

**National Association of  
Regulatory Utility Commissioners  
Winter Committee Meetings  
Committee on Electricity**

**INTERCONNECTION  
QUEUEING PRACTICES**



Suedeen G. Kelly, Commissioner  
Federal Energy Regulatory Commission  
Washington, DC  
February 18, 2008

# INTERCONNECTION QUEUEING PRACTICES

- CURRENTLY GOVERNED BY ORDER NO. 2003
- FIRST-COME, FIRST-SERVED APPROACH TOWARDS QUEUE MANAGEMENT



# ORDER NO. 2003

- MODIFYING REQUEST = LOSS OF QUEUE POSITION
- MULTIPLE REQUESTS FOR SAME PROJECT WITH MINIMUM DEPOSIT
- 3-YEAR, NO-COST SUSPENSION PERIOD
- WITHDRAWALS AND DELAYS COMPLICATE STUDY PROCESS



# INTERCONNECTION QUEUEING CHALLENGES

- HUGE INCREASES IN  
GENERATION DEVELOPMENT,  
PARTICULARLY RENEWABLES



# MISO INTERCONNECTION REQUESTS

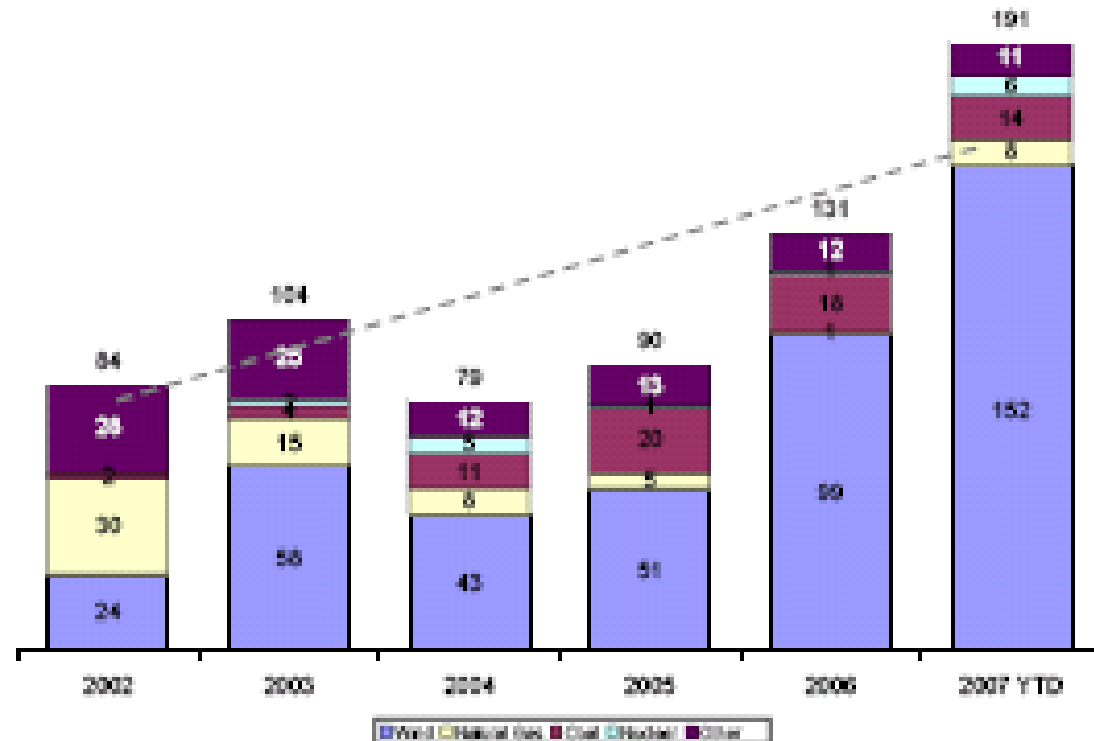
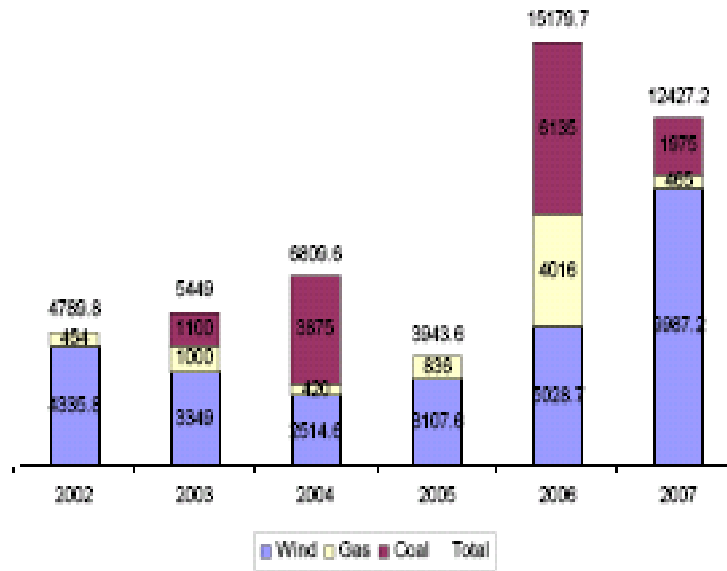


Figure 1: Number of Generator Interconnection Requests by type for the Midwest IGO from 2002 to 2007 as of November 30, 2007



# SPP QUEUE HISTORY

Evolution of the Queue



\*Values in MW



# LIMITS ON WIND CAPABILITY

- FPL ESTIMATES MISO, CAISO, ERCOT, PJM, NYISO, AND ISO-NE INCLUDE 120,000+ MW OF NEW WIND GENERATION REQUESTS; ANNUAL WORLD SUPPLY OF WIND TURBINES ONLY 20,000 MW



# WHO IS AFFECTED?

- NOT LIMITED TO RTO/ISOs
- INTERCONNECTION QUEUES v. TRANSMISSION QUEUES





# TECHNICAL CONFERENCE

- STATE PUCs
- RTO/ISOs
- NON-INDEPENDENTS
- INDUSTRY PERSPECTIVE



# QUEUING CONCERNS

OVEREMPHASIS ON QUEUE POSITION,  
RATHER THAN PROJECT VIABILITY

- EXITING QUEUE EVEN EASIER THAN ENTERING
- SUSPENSIONS COMPOUND PROBLEM



# PROJECT WITHDRAWAL RATES

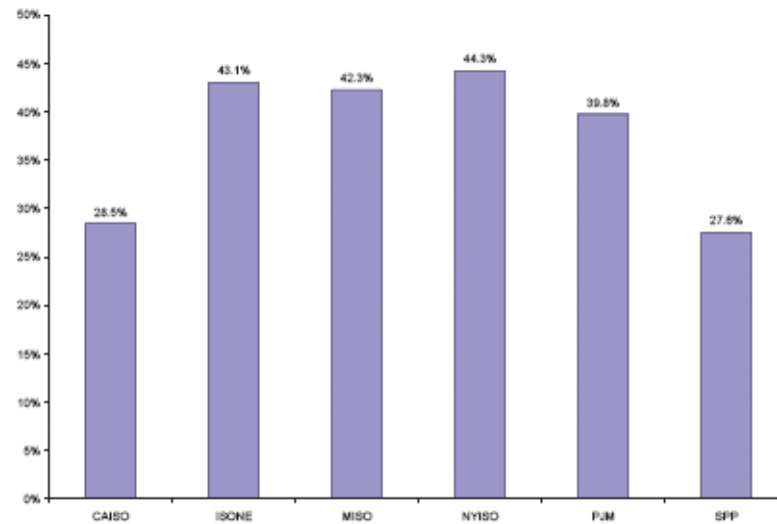


Figure 3: Project Withdrawal Rates



# QUEUEING CONCERNS (cont.)

- IMPACTS TO FORWARD CAPACITY MARKETS
- SEQUENTIAL APPROACH = ALLOCATING DISPROPORTIONATE COST RESPONSIBILITY



# GENERAL RECOMMENDED ACTION

- NO GENERIC ACTION FROM FERC
- REGIONAL SOLUTIONS BEST
- SHORT TERM vs. LONGER TERM



# QUEUE MANAGEMENT

## MODIFY QUEUE POSITION

- CLUSTERING



# QUEUE MANAGEMENT (cont.)

## MODIFY QUEUE PRIORITY

- OPEN SEASON



# QUEUE MANAGEMENT (cont.)

## ALTERNATIVES TO MODIFYING QUEUE PRIORITY

- GREATER FLEXIBILITY TO ESTABLISH CLEARLY DEFINED CRITERIA





# QUEUE MANAGEMENT (cont.)

## IMPROVE THE PROCESSING OF INTERCONNECTION REQUESTS

- 1) ENHANCED FINANCIAL  
COMMITMENTS AND MILESTONES



# QUEUE MANAGEMENT (cont.)

IMPROVE THE PROCESSING OF  
INTERCONNECTION REQUESTS

2) CHANGE SUSPENSION POLICY



# QUEUE MANAGEMENT (cont.)

IMPROVE THE PROCESSING OF  
INTERCONNECTION REQUESTS

3) ENHANCE ROLE OF TRANSMISSION  
PROVIDER



# QUEUE MANAGEMENT (cont.)

- IMPROVE THE PROCESSING OF INTERCONNECTION REQUESTS

4) STREAMLINE AND IMPROVE INTERCONNECTION REQUEST AND STUDY PROCESS



# COST ALLOCATION

- CHANGE COST ALLOCATION POLICIES FOR NEW TRANSMISSION UPGRADES



# ONGOING STAKEHOLDER PROCESSES

- PROPOSALS EXPECTED TO BE FILED ANYWHERE FROM LATE APRIL TO NEXT OCTOBER



# STAKEHOLDER PROCESSES

- ALTERNATIVES TO SCOPE OF FEASIBILITY STUDIES
- GROUP INTERCONNECTION REQUESTS WHERE TP CONDUCTS STUDIES IN CLUSTERS
- INCREASE MAGNITUDE OF MILESTONES
- CLARIFY PRO-FORMA TARIFF LANGUAGE
- IMPROVE INTEGRATION WITH LONG-TERM PLANNING



# WHAT'S NEXT?

- REGIONAL DIFFERENCES DO NOT FAVOR NATIONWIDE APPROACH
- ALLOW STAKEHOLDER PROCESS TO MOVE FORWARD

