



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

Innovations and)
Efficiencies in) **Docket No. AD24-9-000**
Generator Interconnection)

**OCETI SAKOWIN POWER AUTHORITY
RESPONSES TO PRE-WORKSHOP STAFF QUESTIONS
SEPTEMBER 11, 2024, EFFICIENCIES PANEL 1**

Per the Second Supplemental Notice of Staff-Led Workshop in the above-captioned docketed proceeding, OSPA submits its responses to Staff’s questions.

Questions:

1. What specific types of additional pre-application data provided to interconnection customers would facilitate greater efficiencies in the application phase and the rest of the generator interconnection process?
 - a. How would these types of data be helpful to interconnection customers?
 - b. Are there inefficiencies or complications associated with providing these types of additional pre-application data?

OSPA: The Sioux Tribes of the Upper Great Plains have learned that their reservations are located within an extra high voltage (EHV) Transmission Desert – in all of western South Dakota, there is no EHV, and the transmission facilities across the reservations are all 115 kV. This infrastructure cannot support utility-scale renewable energy development, and causes interconnection fees and costs to be so extreme that they render generation projects economically inviable. Moreover, the Tribes must develop their resources on their Reservations, so data about alternative sites would not be helpful to us. So more pre-interconnection application data won’t help us – we already know what the problems are. Our solutions must be found outside the normal GI application process.

One piece of information that would be valuable is if any TO is planning to build a new transmission line or hub near our Tribes, so that our wind and solar farms can interconnect at

reasonable rates, but frankly, none are. For the OSPA Tribes, the answer is federal investment to bring the national power grid in and around our reservations into the 21st century, and to coordinate the development of new transmission capacity with Tribal generation projects to maximize efficiencies and minimize delay and cost.

2. Regarding potential fast-track processes:

- a. Of the existing fast-track processes, such as California ISO's independent study process, which work well? What about them could be improved or emulated to achieve greater efficiencies?
- b. For interconnection requests that have little or minimal impact on existing transmission capacity, should there be a fast-track process or other prioritization method?

OSPA: For Tribes, there must be a fast-track process, regardless of the amount of transmission capacity required for their generation projects. OSPA and the other Indian Energy developers that have filed comments with FERC all support a special track for Indian Energy projects. Adopting a "when ready" interconnection standard is the preferred solution among the Indian commentators, and also has broad support among non-Indian parties as well. Given OSPA's unfortunate experience on the SPP queue, OSPA believes strongly that parties that have been forced off the queue – particularly by practices that FERC has found to be unjust, unreasonable and discriminatory – must be provided prioritized re-entry.

3. What types of remedial or mitigation mechanisms could address instances where inadvertent oversights or technical difficulties result in milestone failures, and interconnection customers do not learn of these issues in time to file a waiver request? In such instances, where good faith and a significant consequence to not meeting the particular milestone are also present, how may transmission providers modify their tariffs to reach a balanced resolution that enhances the stability of the interconnection process while also ensuring that only viable generating facilities remain in the queue?

OSPA: The federal government has a unique relationship with Tribes: Tribal lands are held "in trust" by the federal government, which imposes a fiduciary duty on the government to promote Tribal sovereignty, self-determination, and effective use of Tribal resources. RTOs like SPP don't share this responsibility, but PMAs like WAPA do. Tribes should therefore be able to rely on FERC to provide waivers on an expedited basis, for good cause shown. In cases where large-scale events may delay milestones – such as natural disasters or a delay in federal funding for large transmission projects – FERC has authority to issue blanket waivers, and may do it *sua sponte* (on its own motion, without waiting for a party to file a waiver request).

Typical metrics of generation project viability are not appropriate or relevant to Indian Energy projects, for a number of reasons:

- Tribes are not typical landowners. The three largest OSPA Tribes each have land areas that are larger than Rhode Island and Delaware put together. The seven OSPA member Tribes occupy almost one-fifth of the total land area of South Dakota.
- The wind resources among our Tribes are extraordinary – five years of met tower measurements have confirmed consistent 8-9 m/s wind speeds and net capacity factors in excess of 50%.
- The new Production Tax Credit Direct Pay and Transfer provisions in the tax code mean that Tribes can be the tax credit investors for their projects.
- We have established co-developer partnerships with some of the largest and most experienced wind and solar developers in the country.
- Development on Indian reservations is highly regulated, but the federal government has been very receptive to expediting approvals on Tribal lands. For example, the U.S. Bureau of Indian Affairs and OSPA have negotiated a unique model lease that meets all BIA regulatory requirements and will receive expedited approval. DOE is pursuing Programmatic Environmental Impact Statements and other steps that will expedite the NEPA process significantly.
- Despite these advantages, the Plains Tribes are among some of the poorest Tribes, and poorest counties, in the United States, so traditional measures of project viability, like payment of deposits, effectively would prevent Indian Energy development.

In its comments in Docket No. RM22-14-000, OSPA discussed these indicia of a viable project. Any questions concerning the viability of Indian Energy projects should be resolved by the Commission. In OSPA's experience, the RTO does not have familiarity with Tribal issues or the ability to fairly assess the merits of Tribal projects.

4. What other opportunities exist to increase the efficiency of the existing generator interconnection procedures and agreements?

OSPA's experience in this regard has been terrible. Our projects obtained queue positions in late 2017 and the DISIS Phase 2 Study wasn't completed until late 2022. When we finally got the results, our two wind farm projects were assessed a quarter-billion dollars in interconnection and network upgrade costs, which forced us to withdraw from the queue. There aren't many Indian Energy developers, but all of us have horror stories to tell – a solar project on the Pine Ridge reservation was also forced off the queue. Two Tribes, one from the

Upper Great Plains and one

from the Southwest, have filed multiple waiver requests, and have stated that without a waiver, their projects would be delayed or worse. Besides OSPA, two other Tribal groups, one from the Southwest and one from the Northern Rockies, filed comments in Docket No. RM22-14-000, and we all talked about the same problems – extraordinary delay and astronomical fees and cost allocations.

FERC has done the right thing in establishing tighter deadlines for interconnection providers and penalties for missing them. This is the only way to instill some responsibility in an interconnection process that has been completely without accountability for delays.

FERC has also tried to reduce interconnection fees, but under SPP's current tariff, the fees OSPA would pay to get back on the queue have either stayed the same or increased substantially. But the fee/cost allocation problems all stem from the same source – there's not enough transmission capacity to accommodate the needs of generation developers, or to meet the exponentially growing demand for power, driven by data and AI centers and advanced manufacturing. The solution is federal funding for new transmission, and the Biden/Harris Administration and Congress have provided a lot of it. This year, the Upper Great Plains has seen \$464 million go to the SPP/MISO JTIQ project, and \$700 million to the North Plains Connector. The Tribes haven't seen federal funding for the transmission projects they need yet, but we mean to.

Respectfully submitted,

/s/



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