Caroline Winn
Chief Executive Officer
8362 Century Park Ct.
San Diego, CA 92123

May 16, 2022

California Public Utility Commission
Alice Busching Reynolds
President
300 Capital Mall
Sacramento, CA 95814

RE: San Diego Gas & Electric Company Responses to the Commission's March 11, 2022 Letter Concerning the Prioritization of Interconnection to Ensure Grid Reliability

Dear President Reynolds:

San Diego Gas & Electric Company (SDG&E) appreciates the Commission's priority of expeditious interconnections of new resources and shares your urgency especially in light of the impacts of climate change and grid resiliency necessary given the clean energy transition. I/We want to assure you that SDG&E has worked hard over many years to provide an outstanding interconnection customer experience and has a strong record of high performance in this area. Through the use people, process, and technologies, we remain committed to supporting the increased volume and complexity of requests to ensure efficient and safe interconnections.

Below, we are pleased to respond to the specific questions included in your letter dated March 11, 2022.

I would be happy to discuss these matters with you if that would be helpful. Please feel free to reach out to me at any time.

Sincerely,

/s/ Caroline Winn

Caroline Winn
Chief Executive Officer
SDG&E

Requests:

1. **Focus on ensuring SDG&E has sufficient resources, including increasing staffing as necessary, to support the interconnection of new projects that are critical to grid reliability in Summer 2022 and 2023.**

To date, SDG&E has successfully managed the interconnection of projects despite the increased volume and complexity on both the distribution and transmission systems. SDG&E takes great pride in its track record of undertaking efforts to enhance internal processes, technology, and staffing and expertise to support the anticipated interconnection of new resources. One result of these efforts is SDG&E's three-day average authorization time for interconnection of smaller systems pursuant to CPUC-jurisdictional rules,[1] which utilizes an industry-leading integrated information system with a user-friendly portal as well as highly optimized processes for staff and customers.

To ensure that upgrades necessary to interconnect additional generation can be built timely for the Summer of 2022 and 2023, SDG&E seeks to leverage its innovative culture and has deployed these incremental processes:[2]

1) **Advance Planning:** An annual operational study process is used to proactively assess when the construction of interconnection upgrades needs to start, to optimally prioritize and deploy resources.
2) **Tracking and Visibility:** Generation interconnection status is tracked on a monthly and quarterly basis in various internal meetings, including with director-level leadership. This allows SDG&E to identify resources or process improvements necessary for the timely design and construction of network upgrades.
3) **Customer Experience:** In order to ensure customers receive timely and reliable interconnection assistance, SDG&E has further refined and clarified the key points of contact for project developers. SDG&E has maintained and benefited from having a single organization as the point of contact for transmission and distribution interconnection requests. A project manager is assigned to the large transmission projects to facilitate regular meetings related to design and construction. Further, the California Independent System Operator (CAISO) is a key point of contact for developers in their process. Strong collaboration with the CAISO interconnection team helps to ensure timely project completions.
4) **Optimization:** Construction duration estimates used in contracts are reviewed at transmission interconnection monthly technical meetings that are held between design

[1] Net Energy Metering, Rule 21 projects
[2] SDG&E is obligated by the CAISO tariff, and its WDAT tariff, to follow certain procedures and timelines for interconnecting generators to SDG&E-owned transmission facilities. These procedures generally determine the priority with which SDG&E must act on different generator interconnection requests.

and construction groups. This helps account for the larger size and volume of interconnections, complexity of upgrades, as well as supply chain challenges.

These efforts are already fostering deeper insights and progress. SDG&E is currently processing the transmission-level and distribution-level interconnection projects referenced, which are moving forward towards expected in-service dates prior to the end of 2023. These are projects that already have executed or pending Generator Interconnection Agreement (GIA), provided a Notice-to-Proceed, and for which engineering, design, and/or construction activities have been initiated. SDG&E is currently on track to timely build upgrades needed to support all these interconnection requests. SDG&E will continue to work with the developers to support their interconnections.

The letter from President Reynolds dated March 11, 2022 (the March 11 Letter), requests that SDG&E provide status updates on projects listed in Table 2, Attachment A, of the letter.[3] Of the nine (9) Wholesale Distribution Open Access Tariff (WDAT) projects identified within the letter, two (2) are already energized with CAISO Resource Identifications (ID), the remaining 7 are anticipated to be online by end of 2023. Of the six (6) transmission level projects identified with a CAISO Queue number, two are already in-service. The remaining four (4) are on track to be on-line by summer 2023. Individual project updates are provided in Appendix A.

With respect to the March 11 Letter's reference to the Transmission Development Forum, SDG&E confirms that it will continue to participate in the quarterly meetings as they focus on these near-term needs. In SDG&E's presentation at the initial meeting on January 21st, 2022, the company indicated that network upgrades are on track.

2. Take action to identify the necessary interconnection resources and process improvements to facilitate the ongoing interconnection required to support the CPUC's recent procurement orders of 14,800 MW NQC of new resources by 2026.

SDG&E continues to implement new technology and process enhancements as well as identify staffing needs the company believes will help to maintain its track record of supporting successful interconnections and facilitate the procurement orders of 14,800 MW NQC of new resources by 2026.

The Company is beginning to execute a new workforce plan in anticipation of needing to review and process increasing numbers of distribution and transmission level interconnection projects going forward. Teams have been restructured for additional employees to support the increases in system impact studies, request processing, customer project management and billing, interconnection system requirements, and new policies and standards.

[3] It is important to note that these updates are provided by SDG&E in its capacity as an interconnection service provider rather than as a project developer.

Of particular note, SDG&E wishes to highlight that it is experiencing exponential increases in both the number and size of projects seeking interconnection service under WDAT. The additional resources SDG&E is dedicating to this area will help ensure not only that these projects are studied and processed timely, but also that projects are managed to meet schedules, all while administering complex tariff and billing transactions.

SDG&E is also planning for the future and to maintain expertise, as knowledge transfer is critical in our industry and particularly in this very volatile labor market. For example, using a human resource continuity strategy, a new manager, advisor, and contract administrator all have been onboarded anticipatorily to help expedite interconnections and to cross-train extensively with highly experienced employees prior to retirements. Additional project manager roles are being considered to ensure the successful transition of more projects from the planning stage to engineering and through construction. SDG&E also maintains very effective recruiting and employee development processes, along with competitive compensation, which support retention. This added resource depth, in concert with SDG&E's Human Resources (HR) policies, will address circumstances where key individuals are on leave or transitioning.

Another essential aspect of servicing customers is through the support of our diverse vendor partners. As such, a key SDG&E process is the establishment of Master Service Agreements (MSA) with contractors to enable the quick deployment of personnel when needs arise. With these already in-place today, SDG&E is poised to successfully onboard contract resources to assist with design and construction activities. This essentially means that, through the MSA process, SDG&E has an external workforce pool that is ready to deliver on key aspects of projects at any time.

Next, SDG&E also has been participating in the CAISO's interconnection process enhancement stakeholder initiative. In this initiative, SDG&E and other stakeholders are exploring process improvements to (1) tackle near-term challenges such as reducing the number of speculative project applications (2) address long-term enhancements focused on aligning procurement processes with the interconnection process to achieve greater efficiencies, utilization of valuable planning and engineering expertise, and reducing uncertainty in development processes.

Lastly, as mentioned above, SDG&E's innovations in systems will continue enhancing service and effectiveness. The Distribution Interconnection Information System, which has provided great satisfaction related to customer generation projects for years, is being upgraded in the coming years with a more advanced system. The customer interface and integrations with other key systems, such as Envision (CIS) and Geographic Information System (GIS), reduce many extra steps and redundancies.

3. Identify an ombudsperson(s) for CPUC's Energy Division to coordinate with on any interconnection issues or projects.

Alan Dulgeroff; San Diego Gas & Electric; Director - Electric System Planning; adulgeroff@sdge.com; (619) 676-4857

4. Identify regulatory requests, if any, to CPUC or the Federal Energy Regulatory Commission (FERC) that require resolution to support SDG&E's activities related to wholesale generator interconnections.

At this time, SDG&E does not believe there are any regulatory requests to the CPUC or FERC that require resolution to support SDG&E's activities related to wholesale generator interconnections.

That said, SDG&E would like to highlight the following areas with potential impact on interconnections and resources.

Developer Dependencies and Challenges: SDG&E notes that a few generation developers have pushed out their planned in-service dates due to their own supply chain challenges and equipment delivery delays. This is an aspect of the interconnection process SDG&E, based on our role, does not control. SDG&E encourages the Commission to consider furthering their engagement with developers. This Commission engagement with developers could help identify, months in advance, that a generating project will experience delays, which could help prioritize design and construction efforts of interconnection facilities.

Stakeholder Resources: SDG&E appreciates that the Commission is also supportive of other stakeholders enhancing their staffing and expertise in this constrained labor market, as those interfaces are very collaborative and interdependent.

Regulatory Priorities: As we endeavor to shape the future and embark on significant changes needed in the energy sector, SDG&E requests that the Commission broadly inventory and prioritize its initiatives and proceedings related to policy and planning for interconnected resources. It may not always be clear upon inception, but in many cases these all-important efforts require the same expert resources that are essential to facilitate generation interconnection and other high priorities of the state and Commission. As an example, many of the resources providing support or leadership for interconnections, are also needed to participate in the following extensive proceedings: High DER OIR, Rule 21, Microgrid OIR.

Appendix A
Confidential Information in Grey

SDG&E's updates to Table 2, Attachment A, List of Projects in SDG&E Interconnection (By CAISO Queue# or WDAT identifier):

Project Number	CAISO Queue Number/ WDAT Identifier	CAISO Resource ID	Current Online-Date (CAISO Queue report)	Expected Summer Year	Project Status
1	Q1169	FALLBROOK ENERGY STORAGE	9/28/2022	[redacted]	[redacted]
2	Q1175	LECONTE ENERGY STORAGE	6/1/2022	[redacted]	[redacted]
3	Q1294	VISTA ENERGY STORAGE 2	6/26/2018	[redacted]	[redacted]
4	Q1532	KETTLE SOLAR ONE	12/1/2022	[redacted]	[redacted]
5	TBD (Q1170)	LS POWER GATEWAY	4/30/2023	[redacted]	[redacted]
6	WDAT 122 and WDAT 123	TBD	1/1/2023	[redacted]	[redacted]
7	WDAT 127	TBD	8/1/2023	[redacted]	[redacted]
8	WDAT 128	TBD	8/1/2023	[redacted]	[redacted]
9	WDAT 129	TBD	8/1/2023	[redacted]	[redacted]
10	WDAT 130	TBD	8/1/2023	[redacted]	[redacted]
11	WDAT 188	TBD	1/1/2023	[redacted]	[redacted]
12	WDAT 125 and WDAT 126	KEARNY_6_NESBT1/ KEARNY_6_SESBT2	11/23/2021 and 11/26/2021	[redacted]	[redacted]
13	TBD (Q1531)	BATERIA DEL SUR	6/1/2023	[redacted]	[redacted]
14	Q1532	KETTLE SOLAR ONE	12/1/2022	[redacted]	[redacted]

[4] The project has an executed GIA, provided a Notice-to-Proceed, and engineering, design, and/or construction activities have been initiated.
[5] Expected to be online in August 2023. ADVICE LETTER 3929 E