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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for Development of Distribution Resources Plans Pursuant to Public Utilities Code Section 769.	Rulemaking 14-08-013
And Related Matters.	Application 15-07-002 Application 15-07-003 Application 15-07-006
<b>(NOT CONSOLIDATED)</b>	
In the Matter of the Application of PacifiCorp (U901E) Setting Forth its Distribution Resource Plan Pursuant to Public Utilities Code Section 769.	Application 15-07-005
And Related Matters.	Application 15-07-007 Application 15-07-008

**ADMINISTRATIVE LAW JUDGE’S RULING REQUESTING COMMENTS  
ON REFINEMENTS TO THE INTEGRATION CAPACITY ANALYSIS**

**Summary**

This *Ruling* seeks comments to questions on potential refinements to the Integration Capacity Analysis data and associated online map functionality. Parties are directed to file and serve comments in response to the questions in

this *Ruling* on August 1, 2019. Comments shall not exceed 15 pages in length, exclusive of attachments.

Energy Division will hold a workshop on August 22, 2019 to discuss issues raised by parties in their opening comments. A workshop agenda will be provided separately from this *Ruling*.

Reply comments shall be filed and served 21 days following the August 22, 2019 workshop.

## **1. Background**

The Integration Capacity Analysis (ICA) was adopted in Decision (D.)17-09-026 (*Decision on Track 1 Demonstration Projects A (Integration Capacity Analysis) and B (Locational Net Benefits Analysis)*.) The ICA had been established as a requirement of the Investor-owned Utilities (IOU's) Distribution Resource Plans, pursuant to Public Utilities Code Section 769, to specify how much Distributed Energy Resources (DER) hosting capacity may be available on the distribution network. The IOUs' proposed ICA methodologies were developed as Demonstration Project A based on guidance provided in the Assigned Commissioner's *Ruling (1) Refining Integration Capacity and Locational Net Benefit Analysis Methodologies and Requirements; and (2) Authorizing Demonstration Projects A and B*, issued on May 2, 2016. The ICA working group vetted the IOUs' Demonstration Projects and provided recommendations on methodology selection and feasibility of implementation in the ICA Final Report, submitted on March 15, 2018.

D.17-09-026 determined that the IOUs' Demonstration A Projects satisfied the May 2, 2016 *Ruling* requirements and directed the IOUs to publish the ICA online maps within nine months of the date of D.17-09-026 to support the streamlining DER interconnection and improve over distribution planning

activities. Based on recommendations from the ICA Working Group Final Report, D.17-09-026 provided additional methodological directives for implementation of ICA which were to be addressed in the ICA implementation. The ICA Working Group Report identified several methodological issues that had not been resolved, that it recommended to continue evaluating through additional meetings and submitted the ICA Working Group Long-Term Refinements Report on March 12, 2018.

D.17-09-026 adopted two ICA use cases that would achieve the following purposes: 1) inform and improve the Rule 21 interconnection procedures; and 2) identify and inform DER growth constraints in the distribution planning process. D.17-09-026 adopted a methodology for implementation of the first use case but deferred the determination of the second use case to permit further consideration in the ICA Long-Term Refinement working group.

## **2. Parallel ICA Activities in the Rule 21 Proceeding and Procedural Relationship between DRP and Rule 21.**

As envisioned in the Commission's DER Action Plan, one of the major aims of the ICA methodology was to support streamlining of Rule 21 interconnection. This was to be accomplished through a procedural "hand-off." DRP is charged with developing and periodically improving the underlying methodology of ICA calculations, data publication, and the publication of the online ICA maps. The Commission opened the Rule 21 Interconnection Order Instituting Rulemaking (Rulemaking (R.) 17-07-007) to improve the Rule 21 interconnection process. Of the 28 scoped issues in R.17-07-007, three issues

directly address how the results of ICA developed in DRP can be used to improve and streamline interconnection.<sup>1</sup>

Efforts to incorporate the results of ICA into the Rule 21 process are ongoing in R.17-07-007. This *Ruling* does not propose to change the procedural relationship or boundaries between the DRP and Rule 21 proceedings. Even as work continues in Rule 21 to improve interconnection based on “ICA 1.0,” work can and should begin in the DRP to improve upon the underlying methodology of “ICA 2.0.”

### **3. Recommendations for Long-term Refinements from the ICA Working Group Report**

The ICA Working Group identified 15 consensus and non-consensus long-term refinements that were deemed necessary to improve the accuracy and applicability of the ICA for multiple use cases. Given the complexity of implementing the ICA, at this point the *Ruling* will focus on addressing the issues raised by stakeholders to improve the usability for the interconnection use case. While the planning use case was adopted in D.17-09-026, the Commission should consider whether the necessity of the use case justifies the effort and complexity of its implementation, and whether they are needed for DER integration, before further consideration of methodological issues for planning or policy use cases.

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<sup>1</sup> Integration Capacity Analysis and Streamlining Interconnection Issues (Working Group Two). Issue 8) How should the Commission incorporate the results of the ICA into Rule 21 to inform interconnection siting decisions, streamline the Fast Track process for projects that are proposed below the integration capacity at a particular point on the system, and facilitate interconnection process automation? Issue 9) What conditions of operations should the Commission adopt in interconnection applications and agreements to allow distributed energy resources to perform within existing hosting capacity constraints and avoid triggering upgrades? Issue 10) How can the Commission coordinate the ICA and each Utility’s Rule 21 processes with the Rule 2, Rule 15, and Rule 16 processes in order to improve efficiency of the overall interconnection process?

#### **4. Refinements Needed to Improve the Usability of the ICA**

During the implementation of the ICA maps, the IOUs have worked informally with stakeholders to address concerns with the methodology and usability of the published ICA. In recent discussions convened by the Energy Division, the IOUs agreed with stakeholders to address some of the stakeholders' concerns. Since stakeholders' priorities for the ICA may have changed since the Long-Term Refinements Working Group Report was released, this *Ruling* asks parties to identify the improvements needed to make ICA usable for the interconnection use case at this time. Specifically, this *Ruling* seeks comments on which of the 15 original Long-Term Refinements Working Group Report recommendations merit Commission action for improvements to the ICA Methodology.

Additionally, this *Ruling* seeks comments on new ways to improve the ICA methodology and Maps. Comments on these questions should focus on issues that are in scope of the DRP proceeding such as methodology improvements, data validation and accuracy, data disclosure, and online maps.

Parties should avoid providing comments that are specific to the Rule 21 interconnection rules and procedures. Changes to ICA 2.0 can be incorporated into Rule 21 once approved in the DRP.

#### **5. Questions for Parties**

1. Please describe what improvements are necessary to make the ICA more functional for the interconnection use case. If improvements are necessary, please explain specifically what improvement is necessary and the process to determine the changes. Do these improvements require any prioritization?

2. Of the improvements recommended by in the ICA Working Group's Long-term Refinements Report should any be immediately adopted by the Commission to improve the usability of the ICA for the interconnection use case? Do any require further refinement before adoption? Are there any issues that have been identified since the publication of the ICA Working Group's Long-term Refinements Report that warrant consideration?
3. Is the distribution planning use case of the ICA critical to the integration of DERs?
  - a. If so, please explain specifically what the primary goals of the use case are and how it needs to be used to integrate DERs.
  - b. If so, please explain which improvements identified in the Long-term Refinements Report are necessary to implement the use case and whether any of these improvements should be prioritized over others.
4. Is the policy use case of the ICA critical to the integration of DERs? If so, please explain specifically how it needs to be used to integrate DERs
5. If so, please explain specifically what the primary goals of the use case are and how it needs to be used to integrate DERs.
  - a. If so, please explain which improvements identified in the Long-term Refinements Report are necessary to implement the use case and whether any of these improvements should be prioritized over others.
6. Please comment on the appropriate manner in which ICA data should be validated on an ongoing basis.
7. Please comment on the necessity and efficacy of consistency between ICA dataset and map functionality among the IOUs.
8. Please comment on ways in which the online ICA maps can be improved in terms of user functionality.
9. Are the IOUs' interpretations and applications of the 15/15 customer confidentiality rule as applied to certain circuits in the ICA analysis correct factually and legally? Your

response must include specific references to the facts and the law that support your response. This question is being asked in light of Pacific Gas and Electric's data response to IREC\_\_002-01, San Diego Gas & Electric's data response to IREC-SDG&E-DRP-002, and SCE's data response to IREC-SCE-002, all served on May 29, 2019.

10. Should the ICA Working Group be (re)convened to address any of the issues identified in the questions above?

**IT IS RULED** that:

1. Opening Comments shall be filed and served no later than August 1, 2019.

Comments will be limited to 15 pages in length.

2. Replies shall be filed and served no later than 21 days following the date of the August 22, 2019 Workshop.

Dated July 3, 2019, at San Francisco, California.

/s/ ROBERT M. MASON III

Robert M. Mason III  
Administrative Law Judge