-ready, first-served cluster study process: Under the proposed first-ready, first-served cluster study process, transmission providers would conduct larger interconnection studies encompassing numerous proposed generating facilities, rather than separate studies for each individual generating facility. This approach would increase the efficiency of the interconnection process and help minimize delays. To ensure that ready projects can proceed through the queue in a timely manner, transmission providers also would impose additional financial commitments and readiness requirements on interconnection customers.

Improve interconnection queue processing speed: The NOPR proposes to impose firm deadlines and establish penalties if transmission providers fail to complete interconnection studies on time, except in instances where *force majeure* is applicable. Additionally, the NOPR proposes a more detailed affected systems study process, including a specific modeling standard and *pro forma* affected system agreements. The NOPR also proposes reforms to administratively simplify the process of studying interconnection requests that are all related to the same state-authorized or mandated resource solicitation.

Incorporate technological advancements into the interconnection process: The NOPR proposes to require transmission providers to allow more than one resource to co-locate on a shared site behind a single point of interconnection and share a single interconnection request. This would create a minimum standard that would remove barriers for co-located resources by creating a more efficient standardized procedure for

these types of configurations. The NOPR also proposes to allow interconnection customers to add a generating facility to an existing interconnection request under certain circumstances without automatically losing their position in the queue. In addition, the NOPR proposes to require transmission providers to consider alternative transmission solutions if requested by the interconnection customer.

Update modeling and performance requirements for system reliability: Finally, the NOPR proposes certain modeling and performance requirements for non-synchronous generating facilities to address the unique characteristics of the changing resource mix. For example, to ensure that non-synchronous resources are better able to support reliability, the NOPR proposes to require them to continue providing power and voltage support during grid disturbances.

Comments are due 100 days after publication of the NOPR in the *Federal Register*. Reply comments are due 130 days after publication in the *Federal Register*.

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