

SPECIAL COMMITTEE ON ENERGY AND UTILITIES Paul Suskie Executive Vice President, Regulatory Policy and General Counsel





TOPICS TO BE COVERED

- SPP's Current Generating Fleet & Recent Changes
- Current Generation
 Interconnect Queue &
 Process
- Backlog Clearing
- FERC Order No. 2023





CURRENT GENERATING FLEET & RECENT CHANGES









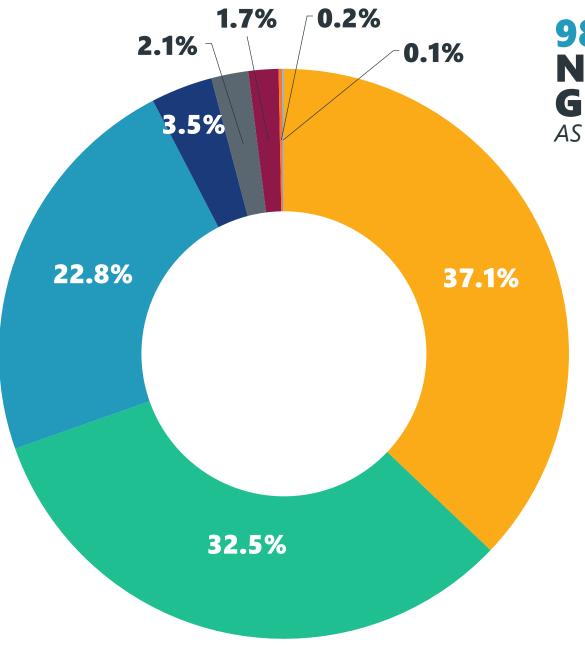
MANAGING OUR CHANGING GRID

We are tasked with studying GI interconnection requests in a non-discriminatory manner

We DO NOT build or own generating facilities. Utilities and developers decide which generation will be built

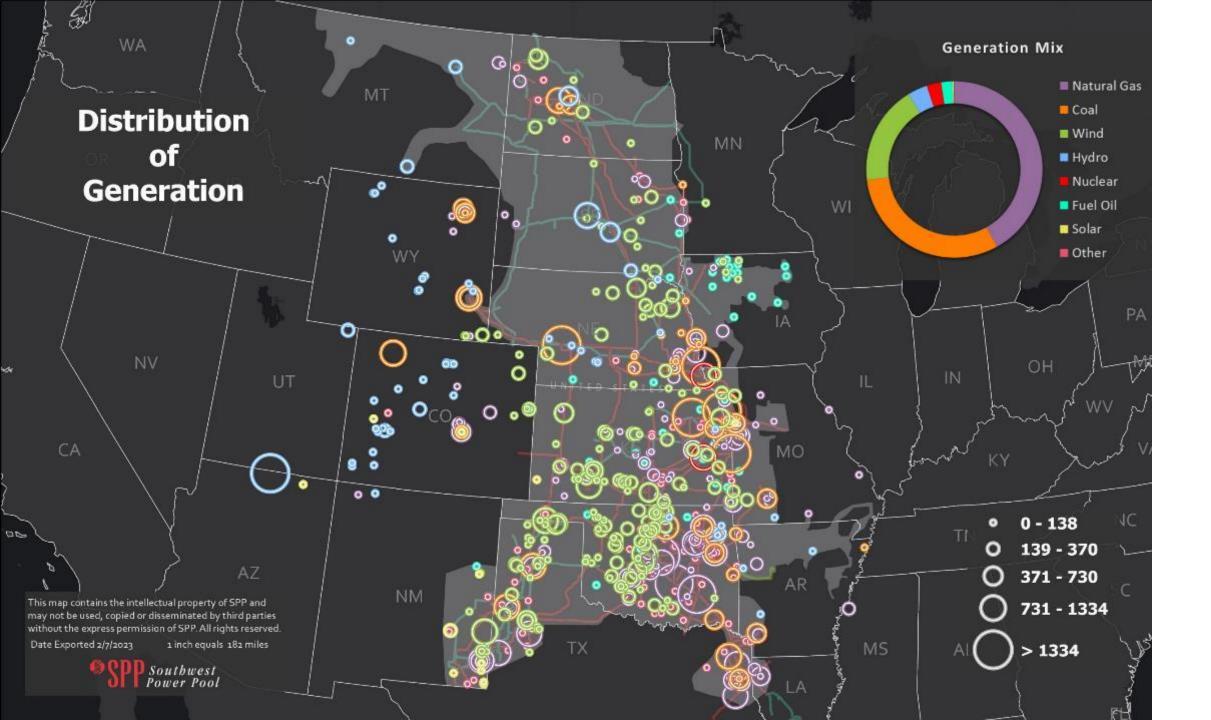
We DO NOT pick winners or losers. SPP is fuel-agnostic



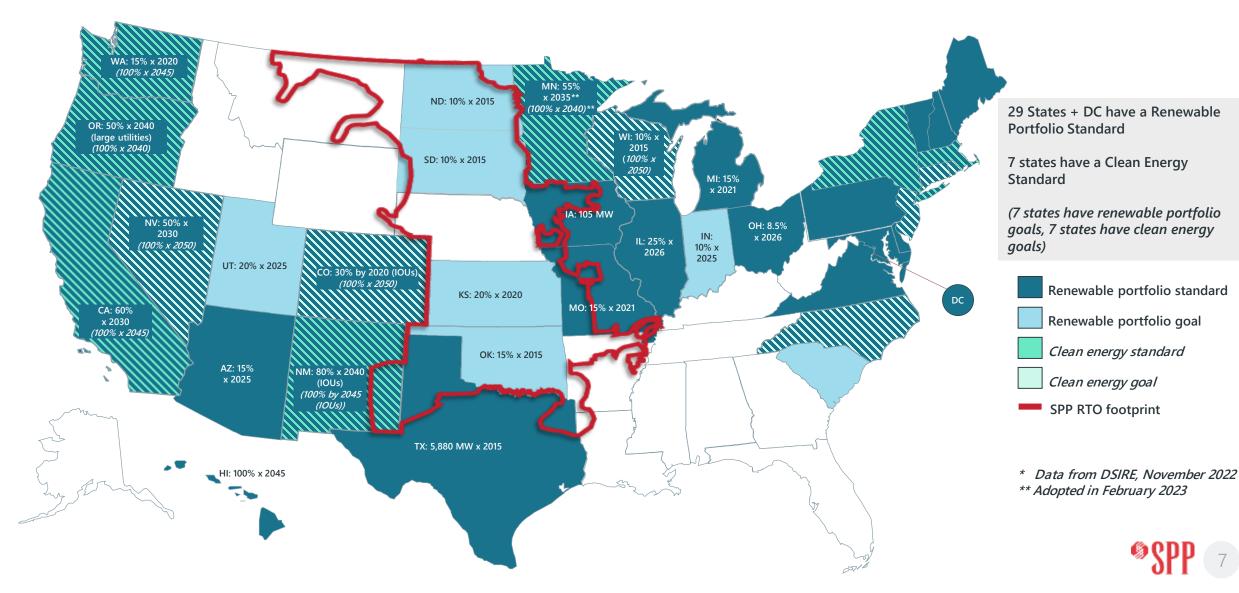


98,608 MW NAMEPLATE GENERATING CAPACITY *AS OF JAN. 1, 2023*

- Natural Gas (37.1%)
- Wind (32.5%)
- Coal (22.8%)
- Hydro (3.5%)
- Nuclear (2.1%)
- Fuel Oil (1.7%)
- Solar (0.2%)
- Other (0.1%)



RENEWABLE & CLEAN ENERGY STANDARDS



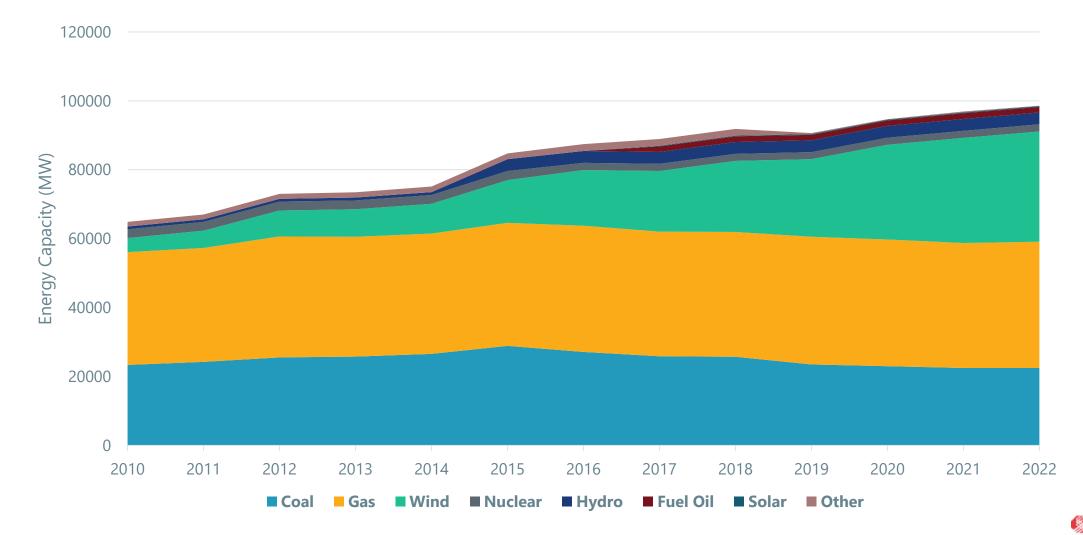
Installed Wind Capacity

Wind capacity increased dramatically between 2001-2022

35,000 30,000 25,000 20,000 15,000 10,000 5,000 Megawatts 0

2001 2003 2005 2007 2009 2011 2013 2015 2017 2019 2021

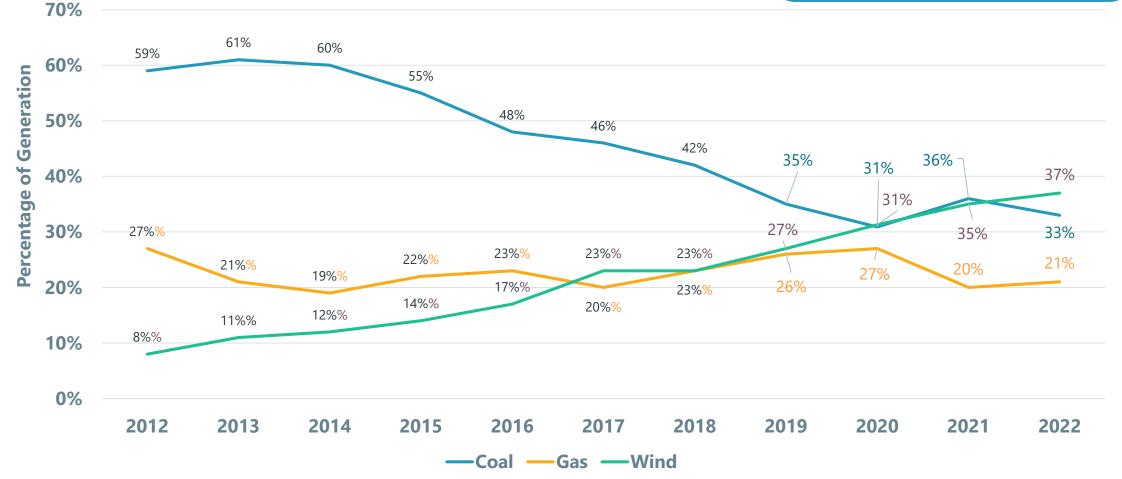
NAMEPLATE GENERATING CAPACITY BY FUEL MIX OVER TIME



SPP 🧿

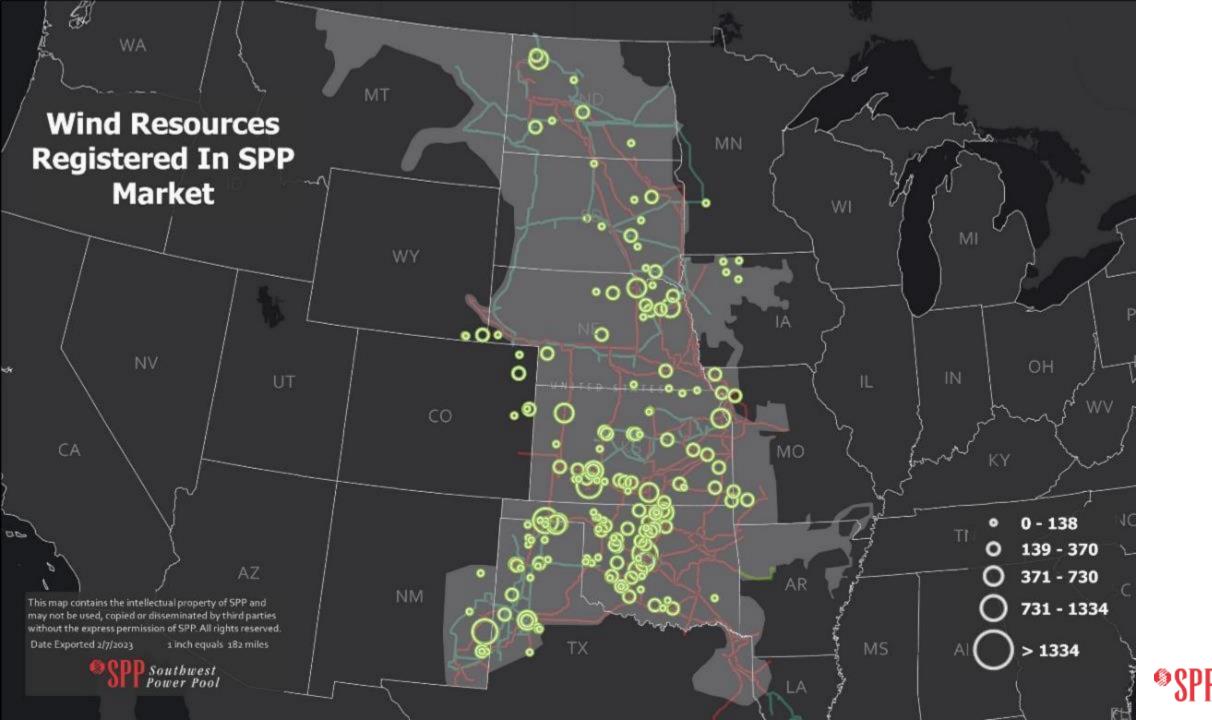
OUR EVOLVING ENERGY MIX

Coal and gas use has decreased, while wind has increased



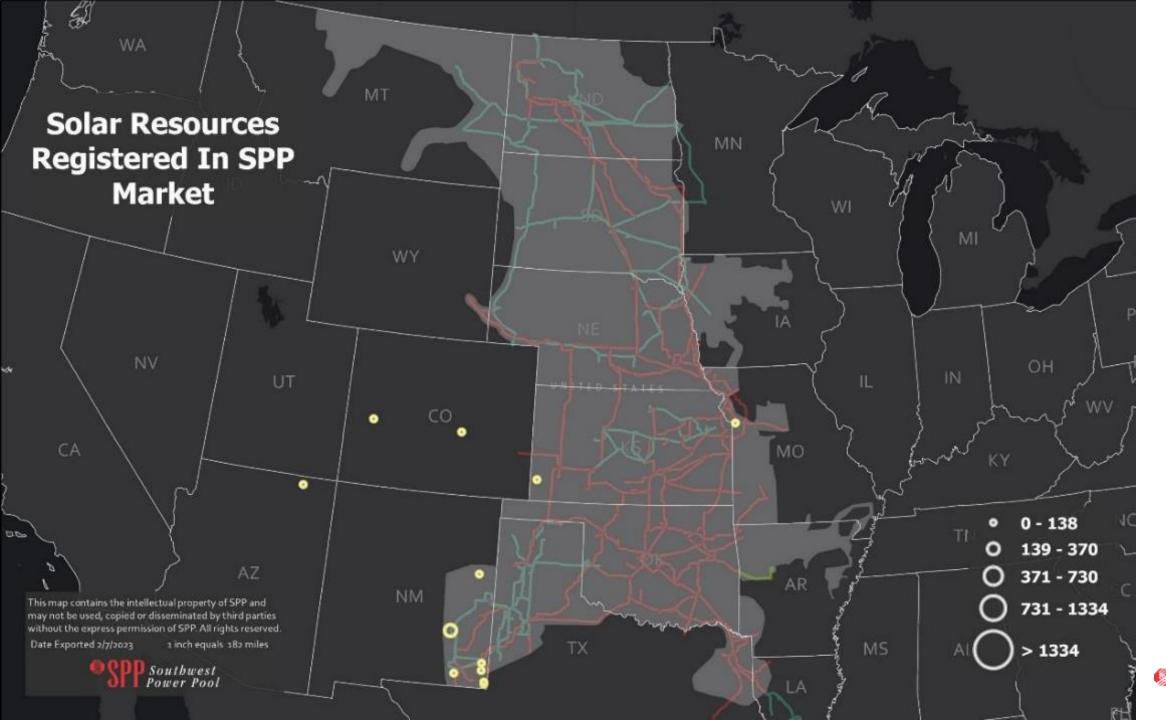
Trend By Year

SPP 10



Solar in SPP's system

- Solar in service: 245 MW
- Solar in all stages of study and development: 36,323 MW



SPP 13



GENERATION INTERCONNECTION QUEUE & PROCESS









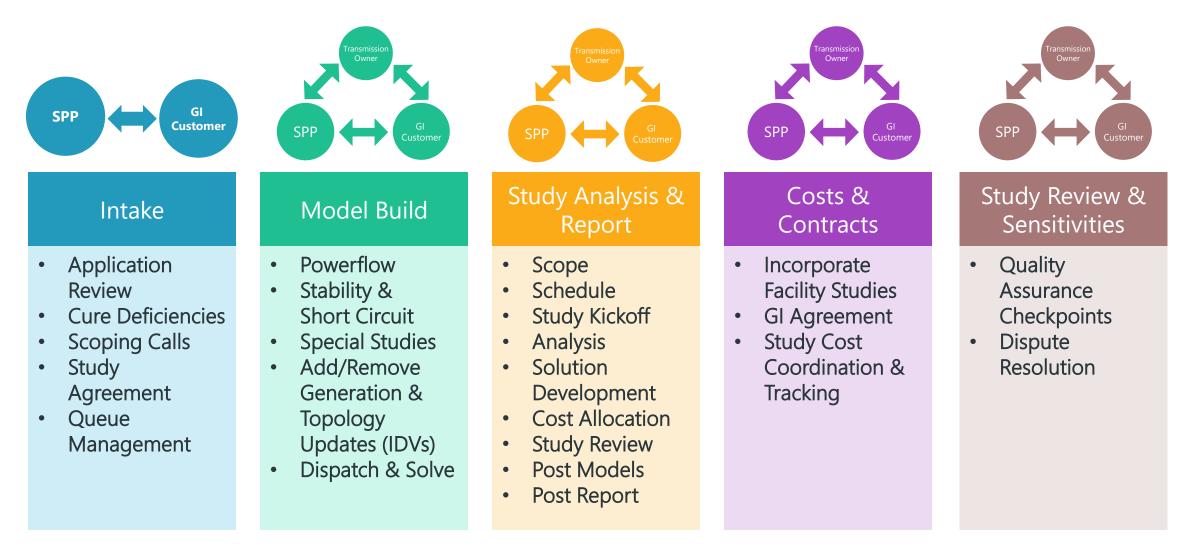
WHAT IS GENERATOR INTERCONNECTION?

- A tariff-based service provided by transmission providers to facilitate the orderly interconnection of new generation to the grid
- SPP's GI process provides a means for:
 - Planners and developers to submit requests to connect new generation to SPP's transmission network
 - SPP to validate, study and analyze these requests
 - Joint execution of a Generator Interconnection Agreement
 - Staging of requests, studies and connection in the queue

Governing Documents

- SPP Open Access Transmission Tariff
 - GI Procedures (Attachment V)
- SPP Business Practices
 - 7250 GI Service
 - 7300 Guideline for Clarifying Application for the SPP GI Procedures
 - 7350 GI Modeling of Variable Energy Resources
 - 7400 Interconnection Service for Energy Storage Resources
 - 7900 Generator Interconnection Manual (Pending)
- SPP Planning Criteria
- Seams Agreements

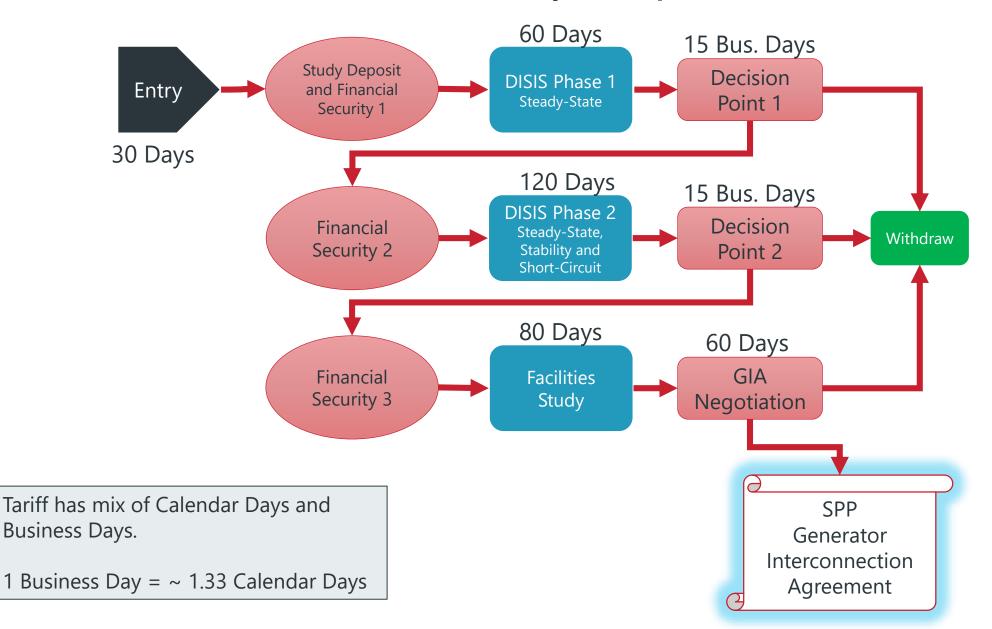
GI: WHAT GOES INTO OUR STUDIES?



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SPP'S THREE-PHASE STUDY PROCESS

Definitive Interconnection System Impact Studies (DISIS)



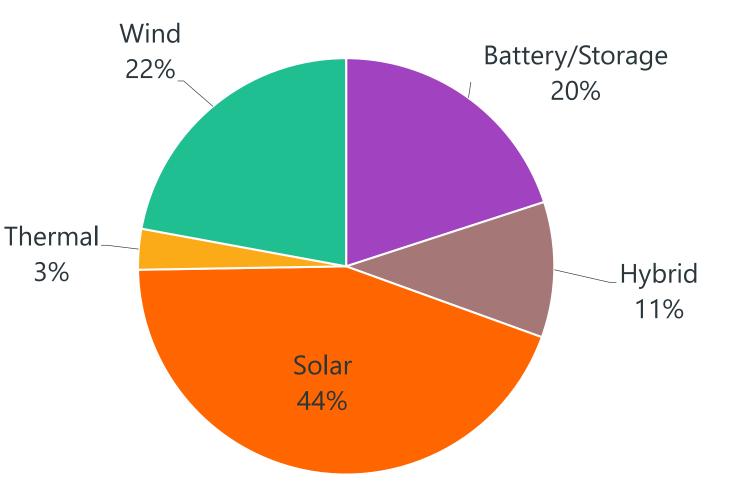
GENERATOR INTERCONNECTION COSTS

- 92% of projects that have completed all required interconnection studies complete between 2020 and 2022 have costs under \$125/kW.
- A 10MW Generation Interconnection customer paid for **\$540,000** in transmission upgrades on average.
- Economies of scale exist for completed renewable projects but not for other fuel types
 - Among complete wind projects, costs fall from \$61/kW for medium-sized projects (20-100 MW) to \$47/kW for large (100-250 MW) and \$44/kW for very large (250-675 MW) projects

Source: Lawrence Berkeley National Laboratory

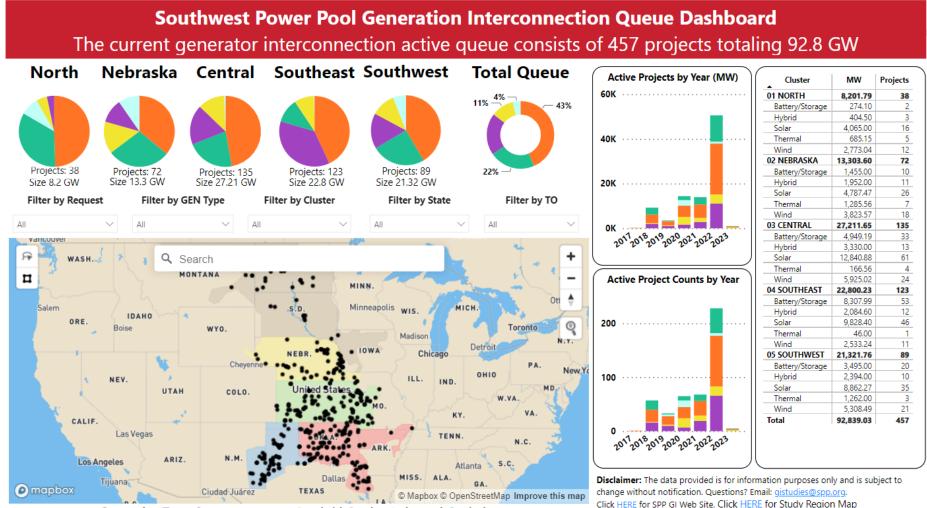
REQUESTS PENDING IN THE CURRENT GI QUEUE

GEN TYPE	Requests	GW Capacity
Battery / Storage	126	19 GW
Hybrid	49	10 GW
Solar	191	42 GW
Thermal	20	3 GW
Wind	87	21 GW
TOTAL	473	95 GW



GENERATION INTERCONNECTION DASHBOARD (9/30/23)

SPP.org/engineering/generator-interconnection/



Generation Type Battery/Storage Hybrid Solar Thermal Wind

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BACKLOG CLEARING

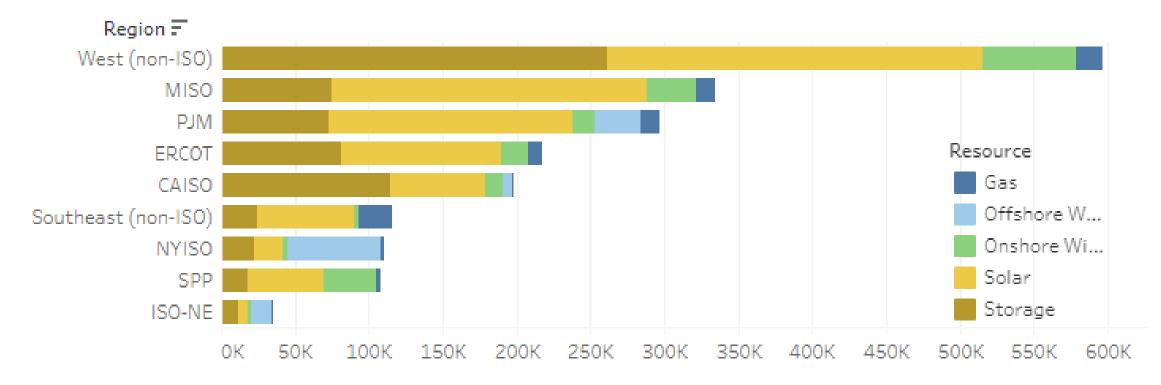








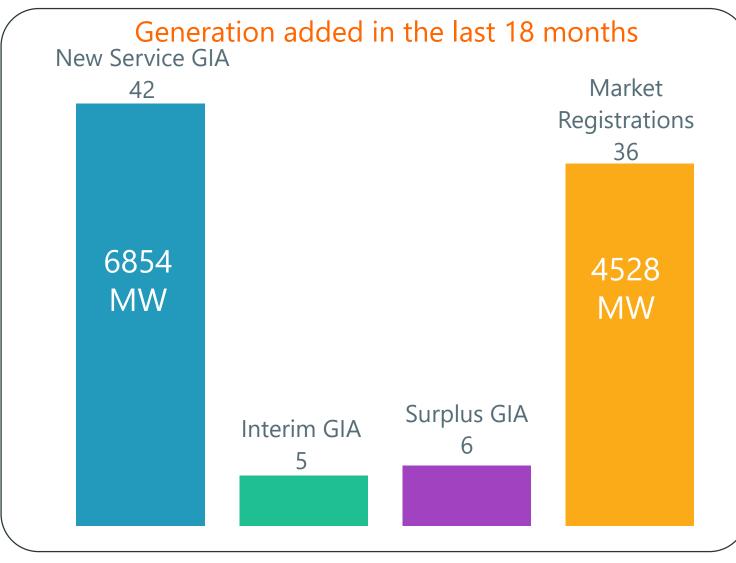
Regional queues by resource -- Cumulative



2.012 TW in GI Queue Nationwide 754.42 GW added to queue in 2022

Source: Lawrence Berkeley National Laboratory

HOW ARE WE DOING? GENERATION ADDED TO THE SYSTEM



In spite of the backlog, new generators are being added to SPP's resource pool

> Since January 2017: 31,005 MW added to the system 161 GIAs executed

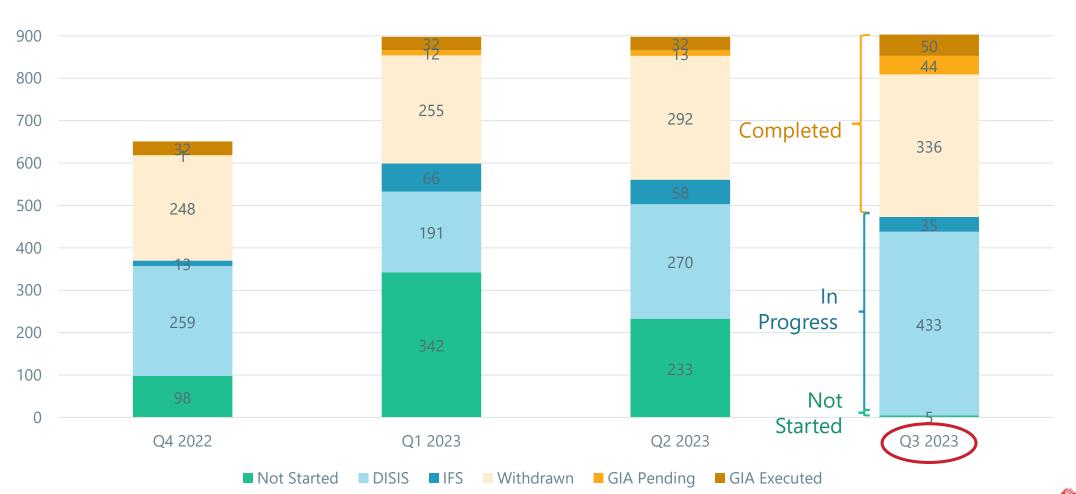




HOW ARE WE DOING? BACKLOG MITIGATION

1000

Active queue began with 903 Requests = 171.4 GW As 9/28/2023: 473 active requests = 95.4 GW



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FERC ORDER NO. 2023







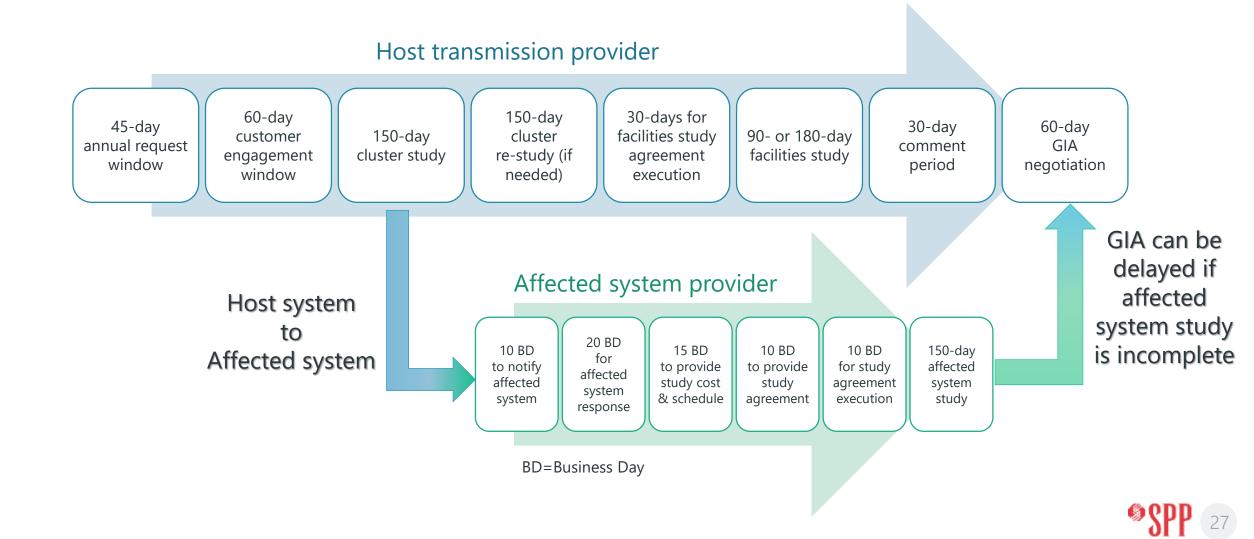


ORDER 2023 BASICS

Title	Improvements to Generator Interconnection Procedures and Agreements
Issued	July 28, 2023
Docket	RM22-14
Effective date	November 5, 2023
Compliance filing due	December 5, 2023 If SPP's request for extension of time is not granted

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UNIVERSAL CLUSTER STUDIES



SITE CONTROL FOR GENERATING FACILITY

Acreage requirements to be publicly posted

- 90% at time of request submission
- 100% at execution of facilities study agreement and LGIA

Acreage requirements at time of submission are binding

Deposit in lieu of site control

- Only where regulatory limitation can be demonstrated
- \$10,000/MW, range of \$500,000 to \$2,000,000

COMMERCIAL READINESS CRITERIA SECURITY

- No non-financial readiness criteria other than site control in the pro-forma. However, non-financial criteria may be permitted if they meet variation standard.
- Security Deposits

Stage	Security Deposit
Initial deposit at request submission	2 X Study Deposit (range: \$110k - \$500k)
To enter cluster re-study	Bring total deposit to 5% of assigned network upgrade costs from cluster study
To enter facilities study	Bring total deposit to 10% of assigned network upgrade costs from cluster study or re-study
LGIA execution	Bring total deposit to 20% of assigned network upgrade costs





QUESTIONS?

Paul Suskie

Executive Vice President, Regulatory Policy and General Counsel psuskie@spp.org

