

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Improvements to Generator Interconnection  
Procedures and Agreements**

**Docket No. RM22-14-000**

**COMMENTS OF AMERICANS FOR A CLEAN ENERGY GRID**

Americans for a Clean Energy Grid (ACEG)<sup>1</sup> appreciates the opportunity to respond to the Commission’s proposal to reform its interconnection agreement and procedures in order to address interconnection queue backlogs and provide greater certainty, in a way that results in just and reasonable rates.<sup>2</sup> While the Interconnection NOPR includes well-considered proposals to accelerate interconnection of new resources to the grid, ACEG encourages the Commission to remain mindful that the most important component of successful cost-effective interconnection lies in improving regional transmission planning processes, an issue that is being addressed in another docket that is also currently pending at the Commission.<sup>3</sup>

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<sup>1</sup> ACEG represents a diverse coalition of stakeholders focused on the need to expand, integrate and modernize the high-capacity grid in the United States. The ACEG coalition includes multi-state utilities and merchant transmission owners that develop, own, and operate transmission, trade groups that include transmission owners and transmission equipment manufacturers among their members, renewable energy trade groups and advocates, environmental advocacy organizations, buyers and consumers of energy, and energy policy experts. ACEG seeks to educate the public, opinion leaders, and public officials about the needs and potential of the transmission grid. These comments do not necessarily reflect the views of individual members.

<sup>2</sup> Improvements to Generator Interconnection Procedures and Agreements, 179 FERC ¶ 61,194, 87 Fed. Reg. 39934 (July 5, 2022) (Interconnection NOPR).

<sup>3</sup> Building for the Future Through Electric Transmission Planning and Cost Allocation and Generator Interconnection Regional, Docket No. RM21-17-000.

The Interconnection NOPR presents significant process changes that will address many issues, but it does not address the lack of transmission capacity which is the root cause of interconnection constraints and delays.<sup>4</sup> As ACEG showed in 2021, the lack of sufficient transmission capacity is contributing to:

- unreasonably high interconnection costs;
- higher queue dropout rates; and
- larger queue backlogs.<sup>5</sup>

Similarly, the Lawrence Berkley National Laboratory recently issued an analysis on interconnection costs in MISO that finds:

The cumulative capacity of projects actively seeking interconnection more than doubled from 2016 through 2021;

For projects that have completed all required interconnection studies ([ ] “complete” request status) average costs have nearly doubled (to \$102/kW) for more recent projects relative to costs from 2000-2018 (\$58/kW). Projects still actively moving through the queue (“active”) have estimated costs that have more than tripled just over the last four years, from \$48/kW to \$156/kW (2018 vs. 2019-2021).<sup>[6]</sup>

The Lawrence Berkley Laboratory’s analysis further finds that the

**Costs for broader network upgrades beyond the interconnecting substation explain most cost differences and have risen sharply.** Estimated network upgrade costs have grown since 2018, to \$57/kW for complete projects and \$107/kW for

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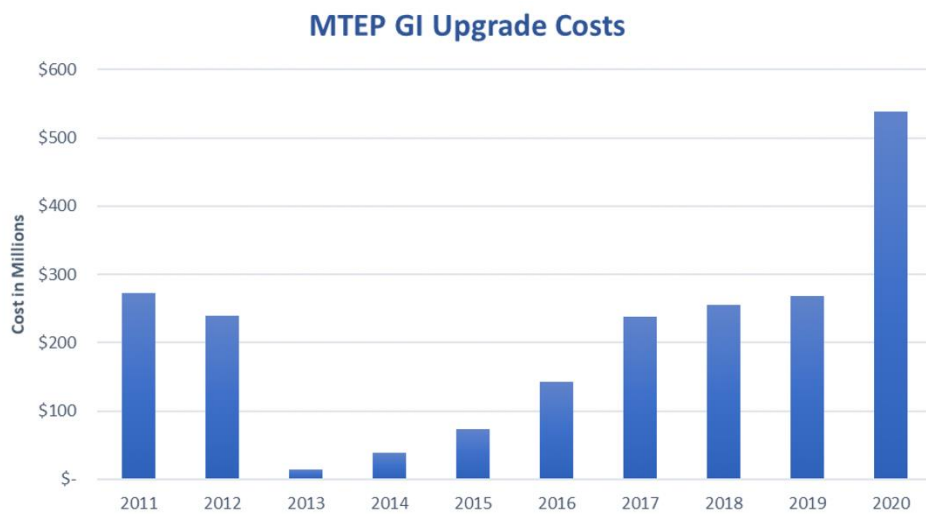
<sup>4</sup> See, e.g. Interconnection NOPR at P 20, 87 Fed Reg at 39939 (explaining that “available transmission capacity appears to have been exhausted in many regions.”)

<sup>5</sup> Caspary, Jay et al, Americans for a Clean Energy Grid, [Disconnected, the Need for New Generator Interconnection Policy](#), (2021) at 13-17.

<sup>6</sup> Seel, Joachim, et al, Lawrence Berkeley Nat’l Lab’y, [Interconnection Cost Analysis in the Midcontinent Independent System Operator \(MISO\) Territory](#), at 1 (Oct. 2022).

active projects. Among withdrawn projects, they make up 85% of the costs at \$388/kW for recent projects.<sup>[7]</sup>

Historical data underscores the integral tie between greater transmission capacity and lower generator interconnection costs. The Clean Grid Alliance reviewed annual MISO interconnection costs and found that they plummeted in the years following energization of MISO’s last large transmission build-out of regional projects. But as the years went by and capacity once again became constrained with new projects, the interconnection costs skyrocketed.<sup>8</sup>



As Clean Grid Alliance further noted,

Since the large transmission buildout of Multi-Value Projects (MVP) was approved in 2011, a number of generators have been able to interconnect using this new transmission capacity. But more recently, as this capacity has become fully subscribed, costs have been increasing significantly for new generators as studies identify large backbone projects providing regional benefits.<sup>[9]</sup>

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<sup>7</sup> *Id.*

<sup>8</sup> Clean Grid Alliance, [Generator Contributions to Transmission Expansion](#) (Aug. 2020).

<sup>9</sup> *Id.* at 2.

The MISO example shows the value of and need for building large, well-planned regionally significant transmission lines in mitigating interconnection costs to bring on new resources.

For these reasons, we encourage the Commission to act expeditiously in issuing a strong transmission planning rule and ensuring rigorous compliance as a complement to this proceeding on interconnection procedures.

Respectfully submitted,

*/s/ Christina Hayes*

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AMERICANS FOR A CLEAN ENERGY GRID

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