

March 9, 2021

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: California Independent System Operator Corporation  
Compliance Filing to Reconcile Overlapping  
Commission-Approved Tariff Records**

**Docket No. ER21-\_\_\_\_-000**

Dear Secretary Bose:

The California Independent System Operator Corporation (“CAISO”) submits this compliance filing to reconcile overlapping tariff records in the Commission’s eTariff system, in order to reflect the sum of revisions to the same sections of the CAISO tariff that the Commission has already accepted in different proceedings. The CAISO does not propose any changes to Commission-approved tariff language in this filing.

The CAISO requests that the Commission accept the reconciled tariff records contained in this filing effective as of the latest effective date previously approved by the Commission for each tariff record. The Commission has accepted similar compliance filings to reconcile overlapping Commission-approved tariff records in the past,<sup>1</sup> and should do the same here.

## **I. Background**

The CAISO has identified several instances where CAISO tariff records on file in the Commission’s eTariff system, although individually they accurately reflect revisions to tariff sections approved by the Commission in the separate and successive proceedings in which they were filed, do not accurately reflect the cumulative result of the Commission’s orders across the proceedings. These situations arose due to the chronological sequence in which the tariff records were filed in the different proceedings

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<sup>1</sup> See, e.g., *Cal. Indep. Sys. Operator Corp.*, Commission letter order, Docket No. ER16-350-000 (Apr. 8, 2016); *Cal. Indep. Sys. Operator Corp.*, Commission letter order, Docket No. ER16-2701-000 (Nov. 18, 2016); *Cal. Indep. Sys. Operator Corp.*, Commission letter order, Docket No. ER20-1281-001 (July 31, 2020).

and then acted on by the Commission. From the time the CAISO files a tariff amendment to the time the Commission issues an order accepting it as of a specified effective date, several months or more may pass, especially if the Commission conditions its acceptance on the filing of revisions to certain portions of the original proposed amendment in a compliance filing. Given these timeframes, it is sometimes necessary for the CAISO to file tariff amendments in which some of the proposed tariff revisions include changes that affect tariff records that are the subject of already pending tariff amendments that the Commission has not yet addressed. In such circumstances, the CAISO will reconcile the tariff records at a later date after the Commission has issued the relevant orders.

## II. Proposed Reconciliation

The CAISO proposes to reconcile the tariff records in Appendix DD—the CAISO’s generator interconnection procedures—and Appendix EE—the CAISO’s *pro forma* Large Generator Interconnection Agreement. Overlapping tariff records resulted from four proceedings:

- Docket No. ER19-1950, in which the CAISO submitted tariff revisions to comply with Order No. 845;<sup>2</sup>
- Docket No. ER19-2679, in which the CAISO submitted various tariff revisions resulting from its Interconnection Process Enhancements stakeholder initiative;
- Docket No. ER20-732, in which the CAISO submitted tariff revisions regarding its annual deliverability assessment study; and
- Docket No. ER20-2374, in which the CAISO submitted various tariff clarifications, commonly known as the “bucket filing.”

Attachment A to this filing consists of a detailed table describing each tariff record the CAISO proposes to reconcile, the dockets affecting that record, the original record effective date, the record versions, the effective amendment version, the effective amendment date, and the Commission order approving each amendment.

The purpose of this compliance filing is to rectify the situations described above by providing conformed tariff records that reflect the cumulative result of all the Commission-approved tariff records for the tariff sections listed in Attachment A. This filing ensures that the eTariff system reflects all approved tariff amendments, and that the records on the system are consistent with the conformed tariff posted on the CAISO website. The filing also satisfies the specific requirements of the Commission orders in

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<sup>2</sup> *Reform of Generator Interconnection Procedures and Agreements*, Order No. 845, 163 FERC ¶ 61,043 (2018), *errata notice*, 167 FERC ¶ 61,123, *order on reh’g*, Order No. 845-A, 166 FERC ¶ 61,137, *errata notice*, 167 FERC ¶ 61,124, *order on reh’g*, Order No. 845-B, 168 FERC ¶ 61,092 (2019).

the proceedings that accepted the provisions included in the conformed tariff record. The CAISO does not propose any changes to the Commission-approved tariff language in this filing.

Attachment B to this filing contains the marked redline tariff sections showing the revisions made to the effective tariff records currently on file in order to fully reflect all Commission-approved language therein. Attachment C to this filing contains the clean tariff sections showing the full text of the reconciled tariff records once all the conforming changes made by this filing are incorporated.

The CAISO requests that the Commission accept the reconciled tariff records contained in this filing effective as of the latest effective date previously approved by the Commission for each tariff record.

### **III. Communications**

The CAISO requests that all correspondence, pleadings, and other communications regarding this filing be served upon:

Roger E. Collanton  
General Counsel  
Sidney L. Mannheim  
Assistant General Counsel  
William H. Weaver  
Senior Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630  
Tel: (916) 351-4400  
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### **IV. Service**

The CAISO has served copies of this filing on the California Public Utilities Commission, the California Energy Commission, and all parties with Scheduling Coordinator Agreements under the CAISO tariff. In addition, the CAISO has posted a copy of the filing on the CAISO website.

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**V. Conclusion**

For the reasons explained above, the CAISO requests that the Commission accept the reconciled tariff records contained in this compliance filing.

Respectfully submitted,

/s/ William H. Weaver

Roger E. Collanton

General Counsel

Sidney L. Mannheim

Assistant General Counsel

William H. Weaver

Senior Counsel

Counsel for the California Independent  
System Operator Corporation

**Attachment A – Reconciliation Chart**

**Reconciliation Filing**

**California Independent System Operator Corporation**

**March 9, 2021**

**Section DD Reconciliation Filing**

Section #	Baseline	Baseline Version	Baseline Effective Date	Amendment	Amendment Version	Amendment Effective Date	FERC Order
2	ER14-2586-000	2	11/4/2014	ER19-1950-000	3	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER19-1950-001	5	2/20/2020	172 FERC ¶ 61,049 (2020)
				ER20-732-000	4	3/3/2020	171 FERC ¶ 61,120 (2020)
3	ER19-1013-000	9	4/1/2019	ER19-1950-000	10	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER19-1950-001	12	2/20/2020	172 FERC ¶ 61,049 (2020)
				ER20-732-000	11	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-2374-000	13	9/9/2020	Letter Order Sept 4, 2020
4	ER19-2679-000	5	10/23/2019	ER20-732-000	6	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-732-002	8	3/3/2020	Letter Order Sept 11, 2020
				ER20-2374-000	9	9/9/2020	Letter Order Sept 4, 2020
6	ER19-1013-000	8	4/1/2019	ER19-2679-000	10	10/23/2019	Letter Order Oct 18, 2019
				ER19-1950-000	9	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER19-1950-001	12	2/20/2020	172 FERC ¶ 61,049 (2020)
				ER19-1950-002	16	2/20/2020	Letter Order Jan 21, 2021
				ER20-732-000	11	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-732-002	14	3/3/2020	Letter Order Sept 11, 2020
7	ER18-2498-000	7	11/27/2018	ER19-2679-000	9	10/23/2019	Letter Order Oct 18, 2019
				ER19-1950-000	8	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER19-1950-001	11	2/20/2020	172 FERC ¶ 61,049 (2020)
				ER19-1950-002	13	2/20/2020	Letter Order Jan 21, 2021
				ER20-732-000	10	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-2374-000	12	9/9/2020	Letter Order Sept 4, 2020
8	ER18-2498-000	7	11/27/2018	ER19-2679-000	9	10/23/2019	Letter Order Oct 18, 2019
				ER19-1950-000	8	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER19-1950-002	12	2/20/2020	Letter Order Jan 21, 2021
				ER20-732-000	10	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-2374-000	11	9/9/2020	Letter Order Sept 4, 2020
14	ER19-2679-000	5	10/23/2019	ER19-1950-001	7	2/20/2020	172 FERC ¶ 61,049 (2020)
				ER20-732-000	6	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-2374-000	8	9/9/2020	Letter Order Sept 4, 2020

**Section DD Reconciliation Filing Cont.**

Section #	Baseline	Baseline Version	Baseline Effective Date	Amendment	Amendment Version	Amendment Effective Date	FERC Order
App 1	ER13-2484-000	1	12/3/2013	ER19-1950-000	2	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER20-732-000	3	3/3/2020	171 FERC ¶ 61,120 (2020)
				ER20-732-002	5	3/3/2020	Letter Order Sept 11, 2020

**App EE Reconciliation Filing**

Art 1	ER14-2586-000	5	10/23/2019	ER19-2679-000	7	10/23/2019	Letter Order Oct 18, 2019
				ER19-1950-000	6	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER20-732-000	8	3/3/2020	171 FERC ¶ 61,120 (2020)
Art 5	ER18-2498-000	5	11/27/2018	ER19-1950-000	6	2/20/2020	170 FERC ¶ 61,112 (2020)
				ER19-1950-001	8	2/20/2020	172 FERC ¶ 61,049 (2020)
				ER20-732-000	7	3/3/2020	171 FERC ¶ 61,120 (2020)

**Attachment B – Redline Tariff**

**Reconciliation Filing**

**California Independent System Operator Corporation**

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## Appendix DD

### Section 2 Scope And Application

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#### 2.3 Interconnection Base Case Data

For each Interconnection Study Cycle, the CAISO, in coordination with applicable Participating TO(s), shall ~~maintain~~ publish updated Interconnection Base Case Data, including, as applicable, separate Interconnection Base Case Data for each Group Study to reflect system conditions particular to the Group Study, to a secured section of the CAISO Website. Interconnection Base Case Data will represent the network model and underlying assumptions used during the most recent Interconnection Study and represent system conditions in the near term planning horizon.

The CAISO will update and publish the Interconnection Base Case Data:

- (1) \_\_\_\_\_ prior to the Phase I Interconnection Study with the Generation reflected in valid Interconnection Requests for the Interconnection Study Cycle, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions;
- (2) \_\_\_\_\_ after the Phase I Interconnection Study with the Generation reflected in valid Interconnection Requests submitted in the Cluster Application Window for the Interconnection Study Cycle, and the identified preliminary transmission upgrades or additions, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions;
- (3) \_\_\_\_\_ prior to the Phase II Interconnection Study, including all remaining Generation from the Phase I Interconnection Study for the Interconnection Study Cycle, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions; and
- (4) \_\_\_\_\_ after the Phase II Interconnection Study, including all remaining Generation from the applicable Phase I Interconnection Study and the identified transmission upgrades and additions for the Interconnection Study Cycle, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions.

Interconnection Base Case Data shall include information subject to the confidentiality provisions in Section 15.1.

The CAISO shall require current and former Interconnection Customers, Market Participants, and electric utility regulatory agencies within California to sign a CAISO confidentiality agreement and, where the current or former Interconnection Customer or

Market Participant is not a member of WECC, or its successor, an appropriate form of agreement with WECC, or its successor, as necessary. All other entities or persons seeking Interconnection Base Case Data must satisfy the foregoing requirements as well as all requirements under 18 C.F.R. Section 388.113 for obtaining the release of Critical Energy Infrastructure Information (as that term is defined by FERC). The CAISO will maintain a link on OASIS to the secured section of the CAISO website with the Interconnection Base Case Data.

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#### **2.4.3.1 The Phase I Interconnection Studies**

The Phase I Interconnection Studies for Queue Cluster Generating Facilities will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The Phase I Interconnection Studies will identify direct Interconnection Facilities and required Reliability Network Upgrades necessary to interconnect the Generating Facility, mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. The Phase I Interconnection Studies will also identify LDNUs and LOPNUs for Generating Facilities, including those being processed under the Independent Study Process, that have selected Full Capacity ~~or~~ Partial Capacity Deliverability Status, and Off-Peak Deliverability Status, as applicable. Such ~~LDNU~~Network Upgrades shall be identified in accordance with the ~~On-Peak~~ Deliverability Assessments set forth in Section 6.3.2. The Phase I Interconnection Studies will also provide cost estimates for ADNUs and AOPNUs, as described in Section 6.3.2-~~4.2~~. The Phase I Interconnection Study report shall include cost estimates for RNUs, LDNUs, ADNUs, LOPNUs, AOPNUs, and Participating TOs Interconnection Facilities that shall, as applicable, establish the basis for the initial Interconnection Financial Security postings under Section 11.2.

#### **2.4.3.2 The Reassessment Prior to Phase II Interconnection Studies**

Before undertaking the Phase II Interconnection Studies, the CAISO will conduct a reassessment, as specified in Section 7.4, to conform the Base Case and Interconnection Base Case Data to account for later conditions since the CAISO performed the Phase II Interconnection Study in the prior Interconnection Study Cycle, and to account for the impact of Downsizing Generators pursuant to Section 7.5.

#### **2.4.3.3 The Phase II Interconnection Studies**

The Phase II Interconnection Studies will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses, and will identify direct Interconnection Facilities and required RNUs necessary to interconnect the Generating Facility, mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. The Phase II Interconnection Studies shall identify LDNUs and LOPNUs for Generating Facilities participating in Phase II (including those being processed under the Independent Study Process) that have elected Full Capacity ~~or~~ Partial Capacity Deliverability Status, and Off-Peak Deliverability Status, as applicable, and ADNUs for Interconnection Customers selecting Option (B) in accordance with Section 7.2.

The Phase II Interconnection Study report shall also set forth the applicable cost estimates for RNUs, LDNUs, ADNUs, LOPNUs, and AOPNUs, and Participating TOs Interconnection Facilities that shall, as applicable, establish the basis for the second and third Interconnection Financial Security postings under Section 11.3.

Where an Interconnection Study report identifies specific transmission facilities for Network Upgrade or Interconnection Facilities, the cost estimates determined in accordance with Section 6.4 will be set forth in present dollar costs as well as time-adjusted dollar costs, adjusted to the estimated year of expenditure for construction of the components being constructed.

#### **2.4.3.4 Update Following TP Deliverability Allocation Process**

Following the completion of Phase II Interconnection Studies for the Queue Cluster and provision by the ISO of the results to Interconnection Customers in the Queue Cluster, the ISO will perform the allocation of TP Deliverability to eligible Generating Facilities in accordance with Section 8.9. Based on the results of the allocation process and the responses to those results as reported by affected Interconnection Customers to the ISO, the ISO will provide updates where needed to the Phase II Interconnection Study reports of affected Interconnection Customers. The update to the Phase II Interconnection Study report provided under this section shall not extend the time for the second Interconnection Financial Security posting under Section 11.3.

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### **Section 3 Interconnection Requests**

#### **3.1 General**

Pursuant to CAISO Tariff Section 25.1, a duly authorized officer or agent of the Interconnection Customer will submit to the CAISO (1) an Interconnection Request consistent with Appendix 1 to this GIDAP, including (2) an executed Generator Interconnection Study Process Agreement consistent with Appendix 3 to this GIDAP. All forms may be submitted electronically as provided on the CAISO website. Interconnection customers will submit Appendix B to the Generator Interconnection Study Process Agreement pursuant to Section 7 of this GIDAP. The CAISO will forward a copy of the Interconnection Request to the applicable Participating TO within five (5) Business Days of receipt.

The Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. The Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

Interconnection Customers may request Interconnection Service Capacity below the Generating Facility Capacity. The CAISO will study these requests for Interconnection Service at the level of Interconnection Service Capacity requested for purposes of Interconnection Studies, Network Upgrades, and associated costs. If the Generating Facility Capacity requires additional Network Upgrades beyond the Interconnection Service Capacity, the CAISO will provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade cost required for safety and reliability will be assigned to the Interconnection Customer and eligible for reimbursement consistent with the treatment of

Interconnection Facilities and Network Upgrade provided in this GIDAP. Interconnection Customers may be subject to additional control technologies, as well as testing and validation of those technologies consistent with Article 6 of the GIA and Article 2 of the SGIA. The necessary control technologies and protection systems shall be established in Appendix C of that executed, or requested to be filed unexecuted, GIA. An Interconnection Customer with a proposed Small Generating Facility shall be evaluated using the maximum rated capacity that the Small Generating Facility is capable of injecting into the CAISO's electric system. However, if the maximum capacity that the Small Generating Facility is capable of injecting into the CAISO's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the CAISO's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the CAISO's system. If the CAISO does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Small Generating Facility is capable of injecting into the CAISO's electric system without such limitations. Furthermore, nothing in this section shall prevent the CAISO from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.

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### **3.4 Surplus Interconnection Service~~[Not Used]~~**

The CAISO will allow an Interconnection Customer to utilize or transfer Surplus Interconnection Service. The Interconnection Customer will notify the CAISO that it has transferred its Surplus Interconnection Service to another entity. The total Interconnection Service Capacity of the original Interconnection Customer and the assignee of the Surplus Interconnection Capacity may not exceed the original Interconnection Customer's constructed Generating Facility Capacity, regardless of the Interconnection Service Capacity it requested in its Interconnection Request or memorialized in its GIA. The Generating Facility of the assignee must interconnect at the same Point of Interconnection as the original Interconnection Customer.

If the assignee's Generating Facility would not require a new Interconnection Request pursuant to Section 25.1.1 of the CAISO Tariff, the original Interconnection Customer may transfer Surplus Interconnection Service, and the CAISO will study the transfer, as a modification under Section 6.7.2. Otherwise, the assignee of the Surplus Interconnection Service will submit an Interconnection Request under the Independent Study Process pursuant to Section 3.5 of this GIDAP. The CAISO and Participating TO will study and treat the use of the Surplus Interconnection Service and any capacity beyond the Interconnection Service Capacity as a behind-the-meter capacity expansion consistent with Section 4.2 of this GIDAP. The Independent Study Process for Surplus Interconnection Service will identify any additional Interconnection Facilities and/or Network Upgrades necessary. Reimbursement for additional Reliability Network Upgrades will be capped pursuant to Section 14.3.2 of this GIDAP. The CAISO will use the constructed Generating Facility Capacity of the original Interconnection Customer for the MW value of the RNU reimbursement cap, and will subtract the costs of the original Interconnection Customer's Reliability Network Upgrades to determine any remaining eligible reimbursement under the cap for the assignee's Reliability Network Upgrades, if any.

Notwithstanding any other provision in this GIDAP, if the original Interconnection Customer has Full or Partial Capacity Deliverability Status, it will notify the CAISO whether its transfer of Surplus Interconnection Service includes any Deliverability currently associated with the constructed Generating Facility capacity. The transfer amount of Deliverability may not exceed the transfer amount of Surplus Interconnection Service. The transfer amount of Surplus Interconnection

Service will not operate as a basis to increase the Net Qualifying Capacity of the Generating Facility (including the expansion) that pre-existed the transfer. In all cases, the original Generating Facility and the behind-the-meter capacity expansion will be metered separately from one another and be assigned separate Resource IDs. If the original Interconnection Customer's Generating Facility permanently retires, or ceases operation for three (3) years without having begun active construction of a repowered Generating Facility, both the original Interconnection Customer and the assignee of the Surplus Interconnection Service will be converted to Energy Only. At any point, the assignee may seek its own TP Deliverability allocation pursuant to Section 8.9 of this GIDAP. If the assignee receives its own TP Deliverability allocation, it will exist completely independent of the original Interconnection Customer and will not be converted to Energy Only due to the retirement or inoperability of the original Interconnection Customer, notwithstanding any other provision herein.

The CAISO, Participating TO, and original Interconnection Customer will work in good faith to amend the original Interconnection Customer's GIA to reflect the transfer of Surplus Interconnection Service before the execution of the assignee's GIA.

### **3.5 Processing of Interconnection Requests**

#### **3.5.1 Initiating an Interconnection Request.**

To initiate an Interconnection Request, except as set forth for the Fast Track Process in Section 5, and have the Interconnection Request considered for validation under Section 3.5.2, the Interconnection Customer must submit all of the following during the Cluster Application Window, or at any time during the year for proposed Generating Facilities applying for processing under the Independent Study Process:

- (i) An Interconnection Study Deposit of \$150,000.
- (ii) A completed application in the form of Appendix 1, including requested Deliverability status<sup>es</sup>, requested study process (either Queue Cluster or Independent Study Process), preferred Point of Interconnection and voltage level, and all other required technical data, including all data requested in Attachment A to Appendix 1 in Excel format.
- (iii) Demonstration of Site Exclusivity or, for Interconnection Requests in a Queue Cluster, a posting of a Site Exclusivity Deposit of \$100,000 for a Small Generating Facility or \$250,000 for a Large Generating Facility. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.
- (iv) A load flow model.
- (v) A dynamic data file.
- (vi) A reactive power capability document.
- (vii) A site drawing.
- (viii) A single-line diagram.
- (ix) A flat run plot and a bump test plot from the positive sequence transient stability simulation application.

- (x) A plot showing the requested MW at the Point of Interconnection from the positive sequence load flow application.

The CAISO requires the foregoing information to be complete and specific to the Interconnection Request. The CAISO will first determine whether a submitted Interconnection Request is complete. The CAISO will not initiate any review of an Interconnection Request for completeness until the Interconnection Study Deposit is received by the CAISO. Consistent with Section 3.5.3, the CAISO will review each Interconnection Request and notify the Interconnection Customer whether it is complete or contains omissions within five (5) Business Days of submission. Any Interconnection Customer that has not submitted a complete Interconnection Request by April 15 (or the next Business Day if April 15 is not a Business Day) will be deemed incomplete with no opportunity to cure or otherwise be included in that year's Queue Cluster.

The CAISO requires Interconnection Study Deposits to review and validate the Interconnection Request. Notwithstanding Section 3.5.2 of this GIDAP or any other provision regarding validation or the ability to cure deficiencies, the CAISO will not review, process, or validate an Interconnection Request absent the Interconnection Study Deposit. Any interconnection Customer that has not submitted a complete Interconnection Study Deposit by April 15 (or the next Business Day if April 15 is not a Business Day) will be deemed invalid with no opportunity to cure or otherwise be included in that year's Queue Cluster.

#### **3.5.1.1 Use of Interconnection Study Deposit.**

The CAISO shall deposit all Interconnection Study Deposits in an interest bearing account at a bank or financial institution designated by the CAISO. The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the CAISO, the Participating TOs, or third parties at the direction of the CAISO or Participating TOs, as applicable, to perform and administer the Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests.

Except for proposed Generating Facilities processed under the Fast Track Process set forth in Section 5, the Interconnection Study Deposits shall be refundable as follows:

- (a) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the CAISO by written notice under Section 3.8 on or before thirty (30) calendar days following the Scoping Meeting, the CAISO shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit, including interest earned at the rate provided for in the interest-bearing account from the date of deposit to the date of withdrawal, that exceed the costs the CAISO, Participating TOs, and third parties have incurred on the Interconnection Customer's behalf.
- (b) Should an Interconnection Request made under Section 3.5.1 be withdrawn by the Interconnection Customer or be deemed withdrawn by the CAISO by written notice under Section 3.8 more than thirty (30) calendar days after the Scoping Meeting, but on or before thirty (30) calendar days following the Results Meeting (or the latest date permitted under this GIDAP for a Results Meeting if a customer elects not to have a Results Meeting) for the Phase I Interconnection Study or the system impact and facilities study for Generating Facilities processed under the Independent Study Process, the CAISO shall refund to the Interconnection Customer the difference between (i) the Interconnection Customer's Interconnection Study Deposit and (ii) the greater of the costs the CAISO and Participating TOs have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of ~~\$75400~~,000, including interest earned at the rate provided for in the interest-bearing account from the date of deposit to the date of withdrawal.



Interconnection Customers in Queue Cluster 5 who have provided the Study Deposit may receive a refund of the Interconnection Study Deposit, less actual costs expended on the Interconnection Studies to date, by withdrawing from the Queue within ten (10) calendar days after July 25, 2012.

- (c) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the CAISO by written notice under Section 3.8 at any time more than thirty (30) calendar days after the Results Meeting (or the latest date permitted for a Results Meeting if a customer elects not to have a Results Meeting) for the Phase I Interconnection Study, or the system impact and facilities study for proposed Generating Facilities processed under the Independent Study Process, the Interconnection Study Deposit shall be non-refundable.
- (d) Upon execution of a GIA by an Interconnection Customer, the CAISO and the applicable Participating TOs, or the approval by FERC of an unexecuted GIA, the CAISO shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit, including interest earned at the rate provided for in the interest-bearing account from the date of deposit to the date of withdrawal, that exceeds the costs the CAISO, Participating TOs, and third parties have incurred on the Interconnection Customer's behalf.

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request during an Interconnection Study Cycle shall be obligated to pay to the CAISO all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. The CAISO will reimburse the applicable Participating TO(s) or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the CAISO's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results.

All non-refundable portions of the Interconnection Study Deposit that exceed the costs the CAISO, Participating TOs, or third parties have incurred on the Interconnection Customer's behalf, and any non-refundable interconnection study deposit funds that are received by the CAISO from a Participating TO, pursuant to a requirement in the Participating TO's wholesale distribution tariff for such funds to be distributed by the CAISO, shall be treated in accordance with Section 7.6.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

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### **3.5.2.2 Deficiencies in Interconnection Request.**

If an Interconnection Request has deficiencies, the CAISO shall include in its notification to the Interconnection Customer that the Interconnection Request does not constitute a valid request

and explain the deficiencies. The Interconnection Customer shall provide the CAISO the corrected requested information needed to constitute a valid request. Consistent with Section 3.5, whenever corrected requested information is provided by the Interconnection Customer, the CAISO shall notify the Interconnection Customer within five (5) Business Days of receipt of the corrected requested information whether the Interconnection Request is valid. If the Interconnection Request continues to provide deficient information, the CAISO shall include in its notification to the Interconnection Customer the reasons for such failure. If an Interconnection Request is not deemed valid, the Interconnection Customer -must cure all deficiencies no later than June 30 or the next Business Day if June 30 is not a Business Day. Interconnection Requests with deficiencies after that date will be deemed invalid and will not be included in an Interconnection Study Cycle or otherwise studied.

Interconnection Requests deemed invalid under this Section 3.5.2.2 are not subject to Section 3.8. Interconnection Customers with invalid Interconnection Request under this Section 3.5.2.2 may seek relief under Section 15.5 by so notifying the CAISO within two (2) Business Days of the notice of invalidity.

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### **3.6 Internet Posting**

The CAISO will maintain on the CAISO Website a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the most recent projected Commercial Operation Date; (v) the status of the Interconnection Request, including whether it is active or withdrawn; (vi) the availability of any studies related to the Interconnection Request; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (e.g., combined cycle, combustion turbine, wind turbine, and fuel type); (ix) requested Deliverability status<sup>es</sup>, and (x) project name.

Except in the case of an Affiliate, the list will not disclose the identity of the Interconnection Customer until the Interconnection Customer executes a GIA or requests that the applicable Participating TO(s) and the CAISO file an unexecuted GIA with FERC. The CAISO shall post on the CAISO Website an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO.

The CAISO shall post to the CAISO Website any deviations from the study timelines set forth herein. The CAISO shall further post to the secure CAISO Website portions of the Phase I Interconnection Study that do not contain customer-specific information following the final Results Meeting and portions of the Phase II Interconnection Study that do not contain customer-specific information no later than publication of the final Transmission Plan under CAISO Tariff Section 24.2.5.2 (such posted information to be placed on the secure CAISO Website to protect any Critical Energy Infrastructure Information contained therein). The CAISO shall post to the secure CAISO Website any documents or other materials posted pursuant to this or a Business Practice Manual that contain Critical Energy Infrastructure Information.

#### **3.6.1 Interconnection Studies Statistics**



The CAISO will maintain on its website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. The CAISO will maintain a link on OASIS to the CAISO website with the interconnection statistics. These statistics will include:

### **3.6.1.1 Phase I Interconnection Studies**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase I Interconnection Studies completed;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase I Interconnection Studies completed beyond the one hundred seventy (170) days planned for the Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Phase I Interconnection Studies that have exceeded the one hundred seventy (170) days planned for the Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP;
- (D) The mean time (in days) of Phase I Interconnection Studies completed from the date when the CAISO began the annual Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP to the date the CAISO provided the completed Phase I Interconnection Study to the Interconnection Customer;
- (E) The percentage of Phase I Interconnection Studies exceeding the one hundred seventy (170) days planned for the Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP, calculated as the sum of (B) plus (C), divided by the sum of (A) plus (C).

### **3.6.1.2 Phase II Interconnection Studies**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase II Interconnection Studies completed;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase II Interconnection Studies completed beyond the two hundred and five (205) days planned for the Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Phase II Interconnection Studies that have exceeded the two hundred and five (205) days planned for the Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP;
- (D) The mean time (in days) of Phase II Interconnection Studies completed from the date when the CAISO began the annual Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP to the date the CAISO provided the completed Phase II Interconnection Study to the Interconnection Customer;
- (E) The percentage of Phase II Interconnection Studies exceeding the two hundred and five (205) days planned for the Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP, calculated as the sum of (B) plus (C), divided by the sum of (A) plus (C).

### **3.6.1.3 Interconnection Requests Withdrawn**

- (A) The number of Interconnection Requests withdrawn;
- (B) The number of Interconnection Requests withdrawn before completion of any Interconnection Studies;

- (C) The number of Interconnection Requests withdrawn before completion of their Phase II Interconnection Study;
- (D) The number of Interconnection Requests withdrawn after executing a GIA or before the Interconnection Customer requests filing an unexecuted, new GIA;
- (E) Mean time (in days), for all withdrawals, from the date when the request was determined to be valid to when the CAISO received the request to withdraw from the queue.

### **3.6.2 Retention**

The CAISO will keep the quarterly interconnection studies statistics on the CAISO Website for three (3) calendar years, commencing in the first quarter of 2020.

### **3.6.3 FERC Reporting**

In the event that any of the percentages calculated in any subparagraph E of Section 3.6.1.1 and 3.6.1.2 exceeds twenty five (25) percent for two (2) consecutive quarters, the CAISO will, for the next four quarters and until those percentages fall below twenty five (25) percent for two (2) consecutive quarters:

- (i) submit a report to FERC describing the reason for each study or group of clustered studies pursuant to an Interconnection Request that exceeded its deadline for completion (excluding any allowance for Reasonable Efforts). The CAISO will describe the reasons for each study delay and any steps taken to remedy these specific issues and, if applicable, prevent such delays in the future. The CAISO will file the report with FERC within forty five (45) days of the end of the calendar quarter.
- (ii) aggregate and publish on the CAISO Website the total number of employee-hours and third party consultant hours expended towards its Interconnection Studies. The CAISO will publish these figures within thirty (30) days of the end of the calendar quarter.

\* \* \* \* \*

## **3.8 Withdrawal**

The Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the CAISO, and the CAISO will notify the applicable Participating TO(s) and Affected System Operators, if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by the CAISO of a valid Interconnection Request under Section 3.5.2, if the Interconnection Customer fails to adhere to all requirements of this GIDAP, except as provided in Section 154.35 (Disputes), the CAISO shall deem the Interconnection Request to be withdrawn and shall provide written notice to the Interconnection Customer within five (5) Business Days of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have five (5) Business Days in which to respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous and notifies the CAISO of its intent to pursue Dispute Resolution.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study Cycle. If an Interconnection Customer disputes the withdrawal and removal from the

Interconnection Study Cycle and has elected to pursue Dispute Resolution, the Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

In the event of such withdrawal, the CAISO, subject to the provisions of Sections 15.1 and 3.5.1.1, shall provide, at the Interconnection Customer's request, all information that the CAISO developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

\* \* \* \* \*

## **Section 4 Independent Study Process**

\* \* \* \* \*

### **4.2 Determination of Electrical Independence**

An Interconnection Request will qualify for the Independent Study Process without having to demonstrate electrical independence pursuant to this Section 4.2 if, at the time the Interconnection Request is submitted, there are no other active Interconnection Requests in the same study area in the current Queue Cluster or in the Independent Study Process.

Otherwise, an ~~ach~~ Interconnection Request submitted under the Independent Study Process must pass all of the tests for determining electrical independence set forth in this Section 4.2 in order to qualify for the Independent Study Process. These tests will utilize study results for active Interconnection Requests in the same study area, including Phase I Interconnection study results for Generating Facilities in the current Queue Cluster and any system impact study (or combined system impact and facilities study) results for earlier queued Generating Facilities being studied in the Independent Study Process.

#### **4.2.1 Flow Impact Test ~~Behind-the-Meter Capacity Expansion Criteria~~**

An Interconnection Request shall have satisfied the requirements of this Section if it satisfies, alternatively, either the set of requirements set forth in Section 4.2.1.1 or the set of requirements set forth in Section 4.2.1.2.

##### **4.2.1.1 Requirement Set Number One: General Independent Study Requests:**

The CAISO, in coordination with the applicable Participating TO(s), will perform the flow impact test for an Interconnection Request requesting to be processed under the Independent Study Process as follows:

- (i) Identify the transmission facility closest, in terms of electrical distance, to the proposed Point of Interconnection of the Generating Facility being tested that will be electrically impacted, either as a result of Reliability Network Upgrades identified or reasonably expected to be needed in order to alleviate power flow concerns caused by Generating Facilities

currently being studied in a Queue Cluster, or as a result of Reliability Network Upgrades identified or reasonably expected to be needed to alleviate power flow concerns caused by earlier queued Generating Facilities currently being studied through the Independent Study Process. If the current Queue Cluster studies or earlier queued Independent Study Process studies have not yet determined which transmission facilities electrically impacted by the Generating Facility being tested require Reliability Network Upgrades to alleviate power flow concerns, and the CAISO cannot reasonably anticipate whether such transmission facilities will require such Reliability Network Upgrades from other data, then the CAISO will wait to conduct the independence analysis under this section until sufficient information exists in order to make this determination. If the flow impact on a Reliability Network Upgrade identified pursuant to these criteria cannot be tested due to the nature of the Upgrade, then the flow impact test will be performed on the limiting element(s) causing the need for the Reliability Network Upgrade.

- (ii) The incremental power flow on the transmission facility identified in Section 4.2.1.1(i) that is caused by the Generating Facility being tested will be divided by the lesser of the Generating Facility's size or the transmission facility capacity. If the result is five percent (5%) or less, the Generating Facility shall pass the flow impact test. If the Generating Facility being tested is tested against the nearest transmission facility and that transmission facility has been impacted by a cluster that required an upgrade as a result of a contingency, then that contingency will be used when applying the flow impact test.
- (iii) If the Generating Facility being tested under the flow impact test is reasonably expected to impact transmission facilities that were identified, per Section 4.2.1.1(i), when testing one or more earlier queued Generating Facilities currently being studied through the Independent Study Process, then an additional aggregate power flow test shall be performed on these earlier identified transmission facilities. The aggregate power flow test shall require that the aggregated power flow of the Generating Facility being tested, plus the flow of all earlier queued Generating Facilities currently being studied under the Independent Study Process that were tested against the transmission facilities described in the previous sentence, must be five (5) percent or less of those transmission facilities' capacity.

However, even if the aggregate power flow on any transmission facility tested pursuant to this section (iii) is greater than five (5) percent of the transmission facility's capacity but the incremental power flow as a result of the Generating Facility being tested is one (1) percent or less than of the transmission facility's capacity, the Generating Facility shall pass the test.

If the Generating Facility being tested is tested against the nearest transmission facility and that transmission facility has been impacted by a cluster that required an upgrade as a result of a contingency, then that contingency will be used when applying the flow impact test.

The Generating Facility being tested must pass both this aggregate test as well as the individual flow test described in Section 4.2.1.1(ii), in no particular order.

#### 4.2.1.2 Requirement Set Number Two: for Requests for Independent Study of Behind-the-Meter Capacity Expansion of Generating Facilities

This Section 4.2.1.2 applies to an Interconnection Request relating to a behind-the-meter capacity expansion of a Generating Facility. Such an Interconnection Request submitted under the Independent Study Process will satisfy the requirements of Section 4.2.1 if it satisfies all of the following technical and business criteria:

- (i) Technical criteria.
  - 1) The total nameplate capacity of the existing Generating Facility plus the incremental increase in capacity does not exceed in the aggregate one hundred twenty-five (125) percent of its previously studied capacity and the incremental increase in capacity does not exceed, in the aggregate, including any prior behind-the-meter capacity expansions implemented pursuant to this Section 4.2.1.2, one hundred (100) MW.
  - 2) The behind-the-meter capacity expansion shall not take place until after the original Generating Facility has achieved Commercial Operation and all Reliability Network Upgrades for the original Generating Facility have been placed in service. An Interconnection Request for behind-the-meter capacity expansion may be submitted prior to the Commercial Operation Date of the original Generating Facility.
  - 3) The Interconnection Customer must install an automatic generator tripping scheme sufficient to ensure that the total output of the Generating Facility, including the behind-the-meter capacity expansion, does not at any time exceed the capacity studied in the Generating Facility's original Interconnection Request. The CAISO will have the authority to trip the generating equipment subject to the automatic generator tripping scheme or take any other actions necessary to limit the output of the Generating Facility so that the total output of the Generating Facility does not exceed the originally studied capacity.
- (ii) Business criteria.
  - 1) The Deliverability Status (Full Capacity, Partial Capacity or Energy-Only, and Off-Peak Deliverability Status or Off-Peak Energy Only) of the original Generating Facility will remain the same after the behind-the-meter capacity expansion. The capacity expansion will have Energy-Only, Off-Peak Energy Only Deliverability Statuses unless otherwise specified in this GIDAP, and the original Generating Facility and the behind-the-meter capacity expansion will be metered separately from one another and be assigned separate Resource IDs, except as set forth in (2) below.

- 2) If the original Generating Facility has Full Capacity Deliverability Status and/or Off-Peak Deliverability Status and the behind-the-meter capacity expansion will use the same technology as the original Generating Facility, the Interconnection Customer may elect to have the original Generating Facility and the behind-the-meter capacity expansion metered together, in which case both the original Generating Facility and the behind-the-meter capacity expansion may have Partial Capacity Deliverability Status and Off-Peak Deliverability Status, as applicable, pursuant to CAISO study results to determine Deliverability, and a separate Resource ID will not be established for the behind-the-meter capacity expansion.
- 3) A request for behind-the-meter expansion shall not operate as a basis under the CAISO Tariff to increase the Deliverability of the Generating Facility beyond what was or would have been allocated to the original Generating Facility before the Interconnection Request for behind-the-meter capacity expansion, unless the expansion has received a separate TP Deliverability allocation pursuant to Section 8.9.2.
- 4) The GIA will be amended to reflect the revised operational features of the Generating Facility's behind-the-meter capacity expansion.
- 5) An active Interconnection Customer may at any time request that the CAISO convert the Interconnection Request for behind-the-meter capacity expansion to an Independent Study Process Interconnection Request to evaluate an incremental increase in electrical output (MW generating capacity) for the existing Generating Facility. The Interconnection Customer must accompany such a conversion request with an appropriate Interconnection Study Deposit and agree to comply with other sections of Section 4 applicable to an Independent Study Process Interconnection Request.

#### **4.2.2 Short Circuit Test**

The Generating Facility shall pass the short circuit test if (i) the combined short circuit contribution from all the active Interconnection Requests in the Independent Study Process in the same study area is less than five (5) percent of the available capacity of the circuit breaker upgrade identified in Section 4.2.1.1 and; (ii) total fault duty on each circuit breaker upgrade identified for the current Queue Cluster and active Independent Study Process Interconnection Requests in the same study area is less than eighty (80) percent of the nameplate capacity of the respective circuit breaker upgrade.

#### **4.2.3 Transient Stability Test**

The Generating Facility shall pass the transient stability test if the Generating Facility has requested interconnection in a study area where transient stability issues are not identified for active Interconnection Requests in the current Queue Cluster or Independent Study Process.

#### **4.2.4 Reactive Support Test**

The Generating Facility shall pass the reactive support test if the Generating Facility has requested interconnection in a study area where reactive support needs are not identified as requiring Reliability Network Upgrades for active Interconnection Requests in the current Queue Cluster or Independent Study Process.

### **4.3 Scoping Meeting**

Within five (5) Business Days after the CAISO notifies the Interconnection Customer that the Generating Facility associated with its Interconnection Request has satisfied the electrical independence test set forth in Section 4.2, the CAISO shall establish a date agreeable to the Interconnection Customer and the applicable Participating TO(s) for the Scoping Meeting. With input from the Participating TO, the CAISO shall evaluate whether the Interconnection Request is at or near the boundary of an affected Participating TO(s)' service territory or of any other Affected System(s) so as to potentially affect such third parties, and, if such is the case, the CAISO shall invite the affected Participating TO(s) and/or Affected System Operator(s), in accordance with Section 3.7, to the Scoping Meeting by informing such third parties, as soon as practicable, of the time and place of the scheduled Scoping Meeting.

The purpose of the Scoping Meeting shall be to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request. The applicable Participating TO(s) and the CAISO will bring to the meeting, as reasonably necessary to accomplish its purpose, technical data, including, but not limited to, (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues. The Interconnection Customer will bring to the Scoping Meeting, in addition to the technical data in Attachment A to Appendix 1, any system studies previously performed. The applicable Participating TO(s), the CAISO, and the Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. The CAISO shall prepare minutes from the meeting, and provide an opportunity for other attendees and the Interconnection Customer to confirm the accuracy thereof. The Scoping Meeting may be omitted by agreement of the Interconnection Customer, Participating TO, and the CAISO.

The CAISO shall, no later than five (5) Business Days after the Scoping Meeting (or agreement to forego such Scoping Meeting), provide the Interconnection Customer with an Independent Study Process Study Agreement (in the form set forth in Appendix 6 to the GIDAP), which shall contain an outline of the scope of the system impact and facilities study and a non-binding good-faith estimate of the cost to perform the study. The Interconnection Customer shall return the executed Independent Study Process Study Agreement or request an extension of time for good cause within thirty (30) Business Days thereafter, or the Interconnection Request shall be deemed withdrawn.

### **4.4 System Impact and Facilities Study**

**4.4.1** The system impact and facilities study will consist of a short circuit analysis, a stability analysis, a power flow analysis, an assessment of the potential magnitude of financial impacts, if any, on Local Furnishing Bonds, and a proposed resolution, and any other studies that are deemed necessary.

**4.4.2** The system impact and facilities study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement or potential impediments to providing the requested Interconnection Service. The system impact and facilities study

shall specify and estimate the cost of the equipment, engineering, procurement, and construction work (including overheads) needed to implement the conclusions of the study, including, if applicable, the cost of remedial measures that address the financial impacts, if any, on Local Furnishing Bonds. The system impact and facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Participating TO's Interconnection Facilities and Reliability Network Upgrades necessary to accomplish the Interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities or for effecting remedial measures that address the financial impacts, if any, on Local Furnishing Bonds.

- 4.4.3** The system impact and facilities study will be completed and the results transmitted to the Interconnection Customer within one hundred twenty (120) calendar days after the execution of an Independent Study Process Study Agreement. The Interconnection Customer shall execute the agreement(s) and deliver them to the CAISO, and shall make its initial posting of Interconnection Financial Security in accordance with Section 11.2, or its Interconnection Request shall be deemed withdrawn.
- 4.4.4** If requested by the Interconnection Customer, a Results Meeting shall be held among the CAISO, the applicable Participating TO(s), and the Interconnection Customer to discuss the results of the system impact and facilities study report, including assigned cost responsibility. The CAISO shall prepare minutes from the meeting. Any such Results Meeting will be held within twenty (20) Business Days of the date the system impact and facilities study report is provided to the Interconnection Customer.

Should the Interconnection Customer provide written comments on the system impact and facilities study report within ten (10) Business Days of receipt of the report, but in no event fewer than three (3) Business Days before the Results Meeting conducted to discuss the report, whichever is sooner, the CAISO will address the written comments in the Results Meeting. Should the Interconnection Customer provide comments at any later time (up to the time of the Results Meeting), then such comments shall be considered informal inquiries to which the CAISO will provide informal, informational responses at the Results Meeting, to the extent possible. The Interconnection Customer may submit, in writing, additional comments on the final system impact and facilities study report up to three (3) Business Days following the Results Meeting. The CAISO shall include any written comments received from the Interconnection Customer in the final system impact and facilities study report.

Based on any discussion at the Results Meeting and any comments received, the CAISO (in consultation with the applicable Participating TO(s)) will determine whether it is necessary to follow the final system impact and facilities study report with a revised study report or an addendum. The CAISO will issue any such revised report or addendum to the Interconnection Customer no later than fifteen (15) Business Days following the Results Meeting.

Upon request, the CAISO shall provide the Interconnection Customer all supporting documentation, workpapers, and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit, and stability databases for the final system impact or facilities study, subject to confidentiality arrangements consistent with Section 15.1.

- 4.4.5** For Interconnection Requests under the Independent Study Process, the postings of Interconnection Financial Security described in Section 11.3 will be based on the cost



responsibility for Network Upgrades, and Participating TO's Interconnection Facilities set forth in the system impact and facilities study.

#### **4.5 Intentionally left blank.**

#### **4.6 Deliverability Assessments**

Interconnection Customers under the Independent Study Process that request Partial Capacity, ~~or~~ Full Capacity Deliverability Status, or Off-Peak Deliverability Status will be deemed to have selected Option (A) under Section 7.2 and will have ~~a~~ Deliverability Assessments performed as part of the next scheduled Phase I and Phase II Interconnection Studies for the Queue Cluster study performed for the next Queue Cluster Window that opens after the CAISO received the request ~~for Partial Capacity or Full Capacity Deliverability Status~~. If the Deliverability Assessment identifies any ~~LDNUs and ADNUs~~ Network Upgrades that are triggered by the Interconnection Request, the Interconnection Customer will be responsible to pay its proportionate share of the costs of those Upgrades, pursuant to Sections 6, 7, and 8, and for posting Interconnection Financial Security pursuant to the rules for Interconnection Customers in Queue Clusters pursuant to Section 11. If the Generating Facility (or increase in capacity of an existing Generating Facility) achieves its Commercial Operation Date before the Deliverability Assessment is completed and before any necessary Delivery Network Upgrades are in service, the proposed Generating Facility (or increase in capacity) will be treated as an Energy-Only, Interim, or Partial Capacity Deliverability Status Generating Facility until such Delivery Network Upgrades are in service. This Section shall not apply to Interconnection Customers requesting behind-the-meter capacity expansion under Section 4.2.1.2. Separate rules regarding the Deliverability Status of such requests are set forth in that Section.

#### **4.7 Extensions of Commercial Operation Date**

Extensions of the Commercial Operation Date for Interconnection Requests under the Independent Study Process will not be granted except for circumstances beyond the control of the Interconnection Customer.

#### **4.8 Generator Interconnection Agreement**

An Interconnection Customer in the Independent Study Process that requests Off-Peak Deliverability Status, Partial Capacity or Full Capacity Deliverability Status must still negotiate and execute a GIA reflecting Off-Peak Energy Only and Energy-Only Deliverability Status pursuant to the requirements and timelines set forth in Section 13. Upon the completion of the Deliverability Assessment per Section 4.6, the Interconnection Customer's GIA will be amended as appropriate to reflect the results thereof.

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## **Section 6 Initial Activities and Phase I of the Interconnection Study Process for Queue Clusters**

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## 6.2. Scope and Purpose of Phase I Interconnection Study

The Phase I Interconnection Study shall:

- (i) \_\_\_ evaluate the impact of all Interconnection Requests received during the Cluster Application Window for a particular year on the CAISO Controlled Grid;\_;
- (ii) \_\_\_ preliminarily identify all LDNUs, LOPNUs, and RNUs\_ needed to address the impacts on the CAISO Controlled Grid of the Interconnection Requests, as Assigned Network Upgrades or Conditionally Assigned Network Upgrades;
- (iii) \_\_\_ preliminarily identify for each Interconnection Request required Interconnection Facilities;\_;
- (iv) \_\_\_ assess the Point of Interconnection selected by each Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall transmission upgrades costs;\_;
- (v) \_\_\_ establish the Current Cost Responsibility Mmaximum Cost Responsibility, and Maximum Cost Exposure for LDNUs and RNUs assigned to each Interconnection Request, until the issuance of the Phase II Interconnection Study report;\_;
- (vi) \_\_\_ provide a good faith estimate of the cost of Interconnection Facilities for each Interconnection Request;\_ ~~and~~
- (vii) \_\_\_ provide a cost estimate of ADNUs and AOPNUs for each Generating Facility in a Queue Cluster Group Study;\_;
- (viii) identify controls required for each Interconnection Request where the Interconnection Customer requested Interconnection Service Capacity lower than the Generating Facility Capacity;\_;
- (ix) identify any Precursor Network Upgrades; and
- (x) identify RNUs as GRNUs or IRNUs.

The Phase I Interconnection Study will consist of a short circuit analysis, a stability analysis to the extent the CAISO and applicable Participating TO(s) reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, ~~and an On-Peak Deliverability Assessment, (and an Off-Peak Deliverability Assessment which will be for informational purposes only)~~ for the purpose of identifying LDNUs and LOPNUs and estimating the cost of ADNUs AOPNUs, as applicable.

The Phase I Interconnection Study will state for each Group Study or Interconnection Request studied individually (i) the assumptions upon which it is based, (ii) the results of the analyses, and (iii) the requirements or potential impediments to providing the requested Interconnection Service to all Interconnection Requests in a Group Study or to the Interconnection Request studied individually.

The Phase I Interconnection Study will provide, without regard to the requested Commercial Operation Dates of the Interconnection Requests, a list of RNUs, LOPNUs and LDNUs to the CAISO Controlled Grid that are preliminarily identified as Assigned Network Upgrades or Conditionally Assigned Network Upgrades required as a result of the Interconnection Requests in a Group Study or as a result of any Interconnection Request studied individually and Participating TO's Interconnection Facilities associated with each Interconnection Request, the estimated costs of ADNUs and AOPNUs, if applicable, and an estimate of any other financial impacts (i.e.,

on Local Furnishing Bonds). For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Phase I Interconnection Study will consider the level of Interconnection Service Capacity requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

### **6.3 Identification of and Cost Allocation for Network Upgrades**

#### **6.3.1 Reliability Network Upgrades (RNUs).**

The CAISO, in coordination with the applicable Participating TO(s), will perform short circuit and stability analyses for each Interconnection Request either individually or as part of a Group Study to preliminarily identify the RNUs needed to interconnect the Generating Facilities to the CAISO Controlled Grid. The CAISO, in coordination with the applicable Participating TO(s), shall also perform power flow analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a Group Study to identify Reliability Criteria violations, including applicable thermal overloads, that must be mitigated by RNUs.

The cost of all RNUs identified in the Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The estimated costs of short circuit related GRNUs identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the short circuit duty contribution of each Generating Facility. The estimated costs of all other GRNUs identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request. The estimated costs of RNUs identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request.

Pursuant to Section 8.3, Interconnection Customers assigned IRNUs in their Phase I Interconnection Study will be allocated the full cost of the IRNUs in their Maximum Cost Responsibility. The Maximum Cost Exposure will include the full costs of conditionally assigned IRNUs. The Current Cost Responsibility will include their allocated share of IRNU costs as determined for RNUs in Section 8.3.

#### **6.3.2 Delivery Network Upgrades.**

##### **6.3.2.1 The On-Peak Deliverability Assessment.**

The CAISO, in coordination with the applicable Participating TO(s), shall perform On-Peak Deliverability Assessments for Interconnection Customers selecting Full Capacity or Partial Capacity Deliverability Status in their Interconnection Requests. Interconnection Customers may request Full or Partial Capacity Deliverability Status regardless of their requested Off-Peak Deliverability Status. The On-Peak Deliverability Assessment shall determine the Interconnection Customer's Generating Facility's ability to deliver its Energy to the CAISO Controlled Grid under peak load conditions, and identify preliminary Delivery Network Upgrades required to provide the Generating Facility with Full Capacity or Partial Capacity Deliverability Status. The Deliverability Assessment will consist of two rounds, the first of which will identify any transmission constraints that limit the Deliverability of the Generating Facilities in the Group Study and will identify LDNUs to relieve the local constraints, and second of which will determine ADNUs to relieve the area constraints. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point, nor guarantee any level of deliverability, or transmission capacity, or avoided curtailment.

##### **6.3.2.1.1 Local Delivery Network Upgrades**

The On-Peak Deliverability Assessment will be used to establish the Maximum Cost Responsibility and Maximum Cost Exposure for LDNUs for each Interconnection Customer selecting Full Capacity or Partial Capacity Deliverability Status. Deliverability of a new Generating Facility will be assessed on the same basis as all existing resources interconnected to the CAISO Controlled Grid.

The methodology for the On-Peak Deliverability Assessment will be published on the CAISO Website or, when effective, included in a CAISO Business Practice Manual. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point.

The cost of LDNUs identified in the On-Peak Deliverability Assessment as part of a Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The estimated costs of Delivery Network Upgrades identified in the On-Peak Deliverability Assessment shall be assigned to all Interconnection Requests selecting Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on the Delivery Network Upgrades as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

#### **6.3.2.1.2 Area Delivery Network Upgrades**

The On-Peak Deliverability Assessment will be used in the Phase I Interconnection Studies to identify those facilities necessary to provide the incremental Deliverability between the level of TP Deliverability and such additional amount of Deliverability as is necessary for the MW capacity amount of generation targeted in the Phase I Interconnection Studies. Based on such facility cost estimates, the CAISO will calculate a rate for ADNU costs equal to the facility cost estimate divided by the additional amount of Deliverability targeted in the study. The Phase I Interconnection Studies shall provide a cost estimate for each Interconnection Customer which equals the rate multiplied by the requested deliverable MW capacity of the Generating Facility in the Interconnection Request.

#### **6.3.2.1.3 [Intentionally Omitted]**

#### **6.3.2.2 Off-Peak Deliverability Assessment.**

The CAISO, in coordination with the applicable Participating TO(s), shall perform an Off-Peak Deliverability Assessment for Interconnection Customers selecting Off-Peak Deliverability Status. The Off-Peak Deliverability Assessment will ~~to~~ identify transmission upgrades in addition to those Delivery Network Upgrades identified in the On-Peak Deliverability Assessment, if any, for a Group Study or individual Phase I Interconnection Study that includes one or more Location Constrained Resource Interconnection Generators (LCRIG), where the fuel source or source of energy for the LCRIG substantially occurs during off-peak conditions. Interconnection Customers that (i) are not LCRIGs whose fuel source or source of energy substantially occurs off-peak, and (ii) have Full or Partial Capacity Deliverability Status, will receive Off-Peak Deliverability Status without triggering Off-Peak Network Upgrades. Energy Only Interconnection Customers that are not LCRIGs whose fuel source or source of energy substantially occurs off-peak will be Off-Peak Energy Only. LCRIGs whose fuel source or source of energy substantially occurs off-peak will received Off-Peak Deliverability Status based upon the Off-Peak Deliverability Assessment, regardless of their On-Peak Deliverability Status.

The transmission upgrades identified under this Section shall comprise those needed for the ~~full maximum megawatt electrical expected~~ output of each proposed new LCRIG or the amount of megawatt increase in the generating capacity of each existing LCRIG as listed by the Interconnection Customer in its Interconnection Request, whether studied individually or as a Group Study, to be deliverable to the aggregate of Load on the CAISO Controlled Grid under the Generation dispatch conditions studied without excessive curtailment. The methodology for the

Off-Peak Deliverability Assessment will be published on the CAISO Website or, if applicable, included in a CAISO Business Practice Manual.

The CAISO will perform the Off-Peak Deliverability Assessment ~~for Interconnection Customer informational purposes only~~ to identify Off-Peak Network Upgrades required for Generating Facilities to achieve Off-Peak Deliverability Status, and any such upgrades identified in the Off-Peak Deliverability Assessment as part of the Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The estimated costs of such upgrades identified in the assessment will be referred to as "off peak Deliverability transmission upgrades," the description of such upgrades in any report will be conceptual in nature, and such transmission upgrades will not be included ~~in~~ as an Assigned Network Upgrade or Conditionally Assigned Network Upgrade plan of service within the applicable Interconnection Study report.

The cost of all transmission upgrades identified in the Off-Peak Deliverability Assessment performed during the course of the Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The Off-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point, nor guarantee any level of deliverability, or transmission capacity, or avoided curtailment.

The estimated costs of Local Off-Peak Network Upgrades identified in the Off-Peak Deliverability Assessment will be assigned or conditionally assigned to Interconnection Requests selecting Off-Peak Deliverability Status based on the flow impact of each such Generating Facility on the Off-Peak Network Upgrades as determined by the Generation distribution factor methodology set forth in the Off-Peak Deliverability Assessment methodology.

The estimated costs of Area Off-Peak Network Upgrades are for information only and not assigned to any Interconnection Requests.

~~However, because these transmission upgrades shall be conceptual in nature only these upgrades shall be treated as follows:~~

- ~~(i) — these transmission upgrades will not be required for the proposed Generating Facility (or proposed increase in capacity) that is the subject to the Interconnection Request to achieve Full Capacity Deliverability Status;~~
- ~~(ii) — the estimated costs for these transmission upgrades shall not be assigned to any Interconnection Customer in an Interconnection Study report, such costs shall not be considered in determining the cost responsibility or maximum cost responsibility of the Interconnection Customer for Network Upgrades under this or in determining the Interconnection Financial Security than an Interconnection Customer must post under Section 11;~~
- ~~(iii) — and the applicable Participating TO(s) shall not be responsible under this for financing or constructing such transmission upgrades.~~

### **6.3.2.3 Transition to Off-Peak Deliverability Status**

Active CAISO Interconnection Requests received before March 3, 2020 for Energy Only Generating Facilities that would be eligible to receive Off-Peak Deliverability Status pursuant to this Section 6.3.2 will have a one-time opportunity to request Off-Peak Deliverability Status. Notwithstanding any provision of this GIDAP, if such Interconnection Customers request Off-Peak Deliverability Status, the CAISO will study

those requests in the next Interconnection Study, and assign any required Local Off-Peak Network Upgrades to them pursuant to this Section 6.3.2, and their Interconnection Studies will be amended to include the assigned costs for those Network Upgrades. Such Interconnection Customers' GIAs, Current Cost Responsibilities, Maximum Cost Responsibilities, and Maximum Cost Exposures also will be amended to reflect the additional costs of assigned Local Off-Peak Network Upgrades.

All CAISO Interconnection Requests for Full Capacity Deliverability Status or Partial Capacity Deliverability Status received before March 3, 2020 will automatically receive Off-Peak Deliverability Status. All CAISO Interconnection Requests received before March 3, 2020 for Generating Facilities that are not Location Constrained Resource Interconnection Generators, regardless of Deliverability Status, will automatically receive Off-Peak Deliverability Status.

#### **6.4 Use of Per Unit Costs to Estimate Network Upgrade and PTO Interconnection Facilities Costs**

Each Participating TO, under the direction of the CAISO, shall publish per unit costs for facilities generally required to interconnect Generation to their respective systems.

These per unit costs shall reflect the anticipated cost of procuring and installing such facilities during the current Interconnection Study Cycle, and may vary among Participating TOs and within a Participating TO Service Territory based on geographic and other cost input differences, and should include an annual adjustment for the following ten (10) years to account for the anticipated timing of procurement to accommodate a potential range of Commercial Operation Dates of Interconnection Requests in the Interconnection Study Cycle. The per unit costs will be used to develop the cost of RNUs, LDNUs, ADNUs Network Upgrades and Participating TO's Interconnection Facilities. Deviations from a Participating TO's benchmark per unit costs will be permitted if a reasonable explanation for the deviation is provided and there is no undue discrimination.

Prior to adoption and publication of final per unit costs for use in the Interconnection Study Cycle, the CAISO shall publish to the CAISO Website draft per unit costs, including non-confidential information regarding the bases therefore, hold a stakeholder meeting to address the draft per unit costs, and permit stakeholders to provide comments on the draft per unit costs. A schedule for the release and review of per unit costs is set forth in Appendix 5.

#### **6.5 ~~Intentionally Omitted~~ Assigned and Contingent Facilities**

The CAISO and Participating TO will provide, upon request of the Interconnection Customer, its estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each Assigned Network Upgrade, Conditionally Assigned Network Upgrade, or Precursor Network Upgrade when this information is readily available and not commercially sensitive.



Interconnection Studies will identify when Interconnection Facilities are shared with, assigned to, or otherwise dependent upon other Interconnection Customers, such that delays could affect the Interconnection Customer's costs or timing.

\* \* \* \* \*

## 6.7.2 Modifications.

**6.7.2.1** At any time during the course of the Interconnection Studies, the Interconnection Customer, the applicable Participating TO(s), or the CAISO may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the applicable Participating TO(s), the CAISO, and Interconnection Customer, such acceptance not to be unreasonably withheld, the CAISO shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

**6.7.2.2** At the Phase I Interconnection Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the issuance of the final Phase I Interconnection Study, but no later than ten (10) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to the CAISO, in writing, modifications to any information provided in the Interconnection Request. The CAISO will forward the Interconnection Customer's modification to the applicable Participating TO(s) within one (1) Business Day of receipt.

Modifications permitted under this Section shall include specifically:

- (a) \_\_\_ a decrease in the electrical output (MW) of the proposed project; through either (1) a decrease in Generating Facility Capacity or (2) a decrease in Interconnection Service Capacity (consistent with the process described in Section 3.1) accomplished by CAISO-approved limiting equipment;
- (b) \_\_\_ modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;
- (c) \_\_\_ modifying the interconnection configuration;
- (d) \_\_\_ modifying the In-Service Date, Initial Synchronization Date, Trial Operation Date, and/or Commercial Operation Date that meets the criteria set forth in Section 3.5.1.4 and is acceptable to the applicable Participating TO(s) and the CAISO, such acceptance not to be unreasonably withheld;
- (e) \_\_\_ change in Point of Interconnection as set forth in Section 6.7.2.1; ~~and~~
- (f) \_\_\_ change in Deliverability Status to Energy Only Deliverability Status, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status;:-
- (g) \_\_\_ De minimis reductions in capacity pursuant to Section 7.5.13;
- (h) \_\_\_ Permissible Technological Advancements consistent with Section 6.7.2.4; and

(i) change from Off-Peak Deliverability Status to Off-Peak Energy Only.

For any modification other than these, the Interconnection Customer must first request that the CAISO evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the CAISO, in coordination with the affected Participating TO(s) and, if applicable, any Affected System Operator, shall evaluate the proposed modifications prior to making them and the CAISO shall inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. The CAISO may engage the services of the applicable Participating TO to assess the modification. Costs incurred by the Participating TO and CAISO (if any) shall be borne by the party making the request under Section 6.7.2, and such costs shall be included in any CAISO invoice for modification assessment activities. Any change to the Point of Interconnection, except for that specified by the CAISO in an Interconnection Study or otherwise allowed under this Section, shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

The Interconnection Customer shall remain eligible for the Phase II Interconnection Study if the modifications are in accordance with this Section.

If any Interconnection Customer requested modification after the Phase II Interconnection Study report would change the scope, schedule, or cost of the Interconnection Facilities or Network Upgrades, the CAISO will issue a report to the Interconnection Customer. Potential adjustments to the Maximum Cost Responsibility or Maximum Cost Exposure for Network Upgrades for the Interconnection Customer will be determined in accordance with Section 7.4.3.

- 6.7.2.3** The Interconnection Customer shall provide the CAISO a \$10,000 deposit for the modification assessment at the time the request is submitted. Except as provided below, any modification assessment will be concluded, and a response provided to the Interconnection Customer in writing, within forty-five (45) calendar days from the date the CAISO receives all of the following: the Interconnection Customer's written notice to modify the project, technical data required to assess the request and payment of the \$10,000 deposit. If the modification request results in a change to the Interconnection Facilities or Network Upgrades the modification assessment could take up to ninety (90) total calendar days. If the modification assessment cannot be completed within that time period, the CAISO shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required.

The CAISO will defer evaluation of any modification requested pursuant to this section by an Interconnection Customer participating in the Generator Downsizing Process until the completion of that Generator Downsizing Process, as set forth in Section 7.5.2.

The Interconnection Customer will be responsible for the actual costs incurred by the CAISO and applicable Participating TO(s) in conducting the modification assessment. If the actual costs of the modification assessment are less than the deposit provided by the Interconnection Customer, the Interconnection Customer will be refunded the balance. If the actual costs of the modification assessment are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer shall pay the balance within 30 days of being invoiced. The CAISO shall coordinate the modification request with the Participating TO(s). The Participating TO(s) shall invoice the CAISO for any assessment work within seventy-five (75) calendar days of completion of the assessment, and, within thirty (30) days thereafter, the CAISO shall issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the assessment.

The CAISO will publish cost data regarding modification assessments in accordance with the terms set forth in a Business Practice Manual.



Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

**6.7.2.4** Interconnection Customers may request Permissible Technological Advancements. Permissible Technological Advancements may include, for example, removing equipment; aligning the Commercial Operation Date with an executed power purchase agreement; adding less than 5 MW of energy storage once without increasing the net output at the Point of Interconnection; and other changes that have little or no potential to affect other Interconnection Customers or Affected Systems, require a new Interconnection Request, or otherwise require a re-study or evaluation. The CAISO will update its Business Practice Manual to list any additional Permissible Technological Advancement approved but not specifically enumerated here when identified. The Interconnection Customer's written request to evaluate technological advancements must include the technical data required to assess the request.

For all Permissible Technological Advancement requests not expressly enumerated in this Section or the Business Practice Manual, the CAISO and Participating TO will determine whether such change would constitute a Material Modification. Such evaluation will include an analysis of the short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability, and impact on other Interconnection Customers. The CAISO will determine whether a Permissible Technological Advancement request is a Material Modification within thirty (30) calendar days of receipt of the request. Interconnection Customers requesting Permissible Technological Advancements must pay a non-refundable fee of \$2,500.

**6.7.2.5** Notwithstanding any other provisions in this GIDAP or the Interconnection Customer's GIA, the Interconnection Customer may not modify its fuel type, including through the addition or replacement of Generating Units, by more than the greater of five percent (5%) of its capacity or 10 MW (but by no more than twenty-five percent (25%) of its capacity), where:

- (a) the Interconnection Customer has exceeded seven (7) years from the date the CAISO received its Interconnection Request without achieving its Commercial Operation Date;
- (b) the Interconnection Customer's current Commercial Operation Date exceeds seven (7) years from the date the CAISO received its Interconnection Request; or
- (c) the change in fuel type will require the Interconnection Customer's Commercial Operation Date to exceed seven (7) years from the date the CAISO received its Interconnection Request.

The CAISO will not consider the addition of energy storage; changes to the type, number, or manufacturer of inverters; or insubstantial changes to the Generating Facility as fuel-type modifications. Interconnection Customers may request such modifications pursuant to this GIDAP.

**6.7.2.65** In addition to the options provided in this GIDAP, an Interconnection Customer may convert to Energy Only, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status after the completion of its Phase II Interconnection Study. This conversion will become effective through the reassessment process described in Section 7.4. Except (i) as provided in Section 8.9.3.2 (ii) due to not receiving the requested TP Deliverability allocation, or (iii) due to declining a TP Deliverability allocation, Interconnection Customers that become Energy Only after their Phase II Interconnection Study may not reduce their cost responsibility or Interconnection Financial Security for any assigned Delivery Network Upgrades

as a result of converting to Energy Only unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

\* \* \* \* \*

### **6.8.3 Only Substantial Errors or Omissions Adjust Posting Dates**

Only substantial errors and omissions related to the Phase I and Phase II study reports can result in adjustments to Interconnection Financial Security posting due dates. Once the initial and second Interconnection Financial Security posting due dates as described in this section have passed, the error or omission provisions described in this Section 6.8.3 no longer apply. Unless the error or omission is substantial, resulting in the issuance of a revised final Interconnection Study report, the correction of an error or omission will not delay any deadline for posting Interconnection Financial Security set forth in Section 11. In the case of a substantial error or omission resulting in the issuance of a revised final Phase I or Phase II Interconnection Study report, the deadline for posting Interconnection Financial Security shall be extended as set forth in Section 11. In addition to issuing a revised final report, the CAISO will promptly notify the Interconnection Customer of any revised posting amount and extended due date occasioned by a substantial error or omission.

An Interconnection Customer's dispute of a CAISO determination that an error or omission in a final Study report does not constitute substantial error shall not operate to change the amount of Interconnection Financial Security that the Interconnection Customer must post or to postpone the applicable deadline for the Interconnection Customer to post Interconnection Financial Security. In case of such a dispute, the Interconnection Customer shall post the amount of Interconnection Financial Security in accordance with Section 11, subject to refund in the event that the Interconnection Customer prevails in the dispute.

## **Section 7 Activities in Preparation for Phase II**

Within ten (10) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to the CAISO the completed form of Appendix B (Data Form to Be Provided by the Interconnection Customer Prior to Commencement of the Phase II Interconnection Study) to the Generator Interconnection Study Process Agreement. Within such Appendix B, Interconnection Customers seeking Full or Partial Deliverability Capacity will provide the information in 7.2 below:

### **7.1 [Not Used]**

### **7.2 Full/Partial Capacity Deliverability Options for Interconnection Customers**

This section applies to Interconnection Requests for which the Generating Facility Deliverability Status is either Full Capacity or Partial Capacity.

Within such Appendix B, the Interconnection Customer must select one of two options with respect to its Generating Facility:

Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to Commercial Operation. If the Interconnection Customer selects Option (A), then the Interconnection Customer shall be required to make an initial posting of Interconnection Financial Security under Section 11.2 for the cost responsibility assigned to it in the Phase I Interconnection Study for RNUs, LOPNUs, and LDNUs; or,

Option (B), which means that the Interconnection Customer will assume cost responsibility for Delivery Network Upgrades (both ADNUs and LDNUs, to the extent applicable) without cash repayment under Section 14.2.1 to the extent that sufficient TP Deliverability is not allocated to the Generating Facility to provide its requested Deliverability Status. If the Interconnection Customer selects Option (B) then the Interconnection Customer shall be required to make an initial posting of Interconnection Financial Security under Section 11.2 for the cost responsibility assigned to it in the Phase I Interconnection Study for RNUs, LDNUs, LOPNUs, and ADNUs. To qualify to receive any allocation of TP Deliverability, Interconnection Customers selecting Option (B) must still meet the minimum criteria identified in Section 8.9.2.

### 7.3

#### **Postings and Cost Estimates for Network Upgrades**

Notwithstanding the Interconnection Customer's Maximum Cost Responsibility and Maximum Cost Exposure, until such time as the Phase II Interconnection Study report is issued to the Interconnection Customer, the allocated costs for Assigned Network Upgrades for each Interconnection Customer ~~s~~ for RNUs, LOPNUs, and LDNUs in the Phase I Interconnection Study report shall establish the ~~maximum~~ value for

- (i) each Interconnection Customer's Current Cost Responsibility; and
- (ii) the initial posting of Interconnection Financial Security required from each Interconnection Customer under Section 11.2 for such Network Upgrades.

~~The Phase I Interconnection Study report shall set forth the applicable cost estimates for RNUs, LDNUs, ADNUs and Participating TOs Interconnection Facilities that shall be the basis for the initial Interconnection Financial Security Posting under Section 11.2.~~

### 7.4

#### **Reassessment Process**

#### 7.4.1

The CAISO will perform a reassessment of the Phase I Interconnection Study base case prior to the beginning of the GIDAP Phase II Interconnection Studies. The reassessment will evaluate the impacts on those Network Upgrades identified in previous interconnection studies and assumed in the Phase I Interconnection Study of:

- (a) Interconnection Request withdrawals occurring after the completion of the Phase II Interconnection Studies for the immediately preceding Queue Cluster;
- (b) Generator Downsizing Requests submitted in the most recent Generator Downsizing Request Window that meet the requirements set forth in Section 7.5, and Generating Facilities that are to have their generating capacities reduced pursuant to Sections 8.9.4, 8.9.5, and 8.9.6;
- (c) the performance of earlier queued Interconnection Customers with executed GIAs with respect to required milestones and other obligations;

- (d) changes in TP Deliverability allocations or Deliverability Status;
- (e) the results of the TP Deliverability allocation from the prior Interconnection Study cycle; and,
- (f) transmission additions and upgrades approved or removed in the most recent TPP cycle.

The reassessment will be used to develop the base case for the Phase II Interconnection Study

**7.4.2** Where, as a consequence of the reassessment, the CAISO determines that changes to the previously identified Network Upgrades in Queue Clusters earlier than the current Interconnection Study Cycle will cause changes to plans of service set out in executed GIAs, such changes will serve as a basis for amendments to GIAs.

**7.4.3** Such changes to plans of service in Queue Clusters earlier than the current Interconnection Study Cycle will also serve as the basis for potential adjustments to the Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure, as applicable, for Network Upgrades for Interconnection Customers in such earlier Queue Clusters, as follows:

- (i) An Interconnection Customer shall be eligible for an adjustment to its Maximum Cost Responsibility for Network Upgrades if a reassessment undertaken pursuant to this Section 7.4 reduces its estimated cost responsibility for Network Upgrades by at least twenty (20) percent and \$1 million, as compared to its current Maximum Cost Responsibility for Network Upgrades based on its Interconnection Studies or a previous reassessment.

The Maximum Cost Responsibility for an Interconnection Customer who meets this eligibility criterion will be the lesser of (a) its current Maximum Cost Responsibility and (b) 100 percent of the costs of all remaining Assigned Network Upgrades included in the Interconnection Customer's plan of service.

- (ii) If an Interconnection Customer's Maximum Cost Responsibility for Network Upgrades is adjusted downward pursuant to (i) above, and a subsequent reassessment identifies a change on the CAISO's system that occurs after the completion of the Interconnection Customer's Interconnection Studies and requires additional or expanded Network Upgrades, resulting in an increase in the Interconnection Customer's estimated cost responsibility for Network Upgrades above the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, then the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades will be the estimated cost responsibility determined in the subsequent reassessment, so long as this amount does not exceed the Maximum Cost Responsibility Exposure originally established by the Interconnection Customer's Phase II Interconnection Studies. In such cases, where the estimated Current Cost Responsibility determined in the subsequent reassessment exceeds the Maximum Cost Responsibility as adjusted

based on the results of a prior reassessment, the Interconnection Customer's ~~M~~maximum ~~C~~cost ~~R~~responsibility for Network Upgrades shall ~~be not exceed~~ the ~~M~~maximum ~~C~~cost ~~responsibility~~Exposure established by its Interconnection Studies.

(iii) To the extent the CAISO determines that previously identified Conditionally Assigned Network Upgrades become Precursor Network Upgrades pursuant to Section 14.2.2, or are otherwise removed, the CAISO will adjust the Interconnection Customer's Maximum Cost Exposure, as applicable.

(iv) To the extent the CAISO determines that a Conditionally Assigned Network Upgrade becomes an Assigned Network Upgrade, the CAISO will adjust the Interconnection Customer's Current Cost Responsibility and Maximum Cost Responsibility, as applicable.

(v) The posted Interconnection Financial Security required of the Interconnection Customer for Network Upgrades shall be adjusted to correspond to any increase in the Interconnection Customer's ~~estimated~~ Current Cost Responsibility any time after but no later than sixty (60) calendar days after issuance of a reassessment report. The CAISO will notify an Interconnection Customer that receives a downward adjustment to its Current ~~maximum~~ Cost Responsibility pursuant to this Section, and the Interconnection Customer may choose to adjust its posted Interconnection Financial Security within sixty (60) calendar days of the issuance of the reassessment report.

## 7.5 Generator Downsizing Process

### 7.5.1 Objectives and Applicability

In accordance with the requirements set forth in this Section 7.5, the CAISO shall conduct, on an annual basis, a process for evaluating requests by Interconnection Customers to reduce ~~the megawatt generating capacities of their Generating Facilities~~ Interconnection Service Capacity. In each annual cycle of this Generator Downsizing Process, the CAISO will process valid Generator Downsizing Requests submitted during the applicable Generator Downsizing Request Window as part of the annual reassessment process set forth in Section 7.4.

All reductions to ~~the megawatt generating capacity of Generating Facilities~~ Interconnection Service Capacity by Interconnection Customers shall utilize this annual Generator Downsizing Process unless explicitly exempted. Specifically, beginning on the date of the opening of the first-annual Generator Downsizing Request Window, all proposed reductions of ~~megawatt generating capacity~~ Interconnection Service Capacity by Interconnection Customers shall, regardless of the dates of the Interconnection Customer's Interconnection Request(s), be subject to the requirements and procedures of the Generator Downsizing Process set forth in Section 7.5, except for MW capacity reductions made pursuant to the following: (1) the provisions of the CAISO's interconnection procedures that permit Interconnection Customers to reduce the size of their Generating Facilities between the Phase I and Phase II Interconnection Studies, as set forth in Section 6.7.2; (2) specific non-conforming provisions of an Interconnection Customer's Generator Interconnection Agreement that provide the

Interconnection Customer with an explicit right to reduce the capacity of its Generating Facility through a partial termination of its Generator Interconnection Agreement; (3) the de minimis threshold set forth in Section 7.5.13.1; ~~and~~ (4) the parking options set forth in Sections 8.9.4, 8.9.5, and 8.9.6; (5) modifications made pursuant to Section 6.7.2 to reduce Generating Facility Capacity without decreasing Interconnection Service Capacity where the Generating Facility Capacity still exceeds the Interconnection Service Capacity; and (6) where the CAISO and Participating TO determine no study is required.

Generator Downsizing Requests that meet the eligibility requirements set forth in this Section 7.5 will be studied as part of the next annual reassessment process set forth in Section 7.4.

\* \* \* \* \*

#### **7.5.11 Cost Allocation for Network Upgrades**

A Downsizing Generator will continue to be obligated to finance the costs of (1) Network Upgrades that its Generating Facility previously triggered, and (2) Network Upgrades that are alternatives to the previously triggered Network Upgrades, if such previously triggered Network Upgrades or alternative Network Upgrades are needed by Interconnection Customers in the same Queue Cluster or later-queued Interconnection Customers, up to the ~~total~~ Maximum Cost Exposure responsibility of the Downsizing Generator as determined by the CAISO Tariff interconnection study procedures applicable to the Downsizing Generator. For determining any changes to a Downsizing Generator's Network Upgrade cost responsibilities as a result of a reassessment process conducted pursuant to Section 7.4, the CAISO will reallocate the costs of Network Upgrades that are still needed based on the Downsizing Generator's pre-downsizing share of the original cost allocation.

#### **7.5.12 Reflecting Plan of Service Changes in GIAs**

After the completion of the reassessment process performed pursuant to Section 7.4, each Downsizing Generator that has (1) a Generator Downsizing Request approved pursuant to this GIDAP and (2) an executed Generator Interconnection Agreement, a draft amendment to the Generator Interconnection Agreement that reflects the Generator Downsizing Request of the Downsizing Generator will be provided as soon as possible. The reassessment report is considered an amendment to the Generator Interconnection Agreement until the Generator Interconnection Agreement can be formally amended. If the CAISO, applicable Participating TO(s), and Downsizing Generator have not begun negotiating or are in the process of negotiating a Generator Interconnection Agreement, the Generator Interconnection Agreement they negotiate will reflect the Generator Downsizing Request of the Downsizing Generator.

#### **7.5.13 Reductions in Generating Facility Capacity**

##### **7.5.13.1 De Minimis Capacity Reductions**



~~If, at the time an Interconnection Customer achieves Commercial Operation,~~ the actual MW capacity of its Generating Facility is reduced by no more than the greater of five percent (5%) of its MW capacity or 10 MW, but not by more than twenty-five percent (25%) of the MW capacity of the Generating Facility, such a one-time reduction shall not constitute a breach of the Interconnection Customer's obligations under the CAISO Tariff or its Generator Interconnection Agreement. The MW capacity value of a Generating Facility for purposes of this section shall be established by reference to the capacity as set forth in the Interconnection Customer's currently applicable Generator Interconnection Agreement. No capacity reductions permitted under this Section 7.5.13 shall operate to diminish the Interconnection Customer's responsibility for any costs or other obligations set forth in its Generator Interconnection Agreement or the CAISO Tariff.

\* \* \* \* \*

## 7.6 Application of Non-Refundable Amounts

In conjunction with each reassessment, the CAISO will calculate and disburse non-refundable interconnection study deposit and interconnection financial security amounts in accordance with the provisions of Appendix Y to the CAISO Tariff and this GIDAP as follows:

(a) Withdrawal Period

The CAISO shall calculate non-refundable interconnection study deposit and interconnection financial security amounts based on the period during which the interconnection customer withdrew its interconnection request or terminated its generator interconnection agreement. The first such withdrawal period shall be from January 1, 2013 through the last day that the CAISO is able to incorporate withdrawals into the 2015 annual reassessment. Subsequently, each withdrawal period shall be the approximate twelve-month period between the last day that the CAISO is able to incorporate withdrawals into an annual reassessment and the last day that the CAISO is able to incorporate withdrawals into the subsequent year's reassessment.

\_\_\_\_\_ For each withdrawal period, the CAISO shall calculate and disburse available non-refundable interconnection study deposits and interconnection financial security in conjunction with the annual reassessment performed during the year that the withdrawal period ends.

(b) Calculation and Disbursement of Non-Refundable Interconnection Financial Security for Still-Needed Network Upgrades At or Above \$100,000 Threshold

For each interconnection customer that withdrew its interconnection request or terminated its generator interconnection agreement, the CAISO shall calculate the proportion of the non-refundable Interconnection Financial Security that is attributable to Network Upgrades that the CAISO determines will still be needed by remaining Interconnection Customers. For each such still-needed Network Upgrade, the CAISO will divide the Interconnection Customer's ~~estimated~~ Current Cost Responsibility for the Network Upgrade by the Interconnection Customer's ~~estimated~~ total Current Cost Responsibility for all Network Upgrades and multiply this result by the Interconnection Customer's total amount of non-refundable Interconnection Financial Security.

If the amount of non-refundable security attributable to a still-needed Network Upgrade, for all Interconnection Customers that withdrew during the same withdrawal period, is equal to or greater than \$100,000, then the portion of such amount held or received by the CAISO prior to the stage of the applicable annual reassessment in which the CAISO reallocates cost responsibility for remaining Network Upgrades shall: (a) be disbursed to the applicable Participating TO(s) as a contribution in aid of construction of the still-needed Network Upgrade, and (b) be reflected as a reduction in the cost of this Network Upgrade for purposes of reallocating the cost responsibility for this Network Upgrade. Any portions of such amounts that the CAISO receives after reallocating cost responsibility for remaining Network Upgrades during the applicable annual reassessment shall be disbursed by the CAISO in the same manner in a subsequent reassessment, based on the date of collection, unless the applicable Network Upgrade is no longer needed, in which case such amounts will be disbursed pursuant to Section 7.6(c).

If a Network Upgrade for which the CAISO disburses funds as a contribution in aid of construction under this Section 7.6(b) is determined, in a subsequent reassessment, to be no longer needed, such funds will be promptly returned to the CAISO by the applicable Participating TO and re-disbursed by the CAISO pursuant to Section 7.6(c).

(c) Calculation and Disbursement of All Other Non-Refundable Security and Study Deposits

For each Interconnection Customer that withdrew its Interconnection Requ~~e~~st or terminated its Generator Interconnection Agreement during a withdrawal period, any non-refundable Interconnection Sstudy Deposits, as well as any non-refundable Interconnection Financial Ssecurity not disbursed pursuant to subsection (b) above, shall be applied to offset Regional Transmission Revenue Requirements, as recovered through the CAISO's Transmission Access Charge, and to offset Local Transmission Revenue Requirements. Any non-refundable Interconnection Financial Ssecurity and Interconnection Sstudy Deposits relating to withdrawals or terminations that occurred prior to January 1, 2013 that are collected by the CAISO during a withdrawal period, as defined in Section 7.6(a), will also be disbursed in accordance with this provision.

This offset shall be performed by first allocating these non-refundable Interconnection Sstudy Deposit and Interconnection Financial Ssecurity amounts to the following three categories in proportion to the Interconnection Customer's most recent estimated Current Cost Responsibility, prior to withdrawal or termination, for Network Upgrades whose costs would be recovered through each of the following categories: (1) a Regional Transmission Revenue Requirement, (2) the Local Transmission Revenue Requirement of the Participating TO to which the interconnection customer had proposed to interconnect, and (3) the Local Transmission Revenue Requirement of any other Participating TO on whose system the interconnection customer was responsible for funding Network Upgrades recovered through a Local Transmission Revenue Requirement.

Each year, prior to the cutoff date for including annual regional TRBA adjustments in Regional Transmission Revenue Requirements, the CAISO will disburse to each Participating TO's Transmission Revenue Balancing Account: (a) a share of the total funds held or received by the CAISO from category (1) above in proportion to the ratio of each Participating TO's most recent Regional Transmission Revenue Requirement to the total of all Participating TOs' most recent Regional Transmission Revenue Requirements, and (b) all funds held or received by the CAISO in categories (2) and (3) applicable to that Participating TO.



(d) Disbursement of Funds by CAISO; Participating TO Responsibility for Collection

The CAISO shall disburse, in accordance with the rules set forth in this Section 7.6, only those non-refundable ~~I~~interconnection ~~F~~financial ~~S~~security and ~~S~~study ~~D~~deposit amounts that it holds or has received. The applicable Participating TO shall have the exclusive obligation to administer the collection of any non-refundable financial security where the applicable Participating TO is a beneficiary. The applicable Participating TO has the responsibility to manage the financial security and to transmit to the CAISO the non-refundable amounts in cash or equivalent within 75 days of the CAISO's submission to the Participating TO of the financial security liquidation form. This deadline can be modified by mutual agreement of the CAISO and applicable Participating TO.

(e) The CAISO shall, upon receipt, deposit all non-refundable ~~I~~interconnection ~~F~~financial ~~S~~security and ~~I~~interconnection ~~S~~study ~~D~~deposit amounts in an interest-bearing account at a bank or financial institution designated by the CAISO. Any interest earned on such amounts, based on the actual rate of the account, shall be allocated and disbursed in the same manner as the principal, in accordance with the methodology set forth in this Section 7.6.

## **Section 8 Phase II Interconnection Study and TP Deliverability Allocation Processes**

The provisions of this Section 8 shall apply to all Interconnection Requests under this GIDAP except those processed under the Independent Study Process selecting Energy Only Deliverability Status, the Fast Track Process, or the 10 kW inverter process.

### **8.1 Scope of Phase II Interconnection Study**

#### **8.1.1 Purpose of the Phase II Interconnection Study**

The CAISO, in coordination with the applicable Participating TO(s), will conduct a Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous Phase I Interconnection Study. The Phase II Interconnection Study shall:

- (i) update, as necessary, analyses performed in the Phase I Interconnection Studies to account for the withdrawal of Interconnection Requests from the current Queue Cluster;
- (ii) identify final ~~GRNUs and IRNUs~~ needed in order to achieve Commercial Operation status for the Generating Facilities and provide final cost estimates;
- (iii) identify final LDNUs needed to interconnect those Generating Facilities selecting Full Capacity or Partial Capacity Deliverability Status and provide final cost estimates;
- (iv) identify final ADNUs for Interconnection Customers selecting Option (B), as provided below and provide revised cost estimates;
- (v) identify, for each Interconnection Request, the Participating TO's Interconnection Facilities for the final Point of Interconnection and ~~provide a +/-20% cost estimate; and~~
- (vi) coordinate in-service timing requirements based on operational studies in order to facilitate achievement of the Commercial Operation Dates of the Generating Facilities;

(vii) update the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure, as applicable;

(viii) provide updated Precursor Network Upgrades needed to achieve the Commercial Operation status and Deliverability Status for the Generating Facilities;

(ix) identify any potential control equipment for each Interconnection Request where the Interconnection Customer requested Interconnection Service Capacity lower than the Generating Facility Capacity; and

(x) identify LOPNUs needed for Generating Facilities selecting Off-Peak Deliverability Status, and provide final cost estimates

The Phase II Interconnection Study report shall set forth the applicable cost estimates for ~~RNUs, LDNUs, ADNUs~~ Network Upgrades and Participating TOs Interconnection Facilities that shall be the basis for Interconnection Financial Security Postings under Section 11.3. Where the ~~cost estimations applicable to the total of RNUs and LDNUs~~ Maximum Cost Responsibility ~~are is~~ based upon the Phase I Interconnection Study (because ~~the cost estimation for the subtotal of RNUs and LDNUs were lower and so establish maximum cost responsibility it is lower~~ under Section 10.1), the Phase II Interconnection Study report shall recite this fact.

To the extent the CAISO determines that previously identified Conditionally Assigned Network Upgrades become Precursor Network Upgrades pursuant to Section 14.2.2, or are otherwise removed, the CAISO will reduce the Interconnection Customer's Maximum Cost Exposure, as applicable. To the extent the CAISO determines that a Conditionally Assigned Network Upgrade becomes an Assigned Network Upgrade, the CAISO will adjust the Interconnection Customer's Current Cost Responsibility and Maximum Cost Responsibility.

\* \* \* \* \*

## 8.2 Determining Phase II Network Upgrades

### 8.2.1 Reliability Network Upgrades, and Local Delivery Network Upgrades, and Local Off-Peak Network Upgrades

RNUs, LOPNUs, and LDNUs will be identified on the basis of all Interconnection Customers in the current Queue Cluster regardless of whether they have selected Option (A) or (B).

\* \* \* \* \*

## 8.3 Cost Responsibility for Reliability Network Upgrades

Cost responsibility for final Reliability Network Upgrades identified in the Phase II Interconnection Study of an Interconnection Request shall be assigned to Interconnection

Customers regardless of whether the Interconnection Customer has selected Option (A) or (B) or Energy Only Deliverability Status, as follows:

- (i) The cost responsibility for final short circuit related General Reliability Network Upgrades shall be assigned to all Interconnection Requests in the Group Study ~~pro-rata on the basis of proportional to the~~ short circuit duty contribution of each Generating Facility.
- (ii) The cost responsibility for all other final General Reliability Network Upgrades shall be assigned to all Interconnection Requests in that Group Study ~~pro-rata on~~ proportional to the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request.
- ~~(iii)~~ The Interconnection Customer's Current Cost Responsibility will include its allocated cost share for Interconnection Reliability Network Upgrades that are Assigned Network Upgrades. The CAISO will allocate assigned Interconnection Reliability Network Upgrade costs proportional to the number of Interconnection Requests that have been assigned the Interconnection Reliability Network Upgrade in the current Queue Cluster.
- ~~(iv)~~ The Interconnection Customer's Maximum Cost Responsibility will include the full cost of Assigned Network Upgrades that are Interconnection Reliability Network Upgrades unless another Interconnection Customer in the same Queue makes its third Interconnection Financial Security posting for the same assigned Interconnection Reliability Network Upgrade, in which case the CAISO will reduce the Interconnection Customer's Maximum Cost Responsibility to its allocated share pursuant to subsection (iii).
- ~~(v)~~ The Maximum Cost Exposure will include the full cost of Interconnection Reliability Network Upgrades that are Assigned Network Upgrades and Conditionally Assigned Network Upgrades. The CAISO may reduce the Maximum Cost Exposure consistent with subsection (iv).

#### 8.4 Cost Responsibility for ~~Local~~ Delivery Network Upgrades

The cost responsibility for Local Delivery Network Upgrades identified in the On-Peak Deliverability Assessment as part of the Phase II Interconnection Study shall be assigned to all Interconnection Requests selecting Full Capacity or Partial Capacity Deliverability Status, regardless of whether the Interconnection Customer has selected Option (A) or (B), based on the flow impact of each such Generating Facility on each Local Delivery Network Upgrade as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

##### ~~8.4.1~~ Cost Responsibility for Area Delivery Network Upgrades

The cost responsibility for Area Delivery Network Upgrades identified in the On-Peak Deliverability Assessment as part of Phase II Interconnection Study shall be assigned to Interconnection Customers who have selected Option (B) Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Area Delivery Network Upgrade as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

The ~~cost estimate~~ Current Cost Responsibility provided in the Phase II Interconnection Study shall establish the basis for the second Interconnection Financial Security Posting

for Interconnection Customers selecting Option (B).

#### **8.4.1 Cost Responsibility for Local Off-Peak Network Upgrades**

The estimated costs of Local Off-Peak Network Upgrades identified in the Off-Peak Deliverability Assessment will be assigned or conditionally assigned to Interconnection Requests selecting Off-Peak Deliverability Status based on the flow impact of each such Generating Facility on the Off-Peak Network Upgrades as determined by the Generation distribution factor methodology set forth in the Off-Peak Deliverability Assessment methodology.

\* \* \* \* \*

#### **8.9.2 Second Component: Allocating TP Deliverability**

Following the process set forth in Section 8.9.1, the CAISO will allocate any remaining TP Deliverability in the following order.

The CAISO shall allocate available TP Deliverability to all or a portion of the full MW capacity of the Generating Facility as specified in the Interconnection Request. Where a criterion is met by a portion of the full MW generating capacity of the Generating Facility, the eligibility score associated with that criterion shall apply to the portion that meets the criterion. The demonstration must relate to the same proposed Generating Facility as described in the Interconnection Request.

- (1) To Interconnection Customers in the current Queue Cluster or coming out of parking that have executed power purchase agreements, and to Interconnection Customers in the current Queue Cluster that are Load Serving Entities serving their own Load.
- (2) To Interconnection Customers in the current Queue Cluster or coming out of parking that are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement.
- (3) To Interconnection Customers in the current Queue Cluster with a completed Phase II Interconnection Study that have not parked, which are subject to Section 8.9.23.2 and elect to proceed without a power purchase agreement, or that parked before November 27, 2018 and attested to balance-sheet financing upon the end of their parking period.

Only these three foregoing groups may trigger the construction of Delivery Network Upgrades pursuant to Section 6.3.2. After the CAISO has allocated TP Deliverability to the three foregoing groups, the CAISO will allocate any remaining TP Deliverability to Energy Only Interconnection Customers requesting Deliverability based on the reassessment study and in the following order:

- (4) To Interconnection Customers that have not achieved their Commercial Operation Date, originally requested Full Capacity Deliverability Status or Partial Capacity Deliverability Status, and have executed power purchase agreements; and to Interconnection Customers that have achieved their Commercial Operation Date and have executed power purchase agreements.
- (5) To Interconnection Customers that have not achieved their Commercial Operation Date, originally requested Full Capacity Deliverability Status or Partial Capacity Deliverability Status, and are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement; and to Interconnection Customers that have achieved their Commercial Operation Date and are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement.
- (6) To Interconnection Customers that originally requested Full Capacity Deliverability Status or Partial Capacity Deliverability Status but achieved their Commercial Operation Date as Energy Only.
- (7) To Interconnection Customers that achieved their Commercial Operation Date.

The CAISO will allocate TP Deliverability to these four foregoing groups solely based on TP Deliverability available from existing transmission facilities, from already planned upgrades in the CAISO Transmission Planning Process, or upgrades assigned to an interconnection project that has an executed GIA and currently has a TPD allocation.

Energy Only Interconnection Customers requesting Deliverability must submit to the CAISO a \$60,000 study deposit for each Interconnection Request seeking TP Deliverability. The CAISO will deposit these funds in an interest bearing account at a bank or financial institution designated by the CAISO. The funds will be applied to pay for prudent costs incurred by the CAISO, the Participating TO(s), and/or third parties at the direction of the CAISO or applicable Participating TO(s), as applicable, to perform and administer the TP Deliverability studies for the Energy Only Interconnection Customers. Any and all costs of the Energy Only TP Deliverability study will be borne by the Interconnection Customer. The CAISO will coordinate the study with the Participating TO(s). The Participating TO(s) will invoice the CAISO for any work within seventy-five (75) calendar days of completion of the study, and, within thirty (30) days thereafter, the CAISO will issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the study. If the actual costs of the study are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer will pay the balance within thirty (30) days of being invoiced.

All power purchase agreements in this Section 8.9 must require Deliverability for the Interconnection Customer to represent that it has, is negotiating, or is shortlisted for a power purchase agreement. For all TP Deliverability allocations based upon having, negotiating, or being shortlisted for power purchase agreements, the CAISO will allocate TP Deliverability up to the amount of deliverable MW capacity procured by the power purchase agreement. All Load Serving Entities building Generating Facilities to serve their own Load must be doing so to fulfill a regulatory requirement that warrants Deliverability. Load Serving Entities acting as Interconnection Customers are otherwise

eligible for all other attestations.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

### **8.9.2.1 Deliverability Affidavits**

To determine TP Deliverability allocation order, Interconnection Customers will be assigned a numerical score reflecting the its demonstration of having met the criteria below under the methodology set forth in the Business Practice Manual.

- (1) Permitting status. An Interconnection Customer's Generating Facility must meet at least one of the following:
  - a. The Interconnection Customer has received its final governmental permit or authorization allowing the Generating Facility to commence construction.
  - b. The Interconnection Customer has received a draft environmental report document (or equivalent environmental permitting document) indicating likely approval of the requested permit and/or which indicates that the permitting authority has not found an environmental impact which would likely prevent the permit approval.
  - c. The Interconnection Customer has applied for the necessary governmental permits or authorizations and the authority has deemed such documentation as data adequate for the authority to initiate its review process.
  - d. The Interconnection Customer has applied for the necessary governmental permit or authorization for the construction.
- (2) Project financing status. An Interconnection Customer's Generating Facility must meet at least one of the following criteria:
  - a. The Interconnection Customer has an executed and regulator-approved power purchase agreement.
  - b. The Interconnection Customer has an executed power purchase agreement but such agreement has not yet received regulatory approval.
  - c. The Interconnection Customer is on an active short list or other commercially recognized method of preferential ranking of power providers by a prospective purchaser Load Serving Entity or procuring entity, or is currently negotiating a power purchase agreement.
  - d. The Interconnection Customer is a Load Serving Entity constructing its

project to serve its own Load pursuant to a regulatory requirement.

- e. The Interconnection Customer is proceeding to commercial operation without a power purchase agreement pursuant to Section 8.9.2.2, attested to balance-sheet financing before November 27, 2018, or attests to being balance-sheet financed or otherwise received a commitment of project financing pursuant to Section 8.9.3.1.

(3) Land acquisition

- a. The Interconnection Customer demonstrates a present legal right to begin construction of the Generation Facility on one hundred percent (100%) of the real property footprint necessary for the entire Generating facility.
- b. The Interconnection Customer demonstrates Site Exclusivity.

In allocating TP Deliverability under this section, in a situation where the TP Deliverability cannot accommodate all of the Interconnection Customers in a qualifying group, the CAISO will allocate TP Deliverability based on the highest numerical score. In a sSituation where the available amount of TP Deliverability can accommodate all Interconnection Customers with equal scores, the CAISO will allocate the TP Deliverability to the Interconnection Customers with the lowest LDNU cost estimates. For all TP Deliverability allocations based upon having, negotiating, or being shortlisted for power purchase agreements, the CAISO will allocate TP Deliverability up to the amount of deliverable MW capacity procured by the power purchase agreement.

All power purchase agreements must require Deliverability above zero for the Interconnection Customer to represent that it has, is negotiating, or is shortlisted for a power purchase agreement. All Load Serving Entities building Generating Facilities to serve their own Load must be doing so to fulfill a regulatory requirement that warrants Deliverability.

### **8.9.2.2 Proceeding without a Power Purchase Agreement**

Interconnection Customers only may attest that they are proceeding without a power purchase agreement in the allocation cycle immediately following receipt of their Phase II Interconnection Study (without having parked). Interconnection Customers that receive TP Deliverability in this group may park only that portion of their Interconnection Request that does not receive TP Deliverability. Parked portions may receive TP Deliverability in subsequent allocation cycles from any group for which they qualify. Interconnection Customers that receive TP Deliverability allocations for less than requested may elect to reduce their capacity to the amount of TP Deliverability received following the allocation.

If an Interconnection Customer receives TP Deliverability on the basis that it is proceeding without a power purchase agreement, it must accept the TP Deliverability allocation and forego parking that capacity, or withdraw. If an Interconnection Customer receives TP Deliverability on the basis that it is proceeding without a power purchase agreement, it may not request suspension under its GIA, delay providing its notice to proceed as specified in its GIA, or modify its Commercial Operation Date beyond the earlier of (a) the date established in its Interconnection Request when it requests TP Deliverability or (b) seven (7) years from the date the CAISO received its Interconnection Request. Extensions due to Participating TO construction delays will extend these deadlines equally. Interconnection Customers that fail to proceed toward their Commercial Operation Date under these requirements and as specified in their GIA will



be converted to Energy Only. Interconnection Customers that become Energy Only for this or any reason may not reduce their Maximum Cost Responsibility, Current Cost Responsibility, or Interconnection Financial Security for any assigned Delivery Network Upgrades unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

This Section 8.9.2.2 does not apply to Interconnection Customers that attested to balance-sheet financing or otherwise receiving a commitment of project financing before November 27, 2018, or that do so pursuant to Section 8.9.3.1.

### 8.9.3 Retaining TP Deliverability Allocation

For Interconnection Customers in Queue Cluster 10 or later, once a Generating Facility is allocated TP Deliverability under Section 8.9.1, the Interconnection Customer annually, on the date set forth and according to the process described in the Business Practice Manual, must demonstrate that the Generating Facility meets the following criteria to retain its TP Deliverability:

- (1) The Generating Facility is in good standing with respect to the criteria on which the allocation of TP Deliverability was based;
- (2) If the Generating Facility received TP Deliverability on the basis of having executed a power purchase agreement, it must have received regulatory approval of that agreement;
- (3) If the Generating Facility received TP Deliverability on the basis of negotiating or being shortlisted for a power purchase agreement, it must have executed the agreement by November 30 of the year it received TP Deliverability. It must then comply with criterion 8.9.3(2) the following year;
- (4) ~~If t~~The Interconnection Customer ~~must have~~has executed a GIA, ~~it and~~ must remain in good standing with regard to its GIA, such that neither the Participating TO nor CAISO has provided the Interconnection Customer with a Notice of Breach of the GIA that has not been cured and the Interconnection Customer has not commenced curative actions;
- (5) The Interconnection Customer must maintain its Commercial Operation Date set forth in the GIA unless an extension ~~is required for reasons beyond the control of the Interconnection Customer or such extension~~ results in no Material Modification or delay in the construction schedule for Network Upgrades common to multiple Generating Facilities; or unless the extension is occasioned by a material delay in the Participating TO's construction of any Network Upgrades or Participating TO's Interconnection Facilities

The Interconnection Customer will provide the required information in the form of an affidavit as described in the Business Practice Manual. Interconnection Customers that fail to meet these criteria will become Energy Only for that portion of the Generating Facility that has not retained TP Deliverability. An Interconnection Customer's failure to retain its TP Deliverability will not be considered a Breach of its GIA. Except as provided in Section 8.9.3.2, Interconnection Customers that become Energy Only for failure to retain their TP Deliverability Allocation may not reduce their Maximum Cost Responsibility, Current Cost Responsibility, or Interconnection Financial Security for any assigned Delivery Network Upgrades unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers. To the extent TP Deliverability has been allocated, lost, or relinquished only for a portion of the Interconnection Customer's project, this section 8.9.3 will apply to that portion of the project only.



### 8.9.3.1 Retaining TP Deliverability Allocation for Pre-Cluster 10 Interconnection Customers

Interconnection Customers in Queue Cluster 9 or earlier subject to this Appendix DD that have been allocated TP Deliverability or that parked pursuant to Section 8.9.4 or 8.9.4.1, annually, on the date set forth and according to the process described in the Business Practice Manual, must demonstrate that the Generating Facility meets the following criteria to retain its TP Deliverability:

- (1) The Generating Facility is in good standing with respect to the criteria on which the allocation of TP Deliverability was based;
- (2) If the Generating Facility received TP Deliverability on the basis of negotiating or being shortlisted for a power purchase agreement, it must have executed the agreement by the start of the next allocation cycle, or attest to balance-sheet financing or receipt of a commitment of project financing;
- (3) ~~If t~~The Interconnection Customer ~~has~~~~must have~~ executed a GIA, ~~and it~~ must remain in good standing with regard to its GIA, such that neither the Participating TO nor CAISO has provided the Interconnection Customer with a Notice of Breach of the GIA that has not been cured and the Interconnection Customer has not commenced curative actions;
- (4) The Interconnection Customer must maintain its Commercial Operation Date set forth in the GIA unless an extension is required for reasons beyond the control of the Interconnection Customer or such extension results in no Material Modification or delay in the construction schedule for Network Upgrades common to multiple Generating Facilities; or unless the extension is occasioned by a material delay in the Participating TO's construction of any Network Upgrades or Participating TO's Interconnection Facilities.

Interconnection Customers that have attested to balance-sheet financing or receipt of a commitment of project financing or do so pursuant to this Section are not subject to Section 8.9.2.2. Interconnection Customers that attest to balance-sheet financing pursuant to this Section 8.9.3.1 will be placed in TP Deliverability allocation group 8.9.2(3).

\* \* \* \* \*

### 8.9.5 Partial Allocations of Transmission Based Deliverability to Option (A) and Option (B) Generating Facilities

If a Generating Facility is allocated TP Deliverability in the current Interconnection Study Cycle in an amount less than the amount of Deliverability requested, then the Interconnection Customer must choose one of the following options:

- (i) Accept the allocated amount of TP Deliverability and reduce the MW generating capacity of the proposed Generating Facility such that the allocated amount of TP Deliverability will provide Full Capacity Deliverability Status to the reduced generating capacity;

- (ii) Accept the allocated amount of TP Deliverability and adjust the Deliverability status of the proposed Generating Facility to achieve Partial Capacity Deliverability corresponding to the allocated TP Deliverability;
- (iii) For Option (A) Generating Facilities, accept the allocated amount of TP Deliverability and seek additional TP Deliverability for the remainder of the requested Deliverability of the Interconnection Request in the next allocation cycle. In such instance, the Interconnection Customer shall execute a GIA for the entire Generating Facility having Partial Capacity Deliverability corresponding to the allocated amount of TP Deliverability. Following the next cycle of TP Deliverability allocation, the GIA shall be amended as needed to adjust its Deliverability status to reflect any additional allocation of TP Deliverability. At this time the Interconnection Customer may also adopt options (i) or (ii) above based on the final amount of TP Deliverability allocated to the Generating Facility. There will be no further opportunity for this Generating Facility to participate in any subsequent cycle of TP Deliverability allocation; or
- (iv) Decline the allocated amount of TP Deliverability and either withdraw the Interconnection Request or convert to Energy Only Deliverability Status. An Interconnection Customer having an Option (A) Generating Facility that has not previously parked may decline the allocation of TP Deliverability and park until the next cycle of TP Deliverability allocation in the next Interconnection Study Cycle.

An Interconnection Customer that selects option (iii) or (iv) above may, at the time it selects the option, elect to reduce the generating capacity of its Generating Facility.

Interconnection Customers accepting a partial allocation of TP Deliverability may pursue additional deliverability ~~through the Annual Full Capacity Deliverability Option under~~ described in Section 8.9.2.

\* \* \* \* \*

## **8.9.8 Updates to Phase II Interconnection Study Results**

Upon completion of the allocation of TP Deliverability in accordance with Section 8.9.2, the ISO will provide the allocation results to the Interconnection Customers for eligible Generating Facilities in the current Queue Cluster and eligible parked Generating Facilities. Each of these Interconnection Customers will then have seven (7) calendar days to inform the ISO of its decisions in accordance with Sections 8.9.4, 8.9.5, and 8.9.6. Following the ISO's receipt of this information from all affected Interconnection Customers, the ISO will provide updates where needed to the Phase II Interconnection Study reports for all Generating Facilities whose Network Upgrades have been affected.

## **8.9.9 Deliverability Transfers**

Deliverability may not be assigned or otherwise transferred except as expressly provided by the CAISO Tariff. An Interconnection Customer may reallocate its Generating

Facility's Deliverability among its own Generating Units or Resource IDs at the Generating Facility. The Generating Units must be located at the same Point of Interconnection. The Generating Facility's aggregate output as evaluated in the Deliverability Assessment cannot increase as the result of any transfer, but may decrease based on the assignee's characteristics and capacity. The CAISO will inform the Interconnection Customer of each Generating Unit's Deliverability Status and associated capacity as the result of any transfer. The results will be based on the current Deliverability Assessment methodology.

An Interconnection Customer may request to reallocate its Deliverability among its Generating Units pursuant to Section 6.7.2.2 of this GIDAP, Article 5.19 of the LGIA, and Article 3.4.5 of the SGIA, as applicable. A repowering Interconnection Customer may transfer Deliverability as part of the repowering process pursuant to Section 25.1.2 of the CAISO Tariff. An Interconnection Customer expanding its capacity behind-the-meter pursuant to Section 4.2.1.2 also may transfer Deliverability as part of that process, or subsequently under the other processes in this Section.

\* \* \* \* \*

## **Section 14 PTOs Interconnection Facilities and Network Upgrades**

\* \* \* \* \*

### **14.2.4 Limited Operation Study**

**14.2.4.1** Pursuant to Article 5.9 of the Large Generator Interconnection Agreement set forth in Appendices V, BB, CC, and EE, Generating Facilities may request a limited operation study ~~if any of the Participating TO's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Generating Unit.~~ The Participating TO and/or the CAISO, as applicable, will, upon the request and at the expense of the Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Generating Unit and the Interconnection Customer's Interconnection Facilities may operate prior to the completion of the Participating TO's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice. The Participating TO and the CAISO will permit the Interconnection Customer to operate the Generating Unit and the Interconnection Customer's Interconnection Facilities in accordance with the results of such studies. To the extent study assumptions change, the CAISO and Participating TO will update study results as needed.

**14.2.4.2** The Generating Unit owner will provide the CAISO a \$10,000 deposit for the limited operation study with the request. Except as provided below, any limited operation study will be concluded, and a response provided to the Generating Unit owner in writing, within forty-five (45) calendar days from when the CAISO receives all of the following: the Generating Unit owner's written

approval of the limited operation study plan, technical data required to assess the request, and the \$10,000 deposit. If the limited operation study cannot be completed within that time period, the CAISO will notify the Generating Unit owner and provide an estimated completion date and an explanation of the reasons why additional time is required.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

**14.2.4.3** The Generating Unit owner will be responsible for the actual costs incurred by the CAISO and the Participating TO(s) in conducting the modification assessment. If the actual costs of the limited operation study are less than the deposit provided by the Generating Unit owner, the Generating Unit owner will be refunded the balance. If the actual costs of the limited operation study are greater than the deposit provided by the Generating Unit owner, the Generating Unit owner shall pay the balance within thirty (30) days of being invoiced. The CAISO will coordinate the request with the Participating TO(s). The Participating TO(s) will invoice the CAISO for any limited operation study work within seventy-five (75) calendar days of completion of the study, and, within thirty (30) days of payment of the Participating TO(s) invoice, the CAISO will issue an invoice or refund to the Generating Unit owner, as applicable, based upon such submitted Participating TO invoices and the CAISO's costs for the assessment.

### **14.3 Network Upgrades**

With the exception of LDNUs and ADNUs for Option (B) Generating Facilities that were not allocated TP Deliverability, Network Upgrades will be constructed by the applicable Participating TO(s). Interconnection Customers may, at their discretion, select parties other than the applicable PTOs to construct certain LDNUs and ADNUs required by their Option (B) Generating Facilities that are not allocated TP Deliverability, if such LDNUs and ADNUs are eligible for construction by parties other than the applicable PTO pursuant to Section 24.5.2 of the CAISO Tariff. Such ADNUs and LDNUs will be incorporated into the CAISO Controlled Grid pursuant to the provisions for Merchant Transmission Facilities in CAISO Tariff Sections 24.4.6.1, and 36.11. Unless the Interconnection Customer elects construction by a party other than the applicable Participating TO, the applicable Participating TO(s) will be obligated to construct the LDNUs and ADNUs. This Section shall not apply to an Interconnection Customer's right to build Stand Alone Network Upgrade(s) in accordance with the LGIA.

#### **14.3.1 Initial Funding**

Assigned Network Upgrades shall be funded by the Interconnection Customer(s) either by means of drawing down the Interconnection Financial Security or by the provision of additional capital, at each Interconnection Customer's election, up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to each Interconnection Customer(s). Current Cost Responsibility may be adjusted consistent with this GIDAP and up to the Interconnection Customer's Maximum Cost Responsibility,

but the applicable Participating TO(s) shall be responsible for funding any capital costs for the Assigned Network Upgrades that exceed the Current Cost Responsibility assigned to the Interconnection Customer(s).

- (a) Where the funding responsibility for any RNUs, LOPNUs, and LDNUs has been assigned to a single Interconnection Customer, the applicable Participating TO(s) shall invoice the Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to each Interconnection Customer(s) for the RNUs, LOPNUs, or LDNUs, respectively.
- (b) Where the funding responsibility for an RNU, LOPNU, or LDNU has been assigned to more than one Interconnection Customer in accordance with this GIDAP, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such RNU Network Upgrades in accordance with their respective Current Cost Responsibilities. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to that Interconnection Customer.
- ~~(c) Where the funding responsibility for an LDNU has been assigned to more than one Interconnection Customer, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such LDNUs based on their respective Current Cost Responsibilities. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to that Interconnection Customer.~~
- (ce) Where the funding responsibility for an ADNU being constructed by one or more Participating TO has been assigned to more than one Option (B) Interconnection Customer, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such ADNUs based on their respective Current Cost Responsibilities.

Any permissible extension of the Commercial Operation Date of a Generating Facility will not alter the Interconnection Customer's obligation to finance its Assigned Network Upgrades where the Network Upgrades are required to meet the earlier Commercial Operation Date(s) of other Generating Facilities that have also been assigned cost responsibility for the Network Upgrades.

### **14.3.2 Repayment of Amounts Advanced for Network Upgrades and Refund of Interconnection Financial Security**

#### **14.3.2.1 Repayment of Amounts Advanced Regarding Non-Phased Generating Facilities**

An Interconnection Customer with a non-Phased Generating Facility in Queue Cluster 5 or earlier, or an Interconnection Customer in the Independent Study Process or the Fast Track Process that has been tendered a Generator Interconnection Agreement before December 19, 2014, shall be entitled to a repayment for the Interconnection Customer's contribution to the cost of Network Upgrades commencing upon the Commercial Operation Date of its Generating Facility.

An Interconnection Customer with a non-Phased Generating Facility in Queue Cluster 6 or later, or an Interconnection Customer in the Independent Study Process or the Fast Track Process that has not been tendered an Interconnection Agreement before December 19, 2014, shall be entitled to repayment for the Interconnection Customer's contribution to the cost of Network Upgrades placed in service on or before the Commercial Operation Date of its Generating Facility, commencing upon the Commercial Operation Date of the Generating Facility. Repayment for the Interconnection Customer's contribution to the cost of Network Upgrades placed into service after the Commercial Operation Date of its Generating Facility shall, for each of these Network Upgrades, commence no later than the later of: (i) the first month of the calendar year following the year in which the Network Upgrade is placed into service or (ii) 90 days after the Network Upgrade is placed into service.

An Interconnection Customer subject to this Section 14.3.2.1 shall be entitled to repayment for its contribution to the cost of Network Upgrades as follows:

- (1) For RNUs, in accordance with the Interconnection Customer's cost responsibility assigned up to a maximum of \$60,000 per MW of generating capacity as specified in the GIA. The CAISO will publish an annual inflation factor and adjusted amount for this figure with the per unit cost publication on the CAISO Website pursuant to Section 6.4 of this GIDAP. Interconnection Customers will be entitled to repayment subject to the figure corresponding to their Commercial Operation Date.
- (2) For LDNUs and LOPNUs, except for LDNUs for Option (B) Generating Facilities that were not allocated TP Deliverability, in accordance with the Interconnection Customer's Current Cost Responsibility.
- (3) Option (B) Generating Facilities that were not allocated TP Deliverability will not receive repayment for LDNUs or ADNUs.

Unless an Interconnection Customer has provided written notice to the CAISO that it is declining all or part of such repayment, such amounts shall include any tax gross-up or other tax-related payments associated with the Network Upgrades not refunded to the Interconnection Customer, and shall be paid to the Interconnection Customer by the applicable Participating TO(s) on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the applicable date as provided for in this Section 14.3.2.1; or (2) any alternative payment schedule that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the applicable commencement date.

For Network Upgrades the Interconnection Customer funded but did not receive repayment, the Interconnection Customer will be eligible to receive Merchant Transmission Congestion Revenue Rights (CRRs) in accordance with CAISO Tariff Section 36.11 associated with those Network Upgrades, or portions thereof that were funded by the Interconnection Customer. Such CRRs would take effect upon the Commercial Operation Date of the Generating Facility in accordance with the GIA.

\* \* \* \* \*

**Appendix 1 Interconnection Request  
INTERCONNECTION REQUEST**

Provide one copy of this completed form pursuant to Section 7 of this Appendix 1 below.

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with the CAISO Controlled Grid pursuant to the CAISO Tariff (check one):  
 Fast Track Process.  
 Independent Study Process.  
 Queue Cluster process.  
 Annual Deliverability Assessment pursuant to Section 9.
2. This Interconnection Request is for (check one):  
 A proposed new Generating Facility.  
 An increase in the generating capacity or a Material Modification to an existing Generating Facility.
3. Requested Deliverability Statuses ~~is~~ ~~is for~~ ~~are~~ (check one in each category):  
On-Peak (for Purposes of Net Qualifying Capacity  
  
\_ Full Capacity (For Independent Study Process and Queue Cluster Process only)  
(Note – Deliverability analysis for Independent Study Process is conducted with the next annual Cluster Study)  
\_ Partial Deliverability for \_\_\_ MW of electrical output (For Independent Study Process and Queue Cluster Process only)  
\_ Energy Only  
  
Off-Peak  
Off-Peak Deliverable  
Off-Peak Energy Only

\* \* \* \* \*



g. Interconnection Customer data (set forth in Attachment A)

**The Interconnection Customer shall provide to the CAISO the technical data called for in Attachment A to this Interconnection Request. One (1) copy is required.**

h. Requested Interconnection Service Capacity (in MW) (if lower than the Generating Facility Capacity; may not exceed Generating Facility Capacity);

\_\_\_\_\_

8. Representative of the Interconnection Customer to contact:

[To be completed by the Interconnection Customer]

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City, State: \_\_\_\_\_  
Zip Code: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

9. This Interconnection Request is submitted by:

Legal name of the Interconnection Customer: \_\_\_\_\_

\* \* \* \* \*

## Appendix EE

### Article 1. Definitions

\* \* \* \* \*

Area Off-Peak Constraints shall mean a transmission system operating limit that would cause excessive curtailment to a substantial number of Generating Facilities during Off-Peak Load conditions, as described in Section 6.3.2.2 of Appendix DD and the CAISO Off-Peak Deliverability Assessment posted on the CAISO Website.

Area Off-Peak Network Upgrades (AOPNUs) shall mean a transmission upgrade or addition the CAISO identifies in the Transmission Planning Process to relieve an Area Off-Peak Constraint.

Assigned Network Upgrade (ANU) shall mean Reliability Network Upgrades, Local Off-Peak

Network Upgrades, and Local Delivery Network Upgrades currently assigned to the Interconnection Customer. Assigned Network Upgrades exclude Conditionally Assigned Network Upgrades unless they become Assigned Network Upgrades.

\* \* \* \* \*

**Conditionally Assigned Network Upgrade (CANU)** shall mean Reliability Network Upgrades, Local Off-Peak Network Upgrades, and Local Delivery Network Upgrades currently assigned to an earlier Interconnection Customer, but which may be assigned to the Interconnection Customer.

\* \* \* \* \*

**Current Cost Responsibility (CCR)** shall mean the Interconnection Customer's current allocated costs for Assigned Network Upgrades, not to exceed the Maximum Cost Responsibility. This cost is used to calculate the Interconnection Customer's Interconnection Financial Security requirement.

\* \* \* \* \*

**General Reliability Network Upgrade (GRNU)** shall mean Reliability Network Upgrades that are not Interconnection Reliability Network Upgrades.

\* \* \* \* \*

**Interconnection Financial Security (IFS)** shall mean any of the financial instruments listed in Section 11.1 of the GIDAP that are posted by an Interconnection Customer to finance the construction of facilities or Network Upgrades.

\* \* \* \* \*

**Interconnection Reliability Network Upgrades (IRNU)** shall mean Reliability Network Upgrades at the Point of Interconnection to accomplish the physical interconnection of the Generating Facility to the CAISO Controlled Grid. IRNUs are treated as Reliability Network Upgrades unless otherwise noted.

\* \* \* \* \*

**Local Off-Peak Constraints** shall mean a transmission system operating limit modeled in the generator interconnection study process that would be exceeded or lead to excessive curtailment, as described in the Off-Peak Deliverability Assessment methodology, if the CAISO were to assign Off-Peak Deliverability Status to one or more Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Off-Peak Constraint.

**Local Off-Peak Network Upgrades (LOPNUs)** shall mean a transmission upgrade or addition the CAISO identifies in the generator interconnection study process to relieve a Local Off-Peak Constraint.

\* \* \* \* \*

**Maximum Cost Exposure (MCE)** shall mean, pursuant to Appendix DD, the sum of (1) the Interconnection Customer's Maximum Cost Responsibility and (2) the Conditionally Assigned Network Upgrades from its Phase I or Phase II Interconnection Study.

**Maximum Cost Responsibility (MCR)** shall mean, pursuant to Appendix DD, the lower sum of the Interconnection Customer's (1) full cost of assigned Interconnection Reliability Network Upgrades and (2) allocated costs for all other Assigned Network Upgrades, from its Phase I or Phase II Interconnection Studies, not to exceed the Maximum Cost Exposure.

\* \* \* \* \*

**Off-Peak Deliverability Constraints** shall mean a transmission system operating limit that constrains Generating Facilities in an area, leading to the excessive curtailment of expected Energy.

**Off-Peak Network Upgrades** shall mean Network Upgrades needed to relieve Off-Peak Deliverability Constraints. Area Off-Peak Network Upgrades address Area Off-Peak Constraints. Local Off-Peak Network Upgrades address Local Off-Peak Constraints.

\* \* \* \* \*

**Precursor Network Upgrades (PNU)** shall mean Network Upgrades required for the Interconnection Customer consisting of (1) Network Upgrades assigned to an earlier Interconnection Customer in an earlier Queue Cluster, Independent Study Process, or Fast Track Process, that has executed its GIA pursuant to Section 14.2.2 of the GIDAP; and (2) Network Upgrades in the approved CAISO Transmission Plan.

\* \* \* \* \*

**Reliability Network Upgrades (RNU)** shall mean the transmission facilities at or beyond the Point of Interconnection identified in the Interconnection Studies as necessary to interconnect one or more Generating Facility(ies) safely and reliably to the CAISO Controlled Grid, which would not have been necessary but for the interconnection of one or more Generating Facility(ies), including Network Upgrades necessary to remedy short circuit or stability problems, or thermal overloads. Reliability Network Upgrades shall only be deemed necessary for system operating limits, occurring under any system condition, which ~~such system operating limits~~ cannot be adequately mitigated through Congestion Management, Operating Procedures, or Special Protection Systems based on the characteristics of the Generating Facilities included in the Interconnection Studies, limitations on market models, systems, or information, or other factors specifically identified in the Interconnection Studies. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a path's WECC rating. Reliability Network Upgrades include Interconnection Reliability Network Upgrades and General Reliability Network Upgrades.

\* \* \* \* \*

**Stand Alone Network Upgrades** shall mean Network Upgrades, that are not part of an Affected System that the Interconnection Customer may construct without affecting day-to-day operations of the CAISO Controlled Grid or Affected Systems during their construction. The Participating TO, the CAISO, and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to this LGIA. If the CAISO, the Participating TO, and the Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the CAISO or Participating TO must provide the Interconnection Customer a written technical explanation outlining why it does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination. †

**Surplus Interconnection Service** shall mean any unneeded portion of Interconnection Service Capacity established herein, such that if Surplus Interconnection Service is utilized the total amount of Interconnection Service Capacity at the Point of Interconnection would remain the same.

\* \* \* \* \*

## ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

Interconnection Facilities, Network Upgrades, and Distribution Upgrades shall be studied, designed, and constructed pursuant to Good Utility Practice. Such studies, design and construction shall be based on the assumed accuracy and completeness of all technical information received by the Participating TO and the CAISO from the Interconnection Customer associated with interconnecting the Large Generating Facility.

**5.1 Options.** Unless otherwise mutually agreed among the Parties, the Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Standard Option, Alternate Option, or, if eligible, Merchant Option, set forth below ~~for completion of the Participating TO's Interconnection Facilities and Network Upgrades as set forth in Appendix A,~~ Interconnection Facilities, Network Upgrades, and Distribution Upgrades, and such dates and selected option shall be set forth in Appendix B, Milestones. At the same time,

the Interconnection Customer shall indicate whether it elects the Option to Build set forth in Article 5.1.3 below. If the dates designated by the Interconnection Customer are not acceptable to the CAISO and Participating TO, they shall so notify the Interconnection Customer within thirty (30) calendar days. Upon receipt of the notification that the Interconnection Customer's designated dates are not acceptable to the CAISO and Participating TO, the Interconnection Customer shall notify the CAISO and Participating TO within thirty (30) calendar days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

**5.1.1 Standard Option.** The Participating TO shall design, procure, and construct the Participating TO's Interconnection Facilities, Network Upgrades, and Distribution Upgrades, using Reasonable Efforts to complete the Participating TO's Interconnection Facilities, Network Upgrades, and Distribution Upgrades by the dates set forth in Appendix B, Milestones. The Participating TO shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event the Participating TO reasonably expects that it will not be able to complete the Participating TO's Interconnection Facilities, Network Upgrades, and Distribution Upgrades by the specified dates, the Participating TO shall promptly provide written notice to the Interconnection Customer and the CAISO and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

**5.1.2 Alternate Option.** If the dates designated by the Interconnection Customer are acceptable to the Participating TO, the Participating TO shall so notify the Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities by the designated dates.

If the Participating TO subsequently fails to complete the Participating TO's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; the Participating TO shall pay the Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by the Interconnection Customer shall be extended day for day for each day that the CAISO refuses to grant clearances to install equipment.

**5.1.3 Option to Build.** ~~If the dates designated by the Interconnection Customer are not acceptable to the Participating TO, the Participating TO shall so notify the Interconnection Customer within thirty (30) Calendar Days, and unless the Parties agree otherwise, t~~The Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades. ~~If the Interconnection Customer elects to exercise its option to assume responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, it shall so notify the Participating TO within thirty (30) Calendar Days of receipt of the Participating TO's notification that the designated dates are not acceptable to the Participating TO.~~The Participating TO, CAISO, and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A to this LGIA. Except for Stand Alone Network

Upgrades, the Interconnection Customer shall have no right to construct Network Upgrades under this option.

**5.1.4 Negotiated Option.** If the dates designated by the Interconnection Customer ~~elects not to exercise its option under Article 5.1.3, Option to Build, the Interconnection Customer shall so notify the Participating TO within thirty (30) Calendar Days of receipt of the Participating TO's notification that the designated dates~~ are not acceptable to the CAISO and Participating TO, ~~and~~ the Parties shall in good faith attempt to negotiate terms and conditions, ~~(including revision of the specified dates and liquidated damages, the provision of incentives, or the procurement and construction of a portion of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades by the Interconnection Customer)~~ all facilities other than the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build under Article 5.1.3. pursuant to which the Participating TO is responsible for the design, procurement and construction of the Participating TO's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, then, pursuant to Article 5.1.1 (Standard Option), the Participating TO shall assume responsibility for the design, procurement and construction of all facilities other than the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades ~~pursuant to Article 5.1.1, Standard Option~~ if the Interconnection Customer elects to exercise the Option to Build.

**5.1.5 Merchant Option.** In addition to any Option to Build set forth in Article 5.1.3 of this LGIA, an Interconnection Customer having an Option (B) Generating Facility may elect to have a party other than the applicable Participating TO construct some or all of the LDNU and ADNU for which the Interconnection Customer has the obligation to fund and which are not subject to reimbursement. Such LDNU and ADNU will be constructed and incorporated into the CAISO Controlled Grid pursuant to the provisions for Merchant Transmission Facilities in CAISO Tariff Sections 24.4.6.1 and 36.11

**5.2 General Conditions Applicable to Option to Build.** If the Interconnection Customer assumes responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, or assumes responsibility for any stand-alone task, such as telecommunications, environmental, or real-estate related work:

(1) within six (6) months of the execution of this LGIA, or at a later date agreed to by the Parties, the Interconnection Customer will submit to the CAISO and the Participating TO a milestone schedule for the design, procurement, and construction of the Stand Alone Network Upgrades, or any stand-alone task assumed by the Interconnection Customer. The milestone schedule will be required to support the Interconnection Customer's Commercial Operation Date, and any Appendix B Milestones will be amended to include the milestone schedule for the Stand Alone Network Upgrades;

(2) the Interconnection Customer shall engineer, procure equipment, and construct the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Participating TO;

(3) The Interconnection Customer's engineering, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which the Participating TO would be subject in the engineering, procurement or construction of the Participating TO's Interconnection

Facilities and Stand Alone Network Upgrades;

(4) the Participating TO shall review, and the Interconnection Customer shall obtain the Participating TO's approval of, the engineering design, equipment acceptance tests, and the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, which approval shall not be unreasonably withheld, and the CAISO may, at its option, review the engineering design, equipment acceptance tests, and the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades;

(5) prior to commencement of construction, the Interconnection Customer shall provide to the Participating TO, with a copy to the CAISO for informational purposes, a schedule for construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from the Participating TO;

(6) at any time during construction, the Participating TO shall have the right to gain unrestricted access to the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(7) at any time during construction, should any phase of the engineering, equipment procurement, or construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by the Participating TO, the Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades;

(8) the Interconnection Customer shall indemnify the CAISO and Participating TO for claims arising from the Interconnection Customer's construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(9) The Interconnection Customer shall transfer control of the Participating TO's Interconnection Facilities to the Participating TO and shall transfer Operational Control of Stand Alone Network Upgrades to the CAISO;

(10) Unless the Parties otherwise agree, the Interconnection Customer shall transfer ownership of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades to the Participating TO. As soon as reasonably practicable, but within twelve months after completion of the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, the Interconnection Customer shall provide an invoice of the final cost of the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades to the Participating TO, which invoice shall set forth such costs in sufficient detail to enable the Participating TO to reflect the proper costs of such facilities in its transmission rate base and to identify the investment upon which refunds will be provided;

(11) the Participating TO shall accept for operation and maintenance the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and



(12) The Interconnection Customer's engineering, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of the "Option to Build" conditions set forth in Appendix C. Interconnection Customer shall deliver to the Participating TO "as-built" drawings, information, and any other documents that are reasonably required by the Participating TO to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by the Participating TO.

(13) If the Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3, the Interconnection Customer shall pay the Participating TO the agreed upon amount of \$ \_\_\_\_\_ for Participating TO to execute the responsibilities enumerated to it under Article 5.2. The Participating TO will invoice the Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 12.

\* \* \* \* \*

**5.16 Suspension.** The Interconnection Customer ~~reserves the right, upon written notice to the Participating TO and the CAISO, may request~~ to suspend at any time all work associated with the construction and installation of the Participating TO's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades required under this LGIA, other than Network Upgrades identified in the Phase II Interconnection Study as common to multiple generating facilities, ~~with the condition that Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2.3 of the GDAP, an modification assessment deposit, and an anticipated end date of the suspension.~~ Interconnection Customers may request a suspension for the maximum amount of time in lieu of providing an anticipated end date. The CAISO and Participating TO will approve suspension requests where:

- (a) \_\_\_\_\_ the Participating TO's electrical system and the CAISO Controlled Grid ~~shall can~~ be left in a safe and reliable condition in accordance with Good Utility Practice, ~~and~~ the Participating TO's safety and reliability criteria, ~~and the CAISO's~~ Applicable Reliability Standards; ~~and~~
- (b) the CAISO and Participating TO determine the suspension will not result in a Material Modification.

During suspension, the Interconnection Customers may request to extend or shorten their suspension period, consistent with the maximum period provided in this Article. The CAISO and Participating TO will approve such requests where they meet criteria (a) and (b), above. Requests to extend or shorten extensions will not require a new modification assessment request and deposit. In such event, the The Interconnection Customer shall be responsible for all reasonable and necessary costs for suspension for which the Participating TO (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Participating TO's electric system during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which the Participating TO cannot reasonably avoid;

provided, however, that prior to canceling or suspending any such material, equipment or labor contract, the Participating TO shall obtain Interconnection Customer's authorization to do so.

Network Upgrades common to multiple generating facilities, and to which the Interconnection Customer's right of suspension shall not extend, consist of Network Upgrades identified for:

- (i) generating facilities which are the subject of all Interconnection Requests made prior to the Interconnection Customer's Interconnection Request;
- (ii) generating facilities which are the subject of Interconnection Requests within the Interconnection Customer's queue cluster; and
- (iii) generating facilities that are the subject of Interconnection Requests that were made after the Interconnection Customer's Interconnection Request but no later than the date on which the Interconnection Customer's Phase II Interconnection Study Report is issued, and have been modeled in the Base Case at the time the Interconnection Customer seeks to exercise its suspension rights under this Article.

The Participating TO shall invoice the Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work required under this LGIA pursuant to this Article 5.16, and has not requested the Participating TO to recommence the work or has not itself recommenced work required under this LGIA in time to ensure that the new projected Commercial Operation Date for the full Generating Facility Capacity of the Large Generating Facility is no more than three (3) years from the Commercial Operation Date identified in Appendix B hereto, this LGIA shall be deemed terminated and the Interconnection Customer's responsibility for costs will be determined in accordance with Article 2.4 of this LGIA. The suspension period shall begin on the date the ~~suspension is requested~~Interconnection Customer provides in its request, if approved upon approval, whichever is later, or the date of the written notice to the Participating TO and the CAISO, if no effective date is specified. Ninety (90) days before the anticipated end date of the suspension, the Participating TO and the CAISO will tender an amended draft LGIA with new construction milestones. The Parties agree to negotiate the amended draft LGIA in good faith such that it can be executed by the end of the suspension.

Interconnection Customer subject to Section 8.9.2.2 of Appendix DD may not request suspension.

\* \* \* \* \*

## 5.19 Modification.

**5.19.1 General.** The Interconnection Customer or the Participating TO may undertake modifications to its facilities, subject to ~~the provisions of this LGIA and the CAISO Tariff, Section 25.1(c) and Section 25 of the CAISO Tariff if the Interconnection Customer has achieved its Commercial Operation Date, and subject to Section 6.7.2 of Appendix DD if it has not.~~ the provisions of this LGIA and the CAISO Tariff.

If a Party plans to undertake a modification that reasonably may be expected to affect the

other Parties' facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

Notwithstanding Section 7.5 of Appendix DD, at any time after achieving its Commercial Operation Date, the Interconnection Customer may reduce the megawatt generating capacities of its Generating Facilities, subject to Section 25.1(c) of the CAISO Tariff. Section 7.5.11 of Appendix DD will still apply to such requests to reduce capacity.

~~In the case of Large Generating Facility modifications that do not require the Interconnection Customer to submit an Interconnection Request, the CAISO or Participating TO shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the CAISO-Controlled Grid, Participating TO's Interconnection Facilities, Network Upgrades or Distribution Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof. The Participating TO and the CAISO shall determine if a Large Generating Facility modification is a Material Modification in accordance with the GIDAP.~~

**5.19.2 Standards.** Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this LGIA and Good Utility Practice.

**5.19.3 Modification Costs.** The Interconnection Customer shall not be directly assigned the costs of any additions, modifications, or replacements that the Participating TO makes to the Participating TO's Interconnection Facilities or the Participating TO's Transmission System to facilitate the interconnection of a third party to the Participating TO's Interconnection Facilities or the Participating TO's Transmission System, or to provide transmission service to a third party under the CAISO Tariff. The Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

**5.20 Annual Reassessment Process.** In accordance with Section 7.4 of the GIDAP, the CAISO will perform an annual reassessment, as part of a queue cluster interconnection study cycle, in which it will update certain base case data prior to beginning the GIDAP Phase II Interconnection Studies. As set forth in Section 7.4, the CAISO may determine through this assessment that Delivery Network Upgrades and Off-Peak Network Upgrades already identified and included in executed generator interconnection agreements should be modified in order to reflect the current circumstances of interconnection customers in the queue, including any withdrawals therefrom, and any additions and upgrades approved in the CAISO's most recent TPP cycle. To the extent that this determination modifies the scope or characteristics of, or the cost responsibility for, any Delivery Network Upgrades and Off-Peak Network

| Upgrades set forth in Appendix A to this LGIA, such modification(s) will be reflected through an amendment to this LGIA.

**Attachment C – Clean Tariff**

**Reconciliation Filing**

**California Independent System Operator Corporation**

**March 9, 2021**

## Appendix DD

### Section 2 Scope And Application

\* \* \* \* \*

#### 2.3 Interconnection Base Case Data

For each Interconnection Study Cycle, the CAISO, in coordination with applicable Participating TO(s), shall maintain updated Interconnection Base Case Data, including, as applicable, separate Interconnection Base Case Data for each Group Study to reflect system conditions particular to the Group Study, to a secured section of the CAISO Website. Interconnection Base Case Data will represent the network model and underlying assumptions used during the most recent Interconnection Study and represent system conditions in the near term planning horizon.

The CAISO will update and publish the Interconnection Base Case Data:

- (1) prior to the Phase I Interconnection Study with the Generation reflected in valid Interconnection Requests for the Interconnection Study Cycle, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions;
- (2) after the Phase I Interconnection Study with the Generation reflected in valid Interconnection Requests submitted in the Cluster Application Window for the Interconnection Study Cycle, and the identified preliminary transmission upgrades or additions, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions;
- (3) prior to the Phase II Interconnection Study, including all remaining Generation from the Phase I Interconnection Study for the Interconnection Study Cycle, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions; and
- (4) after the Phase II Interconnection Study, including all remaining Generation from the applicable Phase I Interconnection Study and the identified transmission upgrades and additions for the Interconnection Study Cycle, as well as all Generation reflected in the Interconnection Requests in the Independent Study Process that entered the CAISO's interconnection queue prior to the creation of the Base Case, along with any associated transmission upgrades or additions.

Interconnection Base Case Data shall include information subject to the confidentiality provisions in Section 15.1.

The CAISO shall require current and former Interconnection Customers, Market Participants, and electric utility regulatory agencies within California to sign a CAISO confidentiality agreement and, where the current or former Interconnection Customer or

Market Participant is not a member of WECC, or its successor, an appropriate form of agreement with WECC, or its successor, as necessary. All other entities or persons seeking Interconnection Base Case Data must satisfy the foregoing requirements as well as all requirements under 18 C.F.R. Section 388.113 for obtaining the release of Critical Energy Infrastructure Information (as that term is defined by FERC). The CAISO will maintain a link on OASIS to the secured section of the CAISO website with the Interconnection Base Case Data.

\* \* \* \* \*

#### **2.4.3.1 The Phase I Interconnection Studies**

The Phase I Interconnection Studies for Queue Cluster Generating Facilities will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The Phase I Interconnection Studies will identify direct Interconnection Facilities and required Reliability Network Upgrades necessary to interconnect the Generating Facility, mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. The Phase I Interconnection Studies will also identify LDNUs and LOPNUs for Generating Facilities, including those being processed under the Independent Study Process, that have selected Full Capacity, Partial Capacity Deliverability Status, and Off-Peak Deliverability Status, as applicable. Such Network Upgrades shall be identified in accordance with the Deliverability Assessments set forth in Section 6.3.2. The Phase I Interconnection Studies will also provide cost estimates for ADNUs and AOPNUs, as described in Section 6.3.2. The Phase I Interconnection Study report shall include cost estimates for RNUs, LDNUs, ADNUs, LOPNUs, AOPNUs, and Participating TOs Interconnection Facilities that shall, as applicable, establish the basis for the initial Interconnection Financial Security postings under Section 11.2.

#### **2.4.3.2 The Reassessment Prior to Phase II Interconnection Studies**

Before undertaking the Phase II Interconnection Studies, the CAISO will conduct a reassessment, as specified in Section 7.4, to conform the Base Case and Interconnection Base Case Data to account for later conditions since the CAISO performed the Phase II Interconnection Study in the prior Interconnection Study Cycle, and to account for the impact of Downsizing Generators pursuant to Section 7.5.

#### **2.4.3.3 The Phase II Interconnection Studies**

The Phase II Interconnection Studies will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses, and will identify direct Interconnection Facilities and required RNUs necessary to interconnect the Generating Facility, mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. The Phase II Interconnection Studies shall identify LDNUs and LOPNUs for Generating Facilities participating in Phase II (including those being processed under the Independent Study Process) that have elected Full Capacity, Partial Capacity Deliverability Status, and Off-Peak Deliverability Status, as applicable, and ADNUs for Interconnection Customers selecting Option (B) in accordance with Section 7.2.



The Phase II Interconnection Study report shall also set forth the applicable cost estimates for RNUs, LDNUs, ADNUs, LOPNUs, and AOPNUs, and Participating TO Interconnection Facilities that shall, as applicable, establish the basis for the second and third Interconnection Financial Security postings under Section 11.3.

Where an Interconnection Study report identifies specific transmission facilities for Network Upgrade or Interconnection Facilities, the cost estimates determined in accordance with Section 6.4 will be set forth in present dollar costs as well as time-adjusted dollar costs, adjusted to the estimated year of expenditure for construction of the components being constructed.

#### **2.4.3.4 Update Following TP Deliverability Allocation Process**

Following the completion of Phase II Interconnection Studies for the Queue Cluster and provision by the ISO of the results to Interconnection Customers in the Queue Cluster, the ISO will perform the allocation of TP Deliverability to eligible Generating Facilities in accordance with Section 8.9. Based on the results of the allocation process and the responses to those results as reported by affected Interconnection Customers to the ISO, the ISO will provide updates where needed to the Phase II Interconnection Study reports of affected Interconnection Customers. The update to the Phase II Interconnection Study report provided under this section shall not extend the time for the second Interconnection Financial Security posting under Section 11.3.

\* \* \* \* \*

### **Section 3 Interconnection Requests**

#### **3.1 General**

Pursuant to CAISO Tariff Section 25.1, a duly authorized officer or agent of the Interconnection Customer will submit to the CAISO (1) an Interconnection Request consistent with Appendix 1 to this GIDAP, including (2) an executed Generator Interconnection Study Process Agreement consistent with Appendix 3 to this GIDAP. All forms may be submitted electronically as provided on the CAISO website. Interconnection customers will submit Appendix B to the Generator Interconnection Study Process Agreement pursuant to Section 7 of this GIDAP. The CAISO will forward a copy of the Interconnection Request to the applicable Participating TO within five (5) Business Days of receipt.

The Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. The Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

Interconnection Customers may request Interconnection Service Capacity below the Generating Facility Capacity. The CAISO will study these requests for Interconnection Service at the level of Interconnection Service Capacity requested for purposes of Interconnection Studies, Network Upgrades, and associated costs. If the Generating Facility Capacity requires additional Network Upgrades beyond the Interconnection Service Capacity, the CAISO will provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade cost required for safety and reliability will be assigned to the Interconnection Customer and eligible for reimbursement consistent with the treatment of

Interconnection Facilities and Network Upgrade provided in this GIDAP. Interconnection Customers may be subject to additional control technologies, as well as testing and validation of those technologies consistent with Article 6 of the GIA and Article 2 of the SGIA. The necessary control technologies and protection systems shall be established in Appendix C of that executed, or requested to be filed unexecuted, GIA.

\* \* \* \* \*

### **3.4 Surplus Interconnection Service**

The CAISO will allow an Interconnection Customer to utilize or transfer Surplus Interconnection Service. The Interconnection Customer will notify the CAISO that it has transferred its Surplus Interconnection Service to another entity. The total Interconnection Service Capacity of the original Interconnection Customer and the assignee of the Surplus Interconnection Capacity may not exceed the original Interconnection Customer's constructed Generating Facility Capacity, regardless of the Interconnection Service Capacity it requested in its Interconnection Request or memorialized in its GIA. The Generating Facility of the assignee must interconnect at the same Point of Interconnection as the original Interconnection Customer.

If the assignee's Generating Facility would not require a new Interconnection Request pursuant to Section 25.1.1 of the CAISO Tariff, the original Interconnection Customer may transfer Surplus Interconnection Service, and the CAISO will study the transfer, as a modification under Section 6.7.2. Otherwise, the assignee of the Surplus Interconnection Service will submit an Interconnection Request under the Independent Study Process pursuant to Section 3.5 of this GIDAP. The CAISO and Participating TO will study and treat the use of the Surplus Interconnection Service and any capacity beyond the Interconnection Service Capacity as a behind-the-meter capacity expansion consistent with Section 4.2 of this GIDAP. The Independent Study Process for Surplus Interconnection Service will identify any additional Interconnection Facilities and/or Network Upgrades necessary. Reimbursement for additional Reliability Network Upgrades will be capped pursuant to Section 14.3.2 of this GIDAP. The CAISO will use the constructed Generating Facility Capacity of the original Interconnection Customer for the MW value of the RNU reimbursement cap, and will subtract the costs of the original Interconnection Customer's Reliability Network Upgrades to determine any remaining eligible reimbursement under the cap for the assignee's Reliability Network Upgrades, if any.

Notwithstanding any other provision in this GIDAP, if the original Interconnection Customer has Full or Partial Capacity Deliverability Status, it will notify the CAISO whether its transfer of Surplus Interconnection Service includes any Deliverability currently associated with the constructed Generating Facility capacity. The transfer amount of Deliverability may not exceed the transfer amount of Surplus Interconnection Service. The transfer amount of Surplus Interconnection Service will not operate as a basis to increase the Net Qualifying Capacity of the Generating Facility (including the expansion) that pre-existed the transfer. In all cases, the original Generating Facility and the behind-the-meter capacity expansion will be metered separately from one another and be assigned separate Resource IDs. If the original Interconnection Customer's Generating Facility permanently retires, or ceases operation for three (3) years without having begun active construction of a repowered Generating Facility, both the original Interconnection Customer and the assignee of the Surplus Interconnection Service will be converted to Energy Only. At any point, the assignee may seek its own TP Deliverability allocation pursuant to Section 8.9 of this GIDAP. If the assignee receives its own TP Deliverability allocation, it will exist completely independent of the original Interconnection Customer and will not be converted to Energy Only due to the retirement or inoperability of the original Interconnection Customer, notwithstanding any other provision herein.

The CAISO, Participating TO, and original Interconnection Customer will work in good faith to amend the original Interconnection Customer's GIA to reflect the transfer of Surplus Interconnection Service before the execution of the assignee's GIA.

### **3.5 Processing of Interconnection Requests**

#### **3.5.1 Initiating an Interconnection Request.**

To initiate an Interconnection Request, except as set forth for the Fast Track Process in Section 5, and have the Interconnection Request considered for validation under Section 3.5.2, the Interconnection Customer must submit all of the following during the Cluster Application Window, or at any time during the year for proposed Generating Facilities applying for processing under the Independent Study Process:

- (i) An Interconnection Study Deposit of \$150,000.
- (ii) A completed application in the form of Appendix 1, including requested Deliverability statuses, requested study process (either Queue Cluster or Independent Study Process), preferred Point of Interconnection and voltage level, and all other required technical data, including all data requested in Attachment A to Appendix 1 in Excel format.
- (iii) Demonstration of Site Exclusivity or, for Interconnection Requests in a Queue Cluster, a posting of a Site Exclusivity Deposit of \$100,000 for a Small Generating Facility or \$250,000 for a Large Generating Facility. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.
- (iv) A load flow model.
- (v) A dynamic data file.
- (vi) A reactive power capability document.
- (vii) A site drawing.
- (viii) A single-line diagram.
- (ix) A flat run plot and a bump test plot from the positive sequence transient stability simulation application.
- (x) A plot showing the requested MW at the Point of Interconnection from the positive sequence load flow application.

The CAISO requires the foregoing information to be complete and specific to the Interconnection Request. The CAISO will first determine whether a submitted Interconnection Request is complete. The CAISO will not initiate any review of an Interconnection Request for completeness until the Interconnection Study Deposit is received by the CAISO. Consistent with Section 3.5.3, the CAISO will review each Interconnection Request and notify the Interconnection Customer whether it is complete or contains omissions within five (5) Business Days of submission. Any Interconnection Customer that has not submitted a complete Interconnection Request by April 15 (or the next Business Day if April 15 is not a Business Day) will be deemed incomplete with no opportunity to cure or otherwise be included in that year's Queue Cluster.

The CAISO requires Interconnection Study Deposits to review and validate the Interconnection Request. Notwithstanding Section 3.5.2 of this GIDAP or any other provision regarding validation

or the ability to cure deficiencies, the CAISO will not review, process, or validate an Interconnection Request absent the Interconnection Study Deposit. Any interconnection Customer that has not submitted a complete Interconnection Study Deposit by April 15 (or the next Business Day if April 15 is not a Business Day) will be deemed invalid with no opportunity to cure or otherwise be included in that year's Queue Cluster.

### **3.5.1.1 Use of Interconnection Study Deposit.**

The CAISO shall deposit all Interconnection Study Deposits in an interest bearing account at a bank or financial institution designated by the CAISO. The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the CAISO, the Participating TOs, or third parties at the direction of the CAISO or Participating TOs, as applicable, to perform and administer the Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests.

Except for proposed Generating Facilities processed under the Fast Track Process set forth in Section 5, the Interconnection Study Deposits shall be refundable as follows:

- (a) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the CAISO by written notice under Section 3.8 on or before thirty (30) calendar days following the Scoping Meeting, the CAISO shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit, including interest earned at the rate provided for in the interest-bearing account from the date of deposit to the date of withdrawal, that exceed the costs the CAISO, Participating TOs, and third parties have incurred on the Interconnection Customer's behalf.
- (b) Should an Interconnection Request made under Section 3.5.1 be withdrawn by the Interconnection Customer or be deemed withdrawn by the CAISO by written notice under Section 3.8 more than thirty (30) calendar days after the Scoping Meeting, but on or before thirty (30) calendar days following the Results Meeting (or the latest date permitted under this GIDAP for a Results Meeting if a customer elects not to have a Results Meeting) for the Phase I Interconnection Study or the system impact and facilities study for Generating Facilities processed under the Independent Study Process, the CAISO shall refund to the Interconnection Customer the difference between (i) the Interconnection Customer's Interconnection Study Deposit and (ii) the greater of the costs the CAISO and Participating TOs have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of \$75,000, including interest earned at the rate provided for in the interest-bearing account from the date of deposit to the date of withdrawal.

Interconnection Customers in Queue Cluster 5 who have provided the Study Deposit may receive a refund of the Interconnection Study Deposit, less actual costs expended on the Interconnection Studies to date, by withdrawing from the Queue within ten (10) calendar days after July 25, 2012.

- (c) Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the CAISO by written notice under Section 3.8 at any time more than thirty (30) calendar days after the Results Meeting (or the latest date permitted for a Results Meeting if a customer elects not to have a Results Meeting) for the Phase I Interconnection Study, or the system impact and facilities study for proposed Generating Facilities processed under the Independent Study Process, the Interconnection Study Deposit shall be non-refundable.
- (d) Upon execution of a GIA by an Interconnection Customer, the CAISO and the applicable Participating TOs, or the approval by FERC of an unexecuted GIA, the CAISO shall

refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit, including interest earned at the rate provided for in the interest-bearing account from the date of deposit to the date of withdrawal, that exceeds the costs the CAISO, Participating TOs, and third parties have incurred on the Interconnection Customer's behalf.

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request during an Interconnection Study Cycle shall be obligated to pay to the CAISO all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. The CAISO will reimburse the applicable Participating TO(s) or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the CAISO's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results.

All non-refundable portions of the Interconnection Study Deposit that exceed the costs the CAISO, Participating TOs, or third parties have incurred on the Interconnection Customer's behalf, and any non-refundable interconnection study deposit funds that are received by the CAISO from a Participating TO, pursuant to a requirement in the Participating TO's wholesale distribution tariff for such funds to be distributed by the CAISO, shall be treated in accordance with Section 7.6.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

\* \* \* \* \*

### **3.5.2.2 Deficiencies in Interconnection Request.**

If an Interconnection Request has deficiencies, the CAISO shall include in its notification to the Interconnection Customer that the Interconnection Request does not constitute a valid request and explain the deficiencies. The Interconnection Customer shall provide the CAISO the corrected requested information needed to constitute a valid request. Consistent with Section 3.5, whenever corrected requested information is provided by the Interconnection Customer, the CAISO shall notify the Interconnection Customer within five (5) Business Days of receipt of the corrected requested information whether the Interconnection Request is valid. If the Interconnection Request continues to provide deficient information, the CAISO shall include in its notification to the Interconnection Customer the reasons for such failure. If an Interconnection Request is not deemed valid, the Interconnection Customer must cure all deficiencies no later than June 30 or the next Business Day if June 30 is not a Business Day. Interconnection Requests with deficiencies after that date will be deemed invalid and will not be included in an Interconnection Study Cycle or otherwise studied.

Interconnection Requests deemed invalid under this Section 3.5.2.2 are not subject to Section 3.8. Interconnection Customers with invalid Interconnection Request under this Section 3.5.2.2 may seek relief under Section 15.5 by so notifying the CAISO within two (2) Business Days of the notice of invalidity.

\* \* \* \* \*

### **3.6 Internet Posting**

The CAISO will maintain on the CAISO Website a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the most recent projected Commercial Operation Date; (v) the status of the Interconnection Request, including whether it is active or withdrawn; (vi) the availability of any studies related to the Interconnection Request; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (e.g., combined cycle, combustion turbine, wind turbine, and fuel type); (ix) requested Deliverability statuses, and (x) project name.

Except in the case of an Affiliate, the list will not disclose the identity of the Interconnection Customer until the Interconnection Customer executes a GIA or requests that the applicable Participating TO(s) and the CAISO file an unexecuted GIA with FERC. The CAISO shall post on the CAISO Website an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO.

The CAISO shall post to the CAISO Website any deviations from the study timelines set forth herein. The CAISO shall further post to the secure CAISO Website portions of the Phase I Interconnection Study that do not contain customer-specific information following the final Results Meeting and portions of the Phase II Interconnection Study that do not contain customer-specific information no later than publication of the final Transmission Plan under CAISO Tariff Section 24.2.5.2 (such posted information to be placed on the secure CAISO Website to protect any Critical Energy Infrastructure Information contained therein). The CAISO shall post to the secure CAISO Website any documents or other materials posted pursuant to this or a Business Practice Manual that contain Critical Energy Infrastructure Information.

#### **3.6.1 Interconnection Studies Statistics**

The CAISO will maintain on its website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. The CAISO will maintain a link on OASIS to the CAISO website with the interconnection statistics. These statistics will include:

##### **3.6.1.1 Phase I Interconnection Studies**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase I Interconnection Studies completed;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase I Interconnection Studies completed beyond the one hundred seventy (170) days planned for the Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Phase I Interconnection Studies that have exceeded the one hundred seventy (170) days planned for the Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP;
- (D) The mean time (in days) of Phase I Interconnection Studies completed from the date when the CAISO began the annual Phase I Interconnection Study pursuant to Section

6.6 of this GIDAP to the date the CAISO provided the completed Phase I Interconnection Study to the Interconnection Customer;

- (E) The percentage of Phase I Interconnection Studies exceeding the one hundred seventy (170) days planned for the Phase I Interconnection Study pursuant to Section 6.6 of this GIDAP, calculated as the sum of (B) plus (C), divided by the sum of (A) plus (C).

### **3.6.1.2 Phase II Interconnection Studies**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase II Interconnection Studies completed;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Phase II Interconnection Studies completed beyond the two hundred and five (205) days planned for the Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Phase II Interconnection Studies that have exceeded the two hundred and five (205) days planned for the Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP;
- (D) The mean time (in days) of Phase II Interconnection Studies completed from the date when the CAISO began the annual Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP to the date the CAISO provided the completed Phase II Interconnection Study to the Interconnection Customer;
- (E) The percentage of Phase II Interconnection Studies exceeding the two hundred and five (205) days planned for the Phase II Interconnection Study pursuant to Section 8.5 of this GIDAP, calculated as the sum of (B) plus (C), divided by the sum of (A) plus (C).

### **3.6.1.3 Interconnection Requests Withdrawn**

- (A) The number of Interconnection Requests withdrawn;
- (B) The number of Interconnection Requests withdrawn before completion of any Interconnection Studies;
- (C) The number of Interconnection Requests withdrawn before completion of their Phase II Interconnection Study;
- (D) The number of Interconnection Requests withdrawn after executing a GIA or before the Interconnection Customer requests filing an unexecuted, new GIA;
- (E) Mean time (in days), for all withdrawals, from the date when the request was determined to be valid to when the CAISO received the request to withdraw from the queue.

### **3.6.2 Retention**

The CAISO will keep the quarterly interconnection studies statistics on the CAISO Website for three (3) calendar years, commencing in the first quarter of 2020.

### **3.6.3 FERC Reporting**

In the event that any of the percentages calculated in any subparagraph E of Section 3.6.1.1 and 3.6.1.2 exceeds twenty five (25) percent for two (2) consecutive quarters, the CAISO will, for the

next four quarters and until those percentages fall below twenty five (25) percent for two (2) consecutive quarters:

- (i) submit a report to FERC describing the reason for each study or group of clustered studies pursuant to an Interconnection Request that exceeded its deadline for completion (excluding any allowance for Reasonable Efforts). The CAISO will describe the reasons for each study delay and any steps taken to remedy these specific issues and, if applicable, prevent such delays in the future. The CAISO will file the report with FERC within forty five (45) days of the end of the calendar quarter.
- (ii) aggregate and publish on the CAISO Website the total number of employee-hours and third party consultant hours expended towards its Interconnection Studies. The CAISO will publish these figures within thirty (30) days of the end of the calendar quarter.

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### **3.8 Withdrawal**

The Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the CAISO, and the CAISO will notify the applicable Participating TO(s) and Affected System Operators, if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by the CAISO of a valid Interconnection Request under Section 3.5.2, if the Interconnection Customer fails to adhere to all requirements of this GIDAP, except as provided in Section 15.5 (Disputes), the CAISO shall deem the Interconnection Request to be withdrawn and shall provide written notice to the Interconnection Customer within five (5) Business Days of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have five (5) Business Days in which to respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous and notifies the CAISO of its intent to pursue Dispute Resolution.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study Cycle. If an Interconnection Customer disputes the withdrawal and removal from the Interconnection Study Cycle and has elected to pursue Dispute Resolution, the Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

In the event of such withdrawal, the CAISO, subject to the provisions of Sections 15.1 and 3.5.1.1, shall provide, at the Interconnection Customer's request, all information that the CAISO developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

\* \* \* \* \*

## **Section 4 Independent Study Process**



\* \* \* \* \*

## **4.2 Determination of Electrical Independence**

An Interconnection Request will qualify for the Independent Study Process without having to demonstrate electrical independence pursuant to this Section 4.2 if, at the time the Interconnection Request is submitted, there are no other active Interconnection Requests in the same study area in the current Queue Cluster or in the Independent Study Process.

Otherwise, an Interconnection Request submitted under the Independent Study Process must pass all of the tests for determining electrical independence set forth in this Section 4.2 in order to qualify for the Independent Study Process. These tests will utilize study results for active Interconnection Requests in the same study area, including Phase I Interconnection study results for Generating Facilities in the current Queue Cluster and any system impact study (or combined system impact and facilities study) results for earlier queued Generating Facilities being studied in the Independent Study Process.

### **4.2.1 Flow Impact Test**

An Interconnection Request shall have satisfied the requirements of this Section if it satisfies, alternatively, either the set of requirements set forth in Section 4.2.1.1 or the set of requirements set forth in Section 4.2.1.2.

#### **4.2.1.1 Requirement Set Number One: General Independent Study Requests:**

The CAISO, in coordination with the applicable Participating TO(s), will perform the flow impact test for an Interconnection Request requesting to be processed under the Independent Study Process as follows:

- (i) Identify the transmission facility closest, in terms of electrical distance, to the proposed Point of Interconnection of the Generating Facility being tested that will be electrically impacted, either as a result of Reliability Network Upgrades identified or reasonably expected to be needed in order to alleviate power flow concerns caused by Generating Facilities currently being studied in a Queue Cluster, or as a result of Reliability Network Upgrades identified or reasonably expected to be needed to alleviate power flow concerns caused by earlier queued Generating Facilities currently being studied through the Independent Study Process. If the current Queue Cluster studies or earlier queued Independent Study Process studies have not yet determined which transmission facilities electrically impacted by the Generating Facility being tested require Reliability Network Upgrades to alleviate power flow concerns, and the CAISO cannot reasonably anticipate whether such transmission facilities will require such Reliability Network Upgrades from other data, then the CAISO will wait to conduct the independence analysis under this section until sufficient information exists in order to make this determination. If the flow impact on a Reliability Network Upgrade identified pursuant to these criteria cannot be tested due to the nature of the Upgrade, then the flow impact test will be performed on the limiting element(s) causing the need for the Reliability Network Upgrade.

- (ii) The incremental power flow on the transmission facility identified in Section 4.2.1.1(i) that is caused by the Generating Facility being tested will be divided by the lesser of the Generating Facility's size or the transmission facility capacity. If the result is five percent (5%) or less, the Generating Facility shall pass the flow impact test. If the Generating Facility being tested is tested against the nearest transmission facility and that transmission facility has been impacted by a cluster that required an upgrade as a result of a contingency, then that contingency will be used when applying the flow impact test.
- (iii) If the Generating Facility being tested under the flow impact test is reasonably expected to impact transmission facilities that were identified, per Section 4.2.1.1(i), when testing one or more earlier queued Generating Facilities currently being studied through the Independent Study Process, then an additional aggregate power flow test shall be performed on these earlier identified transmission facilities. The aggregate power flow test shall require that the aggregated power flow of the Generating Facility being tested, plus the flow of all earlier queued Generating Facilities currently being studied under the Independent Study Process that were tested against the transmission facilities described in the previous sentence, must be five (5) percent or less of those transmission facilities' capacity.

However, even if the aggregate power flow on any transmission facility tested pursuant to this section (iii) is greater than five (5) percent of the transmission facility's capacity but the incremental power flow as a result of the Generating Facility being tested is one (1) percent or less than of the transmission facility's capacity, the Generating Facility shall pass the test.

If the Generating Facility being tested is tested against the nearest transmission facility and that transmission facility has been impacted by a cluster that required an upgrade as a result of a contingency, then that contingency will be used when applying the flow impact test.

The Generating Facility being tested must pass both this aggregate test as well as the individual flow test described in Section 4.2.1.1(ii), in no particular order.

#### **4.2.1.2 Requirement Set Number Two: for Requests for Independent Study of Behind-the-Meter Capacity Expansion of Generating Facilities**

This Section 4.2.1.2 applies to an Interconnection Request relating to a behind-the-meter capacity expansion of a Generating Facility. Such an Interconnection Request submitted under the Independent Study Process will satisfy the requirements of Section 4.2.1 if it satisfies all of the following technical and business criteria:

- (i) Technical criteria.
  - 1) The total nameplate capacity of the existing Generating Facility plus the incremental increase in capacity does not exceed in the aggregate one hundred twenty-five (125) percent of its previously studied capacity and the incremental increase in capacity does not exceed, in the aggregate, including any prior

behind-the-meter capacity expansions implemented pursuant to this Section 4.2.1.2, one hundred (100) MW.

- 2) The behind-the-meter capacity expansion shall not take place until after the original Generating Facility has achieved Commercial Operation and all Reliability Network Upgrades for the original Generating Facility have been placed in service. An Interconnection Request for behind-the-meter capacity expansion may be submitted prior to the Commercial Operation Date of the original Generating Facility.
- 3) The Interconnection Customer must install an automatic generator tripping scheme sufficient to ensure that the total output of the Generating Facility, including the behind-the-meter capacity expansion, does not at any time exceed the capacity studied in the Generating Facility's original Interconnection Request. The CAISO will have the authority to trip the generating equipment subject to the automatic generator tripping scheme or take any other actions necessary to limit the output of the Generating Facility so that the total output of the Generating Facility does not exceed the originally studied capacity.

(ii) Business criteria.

- 1) The Deliverability Status (Full Capacity, Partial Capacity or Energy-Only, and Off-Peak Deliverability Status or Off-Peak Energy Only) of the original Generating Facility will remain the same after the behind-the-meter capacity expansion. The capacity expansion will have Energy-Only, Off-Peak Energy Only Deliverability Statuses unless otherwise specified in this GIDAP, and the original Generating Facility and the behind-the-meter capacity expansion will be metered separately from one another and be assigned separate Resource IDs, except as set forth in (2) below.
- 2) If the original Generating Facility has Full Capacity Deliverability Status and/or Off-Peak Deliverability Status and the behind-the-meter capacity expansion will use the same technology as the original Generating Facility, the Interconnection Customer may elect to have the original Generating Facility and the behind-the-meter capacity expansion metered together, in which case both the original Generating Facility and the behind-the-meter capacity expansion may have Partial Capacity Deliverability Status and Off-Peak Deliverability Status, as applicable, pursuant to CAISO study results to determine Deliverability, and a separate Resource ID will not be established for the behind-the-meter capacity expansion.
- 3) A request for behind-the-meter expansion shall not operate as a basis under the CAISO Tariff to increase the Deliverability of the

Generating Facility beyond what was or would have been allocated to the original Generating Facility before the Interconnection Request for behind-the-meter capacity expansion, unless the expansion has received a separate TP Deliverability allocation pursuant to Section 8.9.2.

- 4) The GIA will be amended to reflect the revised operational features of the Generating Facility's behind-the-meter capacity expansion.
- 5) An active Interconnection Customer may at any time request that the CAISO convert the Interconnection Request for behind-the-meter capacity expansion to an Independent Study Process Interconnection Request to evaluate an incremental increase in electrical output (MW generating capacity) for the existing Generating Facility. The Interconnection Customer must accompany such a conversion request with an appropriate Interconnection Study Deposit and agree to comply with other sections of Section 4 applicable to an Independent Study Process Interconnection Request.

#### **4.2.2 Short Circuit Test**

The Generating Facility shall pass the short circuit test if (i) the combined short circuit contribution from all the active Interconnection Requests in the Independent Study Process in the same study area is less than five (5) percent of the available capacity of the circuit breaker upgrade identified in Section 4.2.1.1 and; (ii) total fault duty on each circuit breaker upgrade identified for the current Queue Cluster and active Independent Study Process Interconnection Requests in the same study area is less than eighty (80) percent of the nameplate capacity of the respective circuit breaker upgrade.

#### **4.2.3 Transient Stability Test**

The Generating Facility shall pass the transient stability test if the Generating Facility has requested interconnection in a study area where transient stability issues are not identified for active Interconnection Requests in the current Queue Cluster or Independent Study Process.

#### **4.2.4 Reactive Support Test**

The Generating Facility shall pass the reactive support test if the Generating Facility has requested interconnection in a study area where reactive support needs are not identified as requiring Reliability Network Upgrades for active Interconnection Requests in the current Queue Cluster or Independent Study Process.

### **4.3 Scoping Meeting**

Within five (5) Business Days after the CAISO notifies the Interconnection Customer that the Generating Facility associated with its Interconnection Request has satisfied the electrical independence test set forth in Section 4.2, the CAISO shall establish a date agreeable to the Interconnection Customer and the applicable Participating TO(s) for the Scoping Meeting. With input from the Participating TO, the CAISO shall evaluate whether the Interconnection Request is at or near the boundary of an affected Participating TO(s)' service territory or of any other Affected System(s) so as to potentially affect such third parties, and, if such is the case, the

CAISO shall invite the affected Participating TO(s) and/or Affected System Operator(s), in accordance with Section 3.7, to the Scoping Meeting by informing such third parties, as soon as practicable, of the time and place of the scheduled Scoping Meeting.

The purpose of the Scoping Meeting shall be to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request. The applicable Participating TO(s) and the CAISO will bring to the meeting, as reasonably necessary to accomplish its purpose, technical data, including, but not limited to, (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues. The Interconnection Customer will bring to the Scoping Meeting, in addition to the technical data in Attachment A to Appendix 1, any system studies previously performed. The applicable Participating TO(s), the CAISO, and the Interconnection Customer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. The CAISO shall prepare minutes from the meeting, and provide an opportunity for other attendees and the Interconnection Customer to confirm the accuracy thereof. The Scoping Meeting may be omitted by agreement of the Interconnection Customer, Participating TO, and the CAISO.

The CAISO shall, no later than five (5) Business Days after the Scoping Meeting (or agreement to forego such Scoping Meeting), provide the Interconnection Customer with an Independent Study Process Study Agreement (in the form set forth in Appendix 6 to the GIDAP), which shall contain an outline of the scope of the system impact and facilities study and a non-binding good-faith estimate of the cost to perform the study. The Interconnection Customer shall return the executed Independent Study Process Study Agreement or request an extension of time for good cause within thirty (30) Business Days thereafter, or the Interconnection Request shall be deemed withdrawn.

#### **4.4 System Impact and Facilities Study**

**4.4.1** The system impact and facilities study will consist of a short circuit analysis, a stability analysis, a power flow analysis, an assessment of the potential magnitude of financial impacts, if any, on Local Furnishing Bonds, and a proposed resolution, and any other studies that are deemed necessary.

**4.4.2** The system impact and facilities study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement or potential impediments to providing the requested Interconnection Service. The system impact and facilities study shall specify and estimate the cost of the equipment, engineering, procurement, and construction work (including overheads) needed to implement the conclusions of the study, including, if applicable, the cost of remedial measures that address the financial impacts, if any, on Local Furnishing Bonds. The system impact and facilities study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Participating TO's Interconnection Facilities and Reliability Network Upgrades necessary to accomplish the Interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities or for effecting remedial measures that address the financial impacts, if any, on Local Furnishing Bonds.

**4.4.3** The system impact and facilities study will be completed and the results transmitted to the Interconnection Customer within one hundred twenty (120) calendar days after the execution of an Independent Study Process Study Agreement. The Interconnection

Customer shall execute the agreement(s) and deliver them to the CAISO, and shall make its initial posting of Interconnection Financial Security in accordance with Section 11.2, or its Interconnection Request shall be deemed withdrawn.

- 4.4.4** If requested by the Interconnection Customer, a Results Meeting shall be held among the CAISO, the applicable Participating TO(s), and the Interconnection Customer to discuss the results of the system impact and facilities study report, including assigned cost responsibility. The CAISO shall prepare minutes from the meeting. Any such Results Meeting will be held within twenty (20) Business Days of the date the system impact and facilities study report is provided to the Interconnection Customer.

Should the Interconnection Customer provide written comments on the system impact and facilities study report within ten (10) Business Days of receipt of the report, but in no event fewer than three (3) Business Days before the Results Meeting conducted to discuss the report, whichever is sooner, the CAISO will address the written comments in the Results Meeting. Should the Interconnection Customer provide comments at any later time (up to the time of the Results Meeting), then such comments shall be considered informal inquiries to which the CAISO will provide informal, informational responses at the Results Meeting, to the extent possible. The Interconnection Customer may submit, in writing, additional comments on the final system impact and facilities study report up to three (3) Business Days following the Results Meeting. The CAISO shall include any written comments received from the Interconnection Customer in the final system impact and facilities study report.

Based on any discussion at the Results Meeting and any comments received, the CAISO (in consultation with the applicable Participating TO(s)) will determine whether it is necessary to follow the final system impact and facilities study report with a revised study report or an addendum. The CAISO will issue any such revised report or addendum to the Interconnection Customer no later than fifteen (15) Business Days following the Results Meeting.

Upon request, the CAISO shall provide the Interconnection Customer all supporting documentation, workpapers, and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit, and stability databases for the final system impact or facilities study, subject to confidentiality arrangements consistent with Section 15.1.

- 4.4.5** For Interconnection Requests under the Independent Study Process, the postings of Interconnection Financial Security described in Section 11.3 will be based on the cost responsibility for Network Upgrades, and Participating TO's Interconnection Facilities set forth in the system impact and facilities study.

**4.5 Intentionally left blank.**

**4.6 Deliverability Assessments**

Interconnection Customers under the Independent Study Process that request Partial Capacity, Full Capacity Deliverability Status, or Off-Peak Deliverability Status will be deemed to have selected Option (A) under Section 7.2 and will have Deliverability Assessments performed as part of the next scheduled Phase I and Phase II Interconnection Studies for the Queue Cluster study performed for the next Queue Cluster Window that opens after the CAISO received the request. If the Deliverability Assessment identifies any Network Upgrades that are triggered by the Interconnection Request, the Interconnection Customer will be responsible to pay its proportionate share of the costs of those Upgrades, pursuant to Sections 6, 7, and 8, and for

posting Interconnection Financial Security pursuant to the rules for Interconnection Customers in Queue Clusters pursuant to Section 11. If the Generating Facility (or increase in capacity of an existing Generating Facility) achieves its Commercial Operation Date before the Deliverability Assessment is completed and before any necessary Delivery Network Upgrades are in service, the proposed Generating Facility (or increase in capacity) will be treated as an Energy-Only, Interim, or Partial Capacity Deliverability Status Generating Facility until such Delivery Network Upgrades are in service. This Section shall not apply to Interconnection Customers requesting behind-the-meter capacity expansion under Section 4.2.1.2. Separate rules regarding the Deliverability Status of such requests are set forth in that Section.

#### **4.7 Extensions of Commercial Operation Date**

Extensions of the Commercial Operation Date for Interconnection Requests under the Independent Study Process will not be granted except for circumstances beyond the control of the Interconnection Customer.

#### **4.8 Generator Interconnection Agreement**

An Interconnection Customer in the Independent Study Process that requests Off-Peak Deliverability Status, Partial Capacity or Full Capacity Deliverability Status must still negotiate and execute a GIA reflecting Off-Peak Energy Only and Energy-Only Deliverability Status pursuant to the requirements and timelines set forth in Section 13. Upon the completion of the Deliverability Assessment per Section 4.6, the Interconnection Customer's GIA will be amended as appropriate to reflect the results thereof.

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### **Section 6 Initial Activities and Phase I of the Interconnection Study Process for Queue Clusters**

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#### **6.2. Scope and Purpose of Phase I Interconnection Study**

The Phase I Interconnection Study shall:

- (i) evaluate the impact of all Interconnection Requests received during the Cluster Application Window for a particular year on the CAISO Controlled Grid;
- (ii) preliminarily identify all LDNUs, LOPNUs, and RNUs needed to address the impacts on the CAISO Controlled Grid of the Interconnection Requests, as Assigned Network Upgrades or Conditionally Assigned Network Upgrades;
- (iii) preliminarily identify for each Interconnection Request required Interconnection Facilities;
- (iv) assess the Point of Interconnection selected by each Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall transmission upgrades costs;

- (v) establish the Current Cost Responsibility Maximum Cost Responsibility, and Maximum Cost Exposure for each Interconnection Request, until the issuance of the Phase II Interconnection Study report;
- (vi) provide a good faith estimate of the cost of Interconnection Facilities for each Interconnection Request;
- (vii) provide a cost estimate of ADNUs and AOPNUs for each Generating Facility in a Queue Cluster Group Study;
- (viii) identify controls required for each Interconnection Request where the Interconnection Customer requested Interconnection Service Capacity lower than the Generating Facility Capacity;
- (ix) identify any Precursor Network Upgrades; and
- (x) identify RNUs as GRNUs or IRNUs.

The Phase I Interconnection Study will consist of a short circuit analysis, a stability analysis to the extent the CAISO and applicable Participating TO(s) reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, an On-Peak Deliverability Assessment, and an Off-Peak Deliverability Assessment for the purpose of identifying LDNUs and LOPNUs and estimating the cost of ADNUs AOPNUs, as applicable.

The Phase I Interconnection Study will state for each Group Study or Interconnection Request studied individually (i) the assumptions upon which it is based, (ii) the results of the analyses, and (iii) the requirements or potential impediments to providing the requested Interconnection Service to all Interconnection Requests in a Group Study or to the Interconnection Request studied individually.

The Phase I Interconnection Study will provide, without regard to the requested Commercial Operation Dates of the Interconnection Requests, a list of RNUs, LOPNUs and LDNUs to the CAISO Controlled Grid that are preliminarily identified as Assigned Network Upgrades or Conditionally Assigned Network Upgrades required as a result of the Interconnection Requests in a Group Study or as a result of any Interconnection Request studied individually and Participating TO's Interconnection Facilities associated with each Interconnection Request, the estimated costs of ADNUs and AOPNUs, if applicable, and an estimate of any other financial impacts (i.e., on Local Furnishing Bonds). For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Phase I Interconnection Study will consider the level of Interconnection Service Capacity requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

### **6.3 Identification of and Cost Allocation for Network Upgrades**

#### **6.3.1 Reliability Network Upgrades (RNUs).**

The CAISO, in coordination with the applicable Participating TO(s), will perform short circuit and stability analyses for each Interconnection Request either individually or as part of a Group Study to preliminarily identify the RNUs needed to interconnect the Generating Facilities to the CAISO Controlled Grid. The CAISO, in coordination with the applicable Participating TO(s), shall also perform power flow analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a Group Study to identify Reliability Criteria violations, including applicable thermal overloads, that must be mitigated by RNUs.



The cost of all RNUs identified in the Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The estimated costs of short circuit related GRNUs identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the short circuit duty contribution of each Generating Facility. The estimated costs of all other GRNUs identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request. The estimated costs of R N Us identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request.

Pursuant to Section 8.3, Interconnection Customers assigned IRNUs in their Phase I Interconnection Study will be allocated the full cost of the IRNUs in their Maximum Cost Responsibility. The Maximum Cost Exposure will include the full costs of conditionally assigned IRNUs. The Current Cost Responsibility will include their allocated share of IRNU costs as determined for RNUs in Section 8.3.

### **6.3.2 Delivery Network Upgrades.**

#### **6.3.2.1 The On-Peak Deliverability Assessment.**

The CAISO, in coordination with the applicable Participating TO(s), shall perform On-Peak Deliverability Assessments for Interconnection Customers selecting Full Capacity or Partial Capacity Deliverability Status in their Interconnection Requests. Interconnection Customers may request Full or Partial Capacity Deliverability Status regardless of their requested Off-Peak Deliverability Status. The On-Peak Deliverability Assessment shall determine the Interconnection Customer's Generating Facility's ability to deliver its Energy to the CAISO Controlled Grid under peak load conditions, and identify preliminary Delivery Network Upgrades required to provide the Generating Facility with Full Capacity or Partial Capacity Deliverability Status. The Deliverability Assessment will consist of two rounds, the first of which will identify any transmission constraints that limit the Deliverability of the Generating Facilities in the Group Study and will identify LDNUs to relieve the local constraints, and second of which will determine ADNUs to relieve the area constraints. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point, nor guarantee any level of deliverability, or transmission capacity, or avoided curtailment.

##### **6.3.2.1.1 Local Delivery Network Upgrades**

The On-Peak Deliverability Assessment will be used to establish the Maximum Cost Responsibility and Maximum Cost Exposure for LDNUs for each Interconnection Customer selecting Full Capacity or Partial Capacity Deliverability Status. Deliverability of a new Generating Facility will be assessed on the same basis as all existing resources interconnected to the CAISO Controlled Grid.

The methodology for the On-Peak Deliverability Assessment will be published on the CAISO Website or, when effective, included in a CAISO Business Practice Manual. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point.

The cost of LDNUs identified in the On-Peak Deliverability Assessment as part of a Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The estimated costs of Delivery Network Upgrades identified in the On-Peak Deliverability Assessment shall be assigned to all Interconnection Requests selecting Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on the Delivery Network Upgrades as

determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

#### **6.3.2.1.2 Area Delivery Network Upgrades**

The On-Peak Deliverability Assessment will be used in the Phase I Interconnection Studies to identify those facilities necessary to provide the incremental Deliverability between the level of TP Deliverability and such additional amount of Deliverability as is necessary for the MW capacity amount of generation targeted in the Phase I Interconnection Studies. Based on such facility cost estimates, the CAISO will calculate a rate for ADNU costs equal to the facility cost estimate divided by the additional amount of Deliverability targeted in the study. The Phase I Interconnection Studies shall provide a cost estimate for each Interconnection Customer which equals the rate multiplied by the requested deliverable MW capacity of the Generating Facility in the Interconnection Request.

#### **6.3.2.1.3 [Intentionally Omitted]**

#### **6.3.2.2 Off-Peak Deliverability Assessment.**

The CAISO, in coordination with the applicable Participating TO(s), shall perform an Off-Peak Deliverability Assessment for Interconnection Customers selecting Off-Peak Deliverability Status. The Off-Peak Deliverability Assessment will identify transmission upgrades in addition to those Delivery Network Upgrades identified in the On-Peak Deliverability Assessment, if any, for a Group Study or individual Phase I Interconnection Study that includes one or more Location Constrained Resource Interconnection Generators (LCRIG), where the fuel source or source of energy for the LCRIG substantially occurs during off-peak conditions. Interconnection Customers that (i) are not LCRIGs whose fuel source or source of energy substantially occurs off-peak, and (ii) have Full or Partial Capacity Deliverability Status, will receive Off-Peak Deliverability Status without triggering Off-Peak Network Upgrades. Energy Only Interconnection Customers that are not LCRIGs whose fuel source or source of energy substantially occurs off-peak will be Off-Peak Energy Only. LCRIGs whose fuel source or source of energy substantially occurs off-peak will receive Off-Peak Deliverability Status based upon the Off-Peak Deliverability Assessment, regardless of their On-Peak Deliverability Status.

The transmission upgrades identified under this Section shall comprise those needed for the expected output of each proposed new LCRIG or the amount of megawatt increase in the generating capacity of each existing LCRIG as listed by the Interconnection Customer in its Interconnection Request, whether studied individually or as a Group Study, to be deliverable to the aggregate of Load on the CAISO Controlled Grid under the Generation dispatch conditions studied without excessive curtailment. The methodology for the Off-Peak Deliverability Assessment will be published on the CAISO Website or, if applicable, included in a CAISO Business Practice Manual.

The CAISO will perform the Off-Peak Deliverability Assessment to identify Off-Peak Network Upgrades required for Generating Facilities to achieve Off-Peak Deliverability Status, and any such upgrades identified in the Off-Peak Deliverability Assessment as part of the Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The estimated costs of such upgrades identified in the assessment will be referred to as "off peak Deliverability transmission upgrades," the description of such upgrades in any report will be conceptual in nature, and such transmission upgrades will not be included as an Assigned Network Upgrade or Conditionally Assigned Network Upgrade within the applicable Interconnection Study report.

The cost of all transmission upgrades identified in the Off-Peak Deliverability Assessment performed during the course of the Phase I Interconnection Study shall be estimated in accordance with Section 6.4. The Off-Peak Deliverability Assessment does not convey any right

to deliver electricity to any specific customer or Delivery Point, nor guarantee any level of deliverability, or transmission capacity, or avoided curtailment.

The estimated costs of Local Off-Peak Network Upgrades identified in the Off-Peak Deliverability Assessment will be assigned or conditionally assigned to Interconnection Requests selecting Off-Peak Deliverability Status based on the flow impact of each such Generating Facility on the Off-Peak Network Upgrades as determined by the Generation distribution factor methodology set forth in the Off-Peak Deliverability Assessment methodology.

The estimated costs of Area Off-Peak Network Upgrades are for information only and not assigned to any Interconnection Requests.

### **6.3.2.3      *Transition to Off-Peak Deliverability Status***

Active CAISO Interconnection Requests received before March 3, 2020 for Energy Only Generating Facilities that would be eligible to receive Off-Peak Deliverability Status pursuant to this Section 6.3.2 will have a one-time opportunity to request Off-Peak Deliverability Status. Notwithstanding any provision of this GIDAP, if such Interconnection Customers request Off-Peak Deliverability Status, the CAISO will study those requests in the next Interconnection Study, and assign any required Local Off-Peak Network Upgrades to them pursuant to this Section 6.3.2, and their Interconnection Studies will be amended to include the assigned costs for those Network Upgrades. Such Interconnection Customers' GIAs, Current Cost Responsibilities, Maximum Cost Responsibilities, and Maximum Cost Exposures also will be amended to reflect the additional costs of assigned Local Off-Peak Network Upgrades.

All CAISO Interconnection Requests for Full Capacity Deliverability Status or Partial Capacity Deliverability Status received before March 3, 2020 will automatically receive Off-Peak Deliverability Status. All CAISO Interconnection Requests received before March 3, 2020 for Generating Facilities that are not Location Constrained Resource Interconnection Generators, regardless of Deliverability Status, will automatically receive Off-Peak Deliverability Status.

## **6.4      Use of Per Unit Costs to Estimate Network Upgrade and PTO Interconnection Facilities Costs**

Each Participating TO, under the direction of the CAISO, shall publish per unit costs for facilities generally required to interconnect Generation to their respective systems.

These per unit costs shall reflect the anticipated cost of procuring and installing such facilities during the current Interconnection Study Cycle, and may vary among Participating TOs and within a Participating TO Service Territory based on geographic and other cost input differences, and should include an annual adjustment for the following ten (10) years to account for the anticipated timing of procurement to accommodate a potential range of Commercial Operation Dates of Interconnection Requests in the Interconnection Study Cycle. The per unit costs will be used to develop the cost of Network Upgrades and Participating TO's Interconnection Facilities. Deviations from a Participating TO's benchmark per unit costs will be permitted if a reasonable explanation for the deviation is provided and there is no undue discrimination.

Prior to adoption and publication of final per unit costs for use in the Interconnection Study Cycle, the CAISO shall publish to the CAISO Website draft per unit costs, including non-confidential information regarding the bases therefore, hold a stakeholder meeting to address the draft per unit costs, and permit stakeholders to provide comments on the draft per unit costs. A schedule for the release and review of per unit costs is set forth in Appendix 5.

## **6.5 Assigned and Contingent Facilities**

The CAISO and Participating TO will provide, upon request of the Interconnection Customer, its estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each Assigned Network Upgrade, Conditionally Assigned Network Upgrade, or Precursor Network Upgrade when this information is readily available and not commercially sensitive.

Interconnection Studies will identify when Interconnection Facilities are shared with, assigned to, or otherwise dependent upon other Interconnection Customers, such that delays could affect the Interconnection Customer's costs or timing.

\* \* \* \* \*

## **6.7.2 Modifications.**

**6.7.2.1** At any time during the course of the Interconnection Studies, the Interconnection Customer, the applicable Participating TO(s), or the CAISO may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the applicable Participating TO(s), the CAISO, and Interconnection Customer, such acceptance not to be unreasonably withheld, the CAISO shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.

**6.7.2.2** At the Phase I Interconnection Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the issuance of the final Phase I Interconnection Study, but no later than ten (10) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to the CAISO, in writing, modifications to any information provided in the Interconnection Request. The CAISO will forward the Interconnection Customer's modification to the applicable Participating TO(s) within one (1) Business Day of receipt.

Modifications permitted under this Section shall include specifically:

- (a) a decrease in the electrical output (MW) of the proposed project; through either (1) a decrease in Generating Facility Capacity or (2) a decrease in Interconnection Service Capacity (consistent with the process described in Section 3.1) accomplished by CAISO-approved limiting equipment;
- (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;

- (c) modifying the interconnection configuration;
- (d) modifying the In-Service Date, Initial Synchronization Date, Trial Operation Date, and/or Commercial Operation Date that meets the criteria set forth in Section 3.5.1.4 and is acceptable to the applicable Participating TO(s) and the CAISO, such acceptance not to be unreasonably withheld;
- (e) change in Point of Interconnection as set forth in Section 6.7.2.1;
- (f) change in Deliverability Status to Energy Only Deliverability Status, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status;
- (g) *De minimis* reductions in capacity pursuant to Section 7.5.13;
- (h) Permissible Technological Advancements consistent with Section 6.7.2.4; and
- (i) change from Off-Peak Deliverability Status to Off-Peak Energy Only.

For any modification other than these, the Interconnection Customer must first request that the CAISO evaluate whether such modification is a Material Modification. In response to the Interconnection Customer's request, the CAISO, in coordination with the affected Participating TO(s) and, if applicable, any Affected System Operator, shall evaluate the proposed modifications prior to making them and the CAISO shall inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. The CAISO may engage the services of the applicable Participating TO to assess the modification. Costs incurred by the Participating TO and CAISO (if any) shall be borne by the party making the request under Section 6.7.2, and such costs shall be included in any CAISO invoice for modification assessment activities. Any change to the Point of Interconnection, except for that specified by the CAISO in an Interconnection Study or otherwise allowed under this Section, shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

The Interconnection Customer shall remain eligible for the Phase II Interconnection Study if the modifications are in accordance with this Section.

If any Interconnection Customer requested modification after the Phase II Interconnection Study report would change the scope, schedule, or cost of the Interconnection Facilities or Network Upgrades, the CAISO will issue a report to the Interconnection Customer. Potential adjustments to the Maximum Cost Responsibility or Maximum Cost Exposure for Network Upgrades for the Interconnection Customer will be determined in accordance with Section 7.4.3.

**6.7.2.3** The Interconnection Customer shall provide the CAISO a \$10,000 deposit for the modification assessment at the time the request is submitted. Except as provided below, any modification assessment will be concluded, and a response provided to the Interconnection Customer in writing, within forty-five (45) calendar days from the date the CAISO receives all of the following: the Interconnection Customer's written notice to modify the project, technical data required to assess the request and payment of the \$10,000 deposit. If the modification request results in a change to the Interconnection Facilities or Network Upgrades the modification assessment could take up to ninety (90) total calendar days. If the modification assessment cannot be completed within that time period, the CAISO shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required.

The CAISO will defer evaluation of any modification requested pursuant to this section by an Interconnection Customer participating in the Generator Downsizing Process until the completion of that Generator Downsizing Process, as set forth in Section 7.5.2.

The Interconnection Customer will be responsible for the actual costs incurred by the CAISO and applicable Participating TO(s) in conducting the modification assessment. If the actual costs of the modification assessment are less than the deposit provided by the Interconnection Customer, the Interconnection Customer will be refunded the balance. If the actual costs of the modification assessment are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer shall pay the balance within 30 days of being invoiced. The CAISO shall coordinate the modification request with the Participating TO(s). The Participating TO(s) shall invoice the CAISO for any assessment work within seventy-five (75) calendar days of completion of the assessment, and, within thirty (30) days thereafter, the CAISO shall issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the assessment.

The CAISO will publish cost data regarding modification assessments in accordance with the terms set forth in a Business Practice Manual.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

- 6.7.2.4** Interconnection Customers may request Permissible Technological Advancements. Permissible Technological Advancements may include, for example, removing equipment; aligning the Commercial Operation Date with an executed power purchase agreement; adding less than 5 MW of energy storage once without increasing the net output at the Point of Interconnection; and other changes that have little or no potential to affect other Interconnection Customers or Affected Systems, require a new Interconnection Request, or otherwise require a re-study or evaluation. The CAISO will update its Business Practice Manual to list any additional Permissible Technological Advancement approved but not specifically enumerated here when identified. The Interconnection Customer's written request to evaluate technological advancements must include the technical data required to assess the request.

For all Permissible Technological Advancement requests not expressly enumerated in this Section or the Business Practice Manual, the CAISO and Participating TO will determine whether such change would constitute a Material Modification. Such evaluation will include an analysis of the short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability, and impact on other Interconnection Customers. The CAISO will determine whether a Permissible Technological Advancement request is a Material Modification within thirty (30) calendar days of receipt of the request. Interconnection Customers requesting Permissible Technological Advancements must pay a non-refundable fee of \$2,500.

- 6.7.2.5** Notwithstanding any other provisions in this GIDAP or the Interconnection Customer's GIA, the Interconnection Customer may not modify its fuel type, including through the addition or replacement of Generating Units, by more than the greater of five percent (5%) of its capacity or 10 MW (but by no more than twenty-five percent (25%) of its capacity), where:

- (a) the Interconnection Customer has exceeded seven (7) years from the date the CAISO received its Interconnection Request without achieving its Commercial Operation Date;

- (b) the Interconnection Customer's current Commercial Operation Date exceeds seven (7) years from the date the CAISO received its Interconnection Request; or
- (c) the change in fuel type will require the Interconnection Customer's Commercial Operation Date to exceed seven (7) years from the date the CAISO received its Interconnection Request.

The CAISO will not consider the addition of energy storage; changes to the type, number, or manufacturer of inverters; or insubstantial changes to the Generating Facility as fuel-type modifications. Interconnection Customers may request such modifications pursuant to this GIDAP.

**6.7.2.6** In addition to the options provided in this GIDAP, an Interconnection Customer may convert to Energy Only, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status after the completion of its Phase II Interconnection Study. This conversion will become effective through the reassessment process described in Section 7.4. Except (i) as provided in Section 8.9.3.2 (ii) due to not receiving the requested TP Deliverability allocation, or (iii) due to declining a TP Deliverability allocation, Interconnection Customers that become Energy Only after their Phase II Interconnection Study may not reduce their cost responsibility or Interconnection Financial Security for any assigned Delivery Network Upgrades as a result of converting to Energy Only unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

\* \* \* \* \*

### **6.8.3 Only Substantial Errors or Omissions Adjust Posting Dates**

Only substantial errors and omissions related to the Phase I and Phase II study reports can result in adjustments to Interconnection Financial Security posting due dates. Once the initial and second Interconnection Financial Security posting due dates as described in this section have passed, the error or omission provisions described in this Section 6.8 no longer apply. Unless the error or omission is substantial, resulting in the issuance of a revised final Interconnection Study report, the correction of an error or omission will not delay any deadline for posting Interconnection Financial Security set forth in Section 11. In the case of a substantial error or omission resulting in the issuance of a revised final Phase I or Phase II Interconnection Study report, the deadline for posting Interconnection Financial Security shall be extended as set forth in Section 11. In addition to issuing a revised final report, the CAISO will promptly notify the Interconnection Customer of any revised posting amount and extended due date occasioned by a substantial error or omission.

An Interconnection Customer's dispute of a CAISO determination that an error or omission in a final Study report does not constitute substantial error shall not operate to change the amount of Interconnection Financial Security that the Interconnection Customer must post or to postpone the applicable deadline for the Interconnection Customer to post Interconnection Financial Security. In case of such a dispute, the Interconnection Customer shall post the amount of Interconnection Financial Security in accordance with Section 11, subject to refund in the event that the Interconnection Customer prevails in the dispute.

## **Section 7      **Activities in Preparation for Phase II****

Within ten (10) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to the CAISO the completed form of Appendix B (Data Form to Be Provided by the Interconnection Customer Prior to Commencement of the Phase II Interconnection Study) to the Generator Interconnection Study Process Agreement. Within such Appendix B, Interconnection Customers seeking Full or Partial Deliverability Capacity will provide the information in 7.2 below:

### **7.1            **[Not Used]****

### **7.2            **Full/Partial Capacity Deliverability Options for Interconnection Customers****

This section applies to Interconnection Requests for which the Generating Facility Deliverability Status is either Full Capacity or Partial Capacity.

Within such Appendix B, the Interconnection Customer must select one of two options with respect to its Generating Facility:

Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to Commercial Operation. If the Interconnection Customer selects Option (A), then the Interconnection Customer shall be required to make an initial posting of Interconnection Financial Security under Section 11.2 for the cost responsibility assigned to it in the Phase I Interconnection Study for RNUs, LOPNUs, and LDNUs; or,

Option (B), which means that the Interconnection Customer will assume cost responsibility for Delivery Network Upgrades (both ADNUs and LDNUs, to the extent applicable) without cash repayment under Section 14.2.1 to the extent that sufficient TP Deliverability is not allocated to the Generating Facility to provide its requested Deliverability Status. If the Interconnection Customer selects Option (B) then the Interconnection Customer shall be required to make an initial posting of Interconnection Financial Security under Section 11.2 for the cost responsibility assigned to it in the Phase I Interconnection Study for RNUs, LDNUs, LOPNUs, and ADNUs. To qualify to receive any allocation of TP Deliverability, Interconnection Customers selecting Option (B) must still meet the minimum criteria identified in Section 8.9.2.

### **7.3            **Postings and Cost Estimates for Network Upgrades****

Notwithstanding the Interconnection Customer's Maximum Cost Responsibility and Maximum Cost Exposure, until such time as the Phase II Interconnection Study report is issued to the Interconnection Customer, the allocated costs for Assigned Network Upgrades for each Interconnection Customer for RNUs, LOPNUs, and LDNUs in the Phase I Interconnection Study report shall establish the value for

- (i) each Interconnection Customer's Current Cost Responsibility; and
- (ii) the initial posting of Interconnection Financial Security required from each Interconnection Customer under Section 11.2 for such Network Upgrades.

### **7.4            **Reassessment Process****

#### **7.4.1            The CAISO will perform a reassessment of the Phase I Interconnection Study base case prior to the beginning of the GIDAP Phase II Interconnection Studies. The reassessment**



will evaluate the impacts on those Network Upgrades identified in previous interconnection studies and assumed in the Phase I Interconnection Study of:

- (a) Interconnection Request withdrawals occurring after the completion of the Phase II Interconnection Studies for the immediately preceding Queue Cluster;
- (b) Generator Downsizing Requests submitted in the most recent Generator Downsizing Request Window that meet the requirements set forth in Section 7.5, and Generating Facilities that are to have their generating capacities reduced pursuant to Sections 8.9.4, 8.9.5, and 8.9.6;
- (c) the performance of earlier queued Interconnection Customers with executed GIAs with respect to required milestones and other obligations;
- (d) changes in TP Deliverability allocations or Deliverability Status;
- (e) the results of the TP Deliverability allocation from the prior Interconnection Study cycle; and,
- (f) transmission additions and upgrades approved or removed in the most recent TPP cycle.

The reassessment will be used to develop the base case for the Phase II Interconnection Study

**7.4.2** Where, as a consequence of the reassessment, the CAISO determines that changes to the previously identified Network Upgrades in Queue Clusters earlier than the current Interconnection Study Cycle will cause changes to plans of service set out in executed GIAs, such changes will serve as a basis for amendments to GIAs.

**7.4.3** Such changes to plans of service in Queue Clusters earlier than the current Interconnection Study Cycle will also serve as the basis for potential adjustments to the Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure, as applicable, for Network Upgrades for Interconnection Customers in such earlier Queue Clusters, as follows:

- (i) An Interconnection Customer shall be eligible for an adjustment to its Maximum Cost Responsibility for Network Upgrades if a reassessment undertaken pursuant to this Section 7.4 reduces its estimated cost responsibility for Network Upgrades by at least twenty (20) percent and \$1 million, as compared to its current Maximum Cost Responsibility for Network Upgrades based on its Interconnection Studies or a previous reassessment.

The Maximum Cost Responsibility for an Interconnection Customer who meets this eligibility criterion will be the lesser of (a) its current Maximum Cost Responsibility and (b) 100 percent of the costs of all remaining Assigned Network Upgrades included in the Interconnection Customer's plan of service.

- (ii) If an Interconnection Customer's Maximum Cost Responsibility for Network Upgrades is adjusted downward pursuant to (i) above, and a

subsequent reassessment identifies a change on the CAISO's system that occurs after the completion of the Interconnection Customer's Interconnection Studies and requires additional or expanded Network Upgrades, resulting in an increase in the Interconnection Customer's estimated cost responsibility for Network Upgrades above the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, then the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades will be the estimated cost responsibility determined in the subsequent reassessment, so long as this amount does not exceed the Maximum Cost Exposure established by the Interconnection Customer's Phase II Interconnection Study. In such cases, where the Current Cost Responsibility determined in the subsequent reassessment exceeds the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades shall not exceed the Maximum Cost Exposure established by its Interconnection Studies.

- (iii) To the extent the CAISO determines that previously identified Conditionally Assigned Network Upgrades become Precursor Network Upgrades pursuant to Section 14.2.2, or are otherwise removed, the CAISO will adjust the Interconnection Customer's Maximum Cost Exposure, as applicable.
- (iv) To the extent the CAISO determines that a Conditionally Assigned Network Upgrade becomes an Assigned Network Upgrade, the CAISO will adjust the Interconnection Customer's Current Cost Responsibility and Maximum Cost Responsibility, as applicable.
- (v) The posted Interconnection Financial Security required of the Interconnection Customer for Network Upgrades shall be adjusted to correspond to any increase in the Interconnection Customer's Current Cost Responsibility any time after but no later than sixty (60) calendar days after issuance of a reassessment report. The CAISO will notify an Interconnection Customer that receives a downward adjustment to its Current Cost Responsibility pursuant to this Section, and the Interconnection Customer may choose to adjust its posted Interconnection Financial Security within sixty (60) calendar days of the issuance of the reassessment report.

## **7.5 Generator Downsizing Process**

### **7.5.1 Objectives and Applicability**

In accordance with the requirements set forth in this Section 7.5, the CAISO shall conduct, on an annual basis, a process for evaluating requests by Interconnection Customers to reduce Interconnection Service Capacity. In each annual cycle of this Generator Downsizing Process, the CAISO will process valid Generator Downsizing Requests submitted during the applicable Generator Downsizing Request Window as part of the annual reassessment process set forth in Section 7.4.

All reductions to Interconnection Service Capacity by Interconnection Customers shall utilize this annual Generator Downsizing Process unless explicitly exempted.

Specifically, beginning on the date of the opening of the annual Generator Downsizing Request Window, all proposed reductions of Interconnection Service Capacity by Interconnection Customers shall, regardless of the dates of the Interconnection Customer's Interconnection Request(s), be subject to the requirements and procedures of the Generator Downsizing Process set forth in Section 7.5, except for MW capacity reductions made pursuant to the following: (1) the provisions of the CAISO's interconnection procedures that permit Interconnection Customers to reduce the size of their Generating Facilities between the Phase I and Phase II Interconnection Studies, as set forth in Section 6.7.2; (2) specific non-conforming provisions of an Interconnection Customer's Generator Interconnection Agreement that provide the Interconnection Customer with an explicit right to reduce the capacity of its Generating Facility through a partial termination of its Generator Interconnection Agreement; (3) the de minimis threshold set forth in Section 7.5.13.1; (4) the parking options set forth in Sections 8.9.4, 8.9.5, and 8.9.6; (5) modifications made pursuant to Section 6.7.2 to reduce Generating Facility Capacity without decreasing Interconnection Service Capacity where the Generating Facility Capacity still exceeds the Interconnection Service Capacity; and (6) where the CAISO and Participating TO determine no study is required.

Generator Downsizing Requests that meet the eligibility requirements set forth in this Section 7.5 will be studied as part of the next annual reassessment process set forth in Section 7.4.

\* \* \* \* \*

#### **7.5.11 Cost Allocation for Network Upgrades**

A Downsizing Generator will continue to be obligated to finance the costs of (1) Network Upgrades that its Generating Facility previously triggered, and (2) Network Upgrades that are alternatives to the previously triggered Network Upgrades, if such previously triggered Network Upgrades or alternative Network Upgrades are needed by Interconnection Customers in the same Queue Cluster or later-queued Interconnection Customers, up to the Maximum Cost Exposure of the Downsizing Generator as determined by the CAISO Tariff interconnection study procedures applicable to the Downsizing Generator. For determining any changes to a Downsizing Generator's Network Upgrade cost responsibilities as a result of a reassessment process conducted pursuant to Section 7.4, the CAISO will reallocate the costs of Network Upgrades that are still needed based on the Downsizing Generator's pre-downsizing share of the original cost allocation.

#### **7.5.12 Reflecting Plan of Service Changes in GIAs**

After the completion of the reassessment process performed pursuant to Section 7.4, each Downsizing Generator that has (1) a Generator Downsizing Request approved pursuant to this GIDAP and (2) an executed Generator Interconnection Agreement, a draft amendment to the Generator Interconnection Agreement that reflects the Generator Downsizing Request of the Downsizing Generator will be provided as soon as possible. The reassessment report is considered an amendment to the Generator Interconnection

Agreement until the Generator Interconnection Agreement can be formally amended. If the CAISO, applicable Participating TO(s), and Downsizing Generator have not begun negotiating or are in the process of negotiating a Generator Interconnection Agreement, the Generator Interconnection Agreement they negotiate will reflect the Generator Downsizing Request of the Downsizing Generator.

### **7.5.13 Reductions in Generating Facility Capacity**

#### **7.5.13.1 De Minimis Capacity Reductions**

If the actual MW capacity of its Generating Facility is reduced by no more than the greater of five percent (5%) of its MW capacity or 10 MW, but not by more than twenty-five percent (25%) of the MW capacity of the Generating Facility, such a one-time reduction shall not constitute a breach of the Interconnection Customer's obligations under the CAISO Tariff or its Generator Interconnection Agreement. The MW capacity value of a Generating Facility for purposes of this section shall be established by reference to the capacity as set forth in the Interconnection Customer's currently applicable Generator Interconnection Agreement. No capacity reductions permitted under this Section 7.5.13 shall operate to diminish the Interconnection Customer's responsibility for any costs or other obligations set forth in its Generator Interconnection Agreement or the CAISO Tariff.

\* \* \* \* \*

### **7.6 Application of Non-Refundable Amounts**

In conjunction with each reassessment, the CAISO will calculate and disburse non-refundable interconnection study deposit and interconnection financial security amounts in accordance with the provisions of Appendix Y to the CAISO Tariff and this GIDAP as follows:

(a) **Withdrawal Period**

The CAISO shall calculate non-refundable interconnection study deposit and interconnection financial security amounts based on the period during which the interconnection customer withdrew its interconnection request or terminated its generator interconnection agreement. The first such withdrawal period shall be from January 1, 2013 through the last day that the CAISO is able to incorporate withdrawals into the 2015 annual reassessment. Subsequently, each withdrawal period shall be the approximate twelve-month period between the last day that the CAISO is able to incorporate withdrawals into an annual reassessment and the last day that the CAISO is able to incorporate withdrawals into the subsequent year's reassessment.

For each withdrawal period, the CAISO shall calculate and disburse available non-refundable interconnection study deposits and interconnection financial security in conjunction with the annual reassessment performed during the year that the withdrawal period ends.

(b) **Calculation and Disbursement of Non-Refundable Interconnection Financial Security for Still-Needed Network Upgrades At or Above \$100,000 Threshold**

For each interconnection customer that withdrew its interconnection request or terminated its generator interconnection agreement, the CAISO shall calculate the proportion of the non-refundable Interconnection Financial Security that is attributable to Network Upgrades that the CAISO determines will still be needed by remaining Interconnection Customers. For each such still-needed Network Upgrade, the CAISO will divide the Interconnection Customer's Current Cost Responsibility for the Network Upgrade by the Interconnection Customer's total Current Cost Responsibility for all Network Upgrades and multiply this result by the Interconnection Customer's total amount of non-refundable Interconnection Financial Security.

If the amount of non-refundable security attributable to a still-needed Network Upgrade, for all Interconnection Customers that withdrew during the same withdrawal period, is equal to or greater than \$100,000, then the portion of such amount held or received by the CAISO prior to the stage of the applicable annual reassessment in which the CAISO reallocates cost responsibility for remaining Network Upgrades shall: (a) be disbursed to the applicable Participating TO(s) as a contribution in aid of construction of the still-needed Network Upgrade, and (b) be reflected as a reduction in the cost of this Network Upgrade for purposes of reallocating the cost responsibility for this Network Upgrade. Any portions of such amounts that the CAISO receives after reallocating cost responsibility for remaining Network Upgrades during the applicable annual reassessment shall be disbursed by the CAISO in the same manner in a subsequent reassessment, based on the date of collection, unless the applicable Network Upgrade is no longer needed, in which case such amounts will be disbursed pursuant to Section 7.6(c).

If a Network Upgrade for which the CAISO disburses funds as a contribution in aid of construction under this Section 7.6(b) is determined, in a subsequent reassessment, to be no longer needed, such funds will be promptly returned to the CAISO by the applicable Participating TO and re-disbursed by the CAISO pursuant to Section 7.6(c).

(c) Calculation and Disbursement of All Other Non-Refundable Security and Study Deposits

For each Interconnection Customer that withdrew its Interconnection Request or terminated its Generator Interconnection Agreement during a withdrawal period, any non-refundable Interconnection Study Deposits, as well as any non-refundable Interconnection Financial Security not disbursed pursuant to subsection (b) above, shall be applied to offset Regional Transmission Revenue Requirements, as recovered through the CAISO's Transmission Access Charge, and to offset Local Transmission Revenue Requirements. Any non-refundable Interconnection Financial Security and Interconnection Study Deposits relating to withdrawals or terminations that occurred prior to January 1, 2013 that are collected by the CAISO during a withdrawal period, as defined in Section 7.6(a), will also be disbursed in accordance with this provision.

This offset shall be performed by first allocating these non-refundable Interconnection Study Deposit and Interconnection Financial Security amounts to the following three categories in proportion to the Interconnection Customer's most recent Current Cost Responsibility, prior to withdrawal or termination, for Network Upgrades whose costs would be recovered through each of the following categories: (1) a Regional Transmission Revenue Requirement, (2) the Local Transmission Revenue Requirement of the Participating TO to which the interconnection customer had proposed to interconnect, and (3) the Local Transmission Revenue Requirement of any other Participating TO on whose system the interconnection customer was responsible for funding Network Upgrades recovered through a Local Transmission Revenue Requirement.

Each year, prior to the cutoff date for including annual regional TRBA adjustments in Regional Transmission Revenue Requirements, the CAISO will disburse to each Participating TO's Transmission Revenue Balancing Account: (a) a share of the total funds held or received by the CAISO from category (1) above in proportion to the ratio of each Participating TO's most recent Regional Transmission Revenue Requirement to the total of all Participating TOs' most recent Regional Transmission Revenue Requirements, and (b) all funds held or received by the CAISO in categories (2) and (3) applicable to that Participating TO.

(d) Disbursement of Funds by CAISO; Participating TO Responsibility for Collection

The CAISO shall disburse, in accordance with the rules set forth in this Section 7.6, only those non-refundable Interconnection Financial Security and Study Deposit amounts that it holds or has received. The applicable Participating TO shall have the exclusive obligation to administer the collection of any non-refundable financial security where the applicable Participating TO is a beneficiary. The applicable Participating TO has the responsibility to manage the financial security and to transmit to the CAISO the non-refundable amounts in cash or equivalent within 75 days of the CAISO's submission to the Participating TO of the financial security liquidation form. This deadline can be modified by mutual agreement of the CAISO and applicable Participating TO.

(e) The CAISO shall, upon receipt, deposit all non-refundable Interconnection Financial Security and Interconnection Study Deposit amounts in an interest-bearing account at a bank or financial institution designated by the CAISO. Any interest earned on such amounts, based on the actual rate of the account, shall be allocated and disbursed in the same manner as the principal, in accordance with the methodology set forth in this Section 7.6.

## **Section 8 Phase II Interconnection Study and TP Deliverability Allocation Processes**

The provisions of this Section 8 shall apply to all Interconnection Requests under this GIDAP except those processed under the Independent Study Process selecting Energy Only Deliverability Status, the Fast Track Process, or the 10 kW inverter process.

### **8.1 Scope of Phase II Interconnection Study**

#### **8.1.1 Purpose of the Phase II Interconnection Study**

The CAISO, in coordination with the applicable Participating TO(s), will conduct a Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous Phase I Interconnection Study. The Phase II Interconnection Study shall:

- (i) update, as necessary, analyses performed in the Phase I Interconnection Studies to account for the withdrawal of Interconnection Requests from the current Queue Cluster;
- (ii) identify final GRNUs and IRNUs needed in order to achieve Commercial Operation status for the Generating Facilities and provide final cost estimates;
- (iii) identify final LDNUs needed to interconnect those Generating Facilities selecting Full Capacity or Partial Capacity Deliverability Status and provide final cost estimates;

(iv) identify final ADNUs for Interconnection Customers selecting Option (B), as provided below and provide revised cost estimates;

(v) identify, for each Interconnection Request, the Participating TO's Interconnection Facilities for the final Point of Interconnection and provide a +/-20% cost estimate;

(vi) coordinate in-service timing requirements based on operational studies in order to facilitate achievement of the Commercial Operation Dates of the Generating Facilities;

(vii) update the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure, as applicable;

(viii) provide updated Precursor Network Upgrades needed to achieve the Commercial Operation status and Deliverability Status for the Generating Facilities;

(ix) identify any potential control equipment for each Interconnection Request where the Interconnection Customer requested Interconnection Service Capacity lower than the Generating Facility Capacity; and

(x) identify LOPNUs needed for Generating Facilities selecting Off-Peak Deliverability Status, and provide final cost estimates

The Phase II Interconnection Study report shall set forth the applicable cost estimates for Network Upgrades and Participating TOs Interconnection Facilities that shall be the basis for Interconnection Financial Security Postings under Section 11.3. Where the Maximum Cost Responsibility is based upon the Phase I Interconnection Study (because it is lower under Section 10.1), the Phase II Interconnection Study report shall recite this fact.

To the extent the CAISO determines that previously identified Conditionally Assigned Network Upgrades become Precursor Network Upgrades pursuant to Section 14.2.2, or are otherwise removed, the CAISO will reduce the Interconnection Customer's Maximum Cost Exposure, as applicable. To the extent the CAISO determines that a Conditionally Assigned Network Upgrade becomes an Assigned Network Upgrade, the CAISO will adjust the Interconnection Customer's Current Cost Responsibility and Maximum Cost Responsibility.

\* \* \* \* \*

## **8.2 Determining Phase II Network Upgrades**

### **8.2.1 Reliability Network Upgrades, Local Delivery Network Upgrades, and Local Off-Peak Network Upgrades**

RNUs, LOPNUs, and LDNUs will be identified on the basis of all Interconnection Customers in the current Queue Cluster regardless of whether they have selected Option (A) or (B).

\* \* \* \* \*

### **8.3 Cost Responsibility for Reliability Network Upgrades**

Cost responsibility for final Reliability Network Upgrades identified in the Phase II Interconnection Study of an Interconnection Request shall be assigned to Interconnection Customers regardless of whether the Interconnection Customer has selected Option (A) or (B) or Energy Only Deliverability Status, as follows:

- (i) The cost responsibility for final short circuit related General Reliability Network Upgrades shall be assigned to all Interconnection Requests in the Group Study proportional to the short circuit duty contribution of each Generating Facility.
- (ii) The cost responsibility for all other final General Reliability Network Upgrades shall be assigned to all Interconnection Requests in that Group Study proportional to the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request.
- (iii) The Interconnection Customer's Current Cost Responsibility will include its allocated cost share for Interconnection Reliability Network Upgrades that are Assigned Network Upgrades. The CAISO will allocate assigned Interconnection Reliability Network Upgrade costs proportional to the number of Interconnection Requests that have been assigned the Interconnection Reliability Network Upgrade in the current Queue Cluster.
- (iv) The Interconnection Customer's Maximum Cost Responsibility will include the full cost of Assigned Network Upgrades that are Interconnection Reliability Network Upgrades unless another Interconnection Customer in the same Queue makes its third Interconnection Financial Security posting for the same assigned Interconnection Reliability Network Upgrade, in which case the CAISO will reduce the Interconnection Customer's Maximum Cost Responsibility to its allocated share pursuant to subsection (iii).
- (v) The Maximum Cost Exposure will include the full cost of Interconnection Reliability Network Upgrades that are Assigned Network Upgrades and Conditionally Assigned Network Upgrades. The CAISO may reduce the Maximum Cost Exposure consistent with subsection (iv).

### **8.4 Cost Responsibility for Delivery Network Upgrades**

The cost responsibility for Local Delivery Network Upgrades identified in the On-Peak Deliverability Assessment as part of the Phase II Interconnection Study shall be assigned to all Interconnection Requests selecting Full Capacity or Partial Capacity Deliverability Status, regardless of whether the Interconnection Customer has selected Option (A) or (B), based on the flow impact of each such Generating Facility on each Local Delivery Network Upgrade as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

The cost responsibility for Area Delivery Network Upgrades identified in the On-Peak Deliverability Assessment as part of Phase II Interconnection Study shall be assigned to



Interconnection Customers who have selected Option (B) Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Area Delivery Network Upgrade as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

The Current Cost Responsibility provided in the Phase II Interconnection Study shall establish the basis for the second Interconnection Financial Security Posting for Interconnection Customers selecting Option (B).

#### **8.4.1 Cost Responsibility for Local Off-Peak Network Upgrades**

The estimated costs of Local Off-Peak Network Upgrades identified in the Off-Peak Deliverability Assessment will be assigned or conditionally assigned to Interconnection Requests selecting Off-Peak Deliverability Status based on the flow impact of each such Generating Facility on the Off-Peak Network Upgrades as determined by the Generation distribution factor methodology set forth in the Off-Peak Deliverability Assessment methodology.

\* \* \* \* \*

#### **8.9.2 Second Component: Allocating TP Deliverability**

Following the process set forth in Section 8.9.1, the CAISO will allocate any remaining TP Deliverability in the following order.

The CAISO shall allocate available TP Deliverability to all or a portion of the full MW capacity of the Generating Facility as specified in the Interconnection Request. Where a criterion is met by a portion of the full MW generating capacity of the Generating Facility, the eligibility score associated with that criterion shall apply to the portion that meets the criterion. The demonstration must relate to the same proposed Generating Facility as described in the Interconnection Request.

- (1) To Interconnection Customers in the current Queue Cluster or coming out of parking that have executed power purchase agreements, and to Interconnection Customers in the current Queue Cluster that are Load Serving Entities serving their own Load.
- (2) To Interconnection Customers in the current Queue Cluster or coming out of parking that are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement.
- (3) To Interconnection Customers in the current Queue Cluster with a completed Phase II Interconnection Study that have not parked, which are subject to Section 8.9.2.2 and elect to proceed without a power purchase agreement, or that parked before November 27, 2018 and attested to balance-sheet financing upon the end of their parking period.

Only these three foregoing groups may trigger the construction of Delivery Network Upgrades pursuant to Section 6.3.2. After the CAISO has allocated TP Deliverability to the three foregoing groups, the CAISO will allocate any remaining TP Deliverability to Energy Only Interconnection Customers requesting Deliverability based on the reassessment study and in the following order:

- (4) To Interconnection Customers that have not achieved their Commercial Operation Date, originally requested Full Capacity Deliverability Status or Partial Capacity Deliverability Status, and have executed power purchase agreements; and to Interconnection Customers that have achieved their Commercial Operation Date and have executed power purchase agreements.
- (5) To Interconnection Customers that have not achieved their Commercial Operation Date, originally requested Full Capacity Deliverability Status or Partial Capacity Deliverability Status, and are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement; and to Interconnection Customers that have achieved their Commercial Operation Date and are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement.
- (6) To Interconnection Customers that originally requested Full Capacity Deliverability Status or Partial Capacity Deliverability Status but achieved their Commercial Operation Date as Energy Only.
- (7) To Interconnection Customers that achieved their Commercial Operation Date.

The CAISO will allocate TP Deliverability to these four foregoing groups solely based on TP Deliverability available from existing transmission facilities, from already planned upgrades in the CAISO Transmission Planning Process, or upgrades assigned to an interconnection project that has an executed GIA and currently has a TPD allocation.

Energy Only Interconnection Customers requesting Deliverability must submit to the CAISO a \$60,000 study deposit for each Interconnection Request seeking TP Deliverability. The CAISO will deposit these funds in an interest bearing account at a bank or financial institution designated by the CAISO. The funds will be applied to pay for prudent costs incurred by the CAISO, the Participating TO(s), and/or third parties at the direction of the CAISO or applicable Participating TO(s), as applicable, to perform and administer the TP Deliverability studies for the Energy Only Interconnection Customers. Any and all costs of the Energy Only TP Deliverability study will be borne by the Interconnection Customer. The CAISO will coordinate the study with the Participating TO(s). The Participating TO(s) will invoice the CAISO for any work within seventy-five (75) calendar days of completion of the study, and, within thirty (30) days thereafter, the CAISO will issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the study. If the actual costs of the study are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer will pay the balance within thirty (30) days of being invoiced.

All power purchase agreements in this Section 8.9 must require Deliverability for the Interconnection Customer to represent that it has, is negotiating, or is shortlisted for a

power purchase agreement. For all TP Deliverability allocations based upon having, negotiating, or being shortlisted for power purchase agreements, the CAISO will allocate TP Deliverability up to the amount of deliverable MW capacity procured by the power purchase agreement. All Load Serving Entities building Generating Facilities to serve their own Load must be doing so to fulfill a regulatory requirement that warrants Deliverability. Load Serving Entities acting as Interconnection Customers are otherwise eligible for all other attestations.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

### **8.9.2.1 Deliverability Affidavits**

To determine TP Deliverability allocation order, Interconnection Customers will be assigned a numerical score reflecting the its demonstration of having met the criteria below under the methodology set forth in the Business Practice Manual.

- (1) Permitting status. An Interconnection Customer's Generating Facility must meet at least one of the following:
  - a. The Interconnection Customer has received its final governmental permit or authorization allowing the Generating Facility to commence construction.
  - b. The Interconnection Customer has received a draft environmental report document (or equivalent environmental permitting document) indicating likely approval of the requested permit and/or which indicates that the permitting authority has not found an environmental impact which would likely prevent the permit approval.
  - c. The Interconnection Customer has applied for the necessary governmental permits or authorizations and the authority has deemed such documentation as data adequate for the authority to initiate its review process.
  - d. The Interconnection Customer has applied for the necessary governmental permit or authorization for the construction.
- (2) Project financing status. An Interconnection Customer's Generating Facility must meet at least one of the following criteria:
  - a. The Interconnection Customer has an executed and regulator-approved power purchase agreement.
  - b. The Interconnection Customer has an executed power purchase agreement but such agreement has not yet received regulatory approval.

- c. The Interconnection Customer is on an active short list or other commercially recognized method of preferential ranking of power providers by a prospective purchaser Load Serving Entity or procuring entity, or is currently negotiating a power purchase agreement.
- d. The Interconnection Customer is a Load Serving Entity constructing its project to serve its own Load pursuant to a regulatory requirement.
- e. The Interconnection Customer is proceeding to commercial operation without a power purchase agreement pursuant to Section 8.9.2.2, attested to balance-sheet financing before November 27, 2018, or attests to being balance-sheet financed or otherwise received a commitment of project financing pursuant to Section 8.9.3.1.

(3) Land acquisition

- a. The Interconnection Customer demonstrates a present legal right to begin construction of the Generation Facility on one hundred percent (100%) of the real property footprint necessary for the entire Generating facility.
- b. The Interconnection Customer demonstrates Site Exclusivity.

In allocating TP Deliverability under this section, in a situation where the TP Deliverability cannot accommodate all of the Interconnection Customers in a qualifying group, the CAISO will allocate TP Deliverability based on the highest numerical score. In a situation where the available amount of TP Deliverability can accommodate all Interconnection Customers with equal scores, the CAISO will allocate the TP Deliverability to the Interconnection Customers with the lowest LDNU cost estimates. For all TP Deliverability allocations based upon having, negotiating, or being shortlisted for power purchase agreements, the CAISO will allocate TP Deliverability up to the amount of deliverable MW capacity procured by the power purchase agreement.

All power purchase agreements must require Deliverability above zero for the Interconnection Customer to represent that it has, is negotiating, or is shortlisted for a power purchase agreement. All Load Serving Entities building Generating Facilities to serve their own Load must be doing so to fulfill a regulatory requirement that warrants Deliverability.

### **8.9.2.2 Proceeding without a Power Purchase Agreement**

Interconnection Customers only may attest that they are proceeding without a power purchase agreement in the allocation cycle immediately following receipt of their Phase II Interconnection Study (without having parked). Interconnection Customers that receive TP Deliverability in this group may park only that portion of their Interconnection Request that does not receive TP Deliverability. Parked portions may receive TP Deliverability in subsequent allocation cycles from any group for which they qualify. Interconnection Customers that receive TP Deliverability allocations for less than requested may elect to reduce their capacity to the amount of TP Deliverability received following the allocation.

If an Interconnection Customer receives TP Deliverability on the basis that it is proceeding without a power purchase agreement, it must accept the TP Deliverability allocation and forego parking that capacity, or withdraw. If an Interconnection Customer receives TP Deliverability on the basis that it is proceeding without a power purchase

agreement, it may not request suspension under its GIA, delay providing its notice to proceed as specified in its GIA, or modify its Commercial Operation Date beyond the earlier of (a) the date established in its Interconnection Request when it requests TP Deliverability or (b) seven (7) years from the date the CAISO received its Interconnection Request. Extensions due to Participating TO construction delays will extend these deadlines equally. Interconnection Customers that fail to proceed toward their Commercial Operation Date under these requirements and as specified in their GIA will be converted to Energy Only. Interconnection Customers that become Energy Only for this or any reason may not reduce their Maximum Cost Responsibility, Current Cost Responsibility, or Interconnection Financial Security for any assigned Delivery Network Upgrades unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

This Section 8.9.2.2 does not apply to Interconnection Customers that attested to balance-sheet financing or otherwise receiving a commitment of project financing before November 27, 2018, or that do so pursuant to Section 8.9.3.1.

### **8.9.3 Retaining TP Deliverability Allocation**

For Interconnection Customers in Queue Cluster 10 or later, once a Generating Facility is allocated TP Deliverability under Section 8.9.1, the Interconnection Customer annually, on the date set forth and according to the process described in the Business Practice Manual, must demonstrate that the Generating Facility meets the following criteria to retain its TP Deliverability:

- (1) The Generating Facility is in good standing with respect to the criteria on which the allocation of TP Deliverability was based;
- (2) If the Generating Facility received TP Deliverability on the basis of having executed a power purchase agreement, it must have received regulatory approval of that agreement;
- (3) If the Generating Facility received TP Deliverability on the basis of negotiating or being shortlisted for a power purchase agreement, it must have executed the agreement by November 30 of the year it received TP Deliverability. It must then comply with criterion 8.9.3(2) the following year;
- (4) If the Interconnection Customer has executed a GIA, it must remain in good standing with regard to its GIA, such that neither the Participating TO nor CAISO has provided the Interconnection Customer with a Notice of Breach of the GIA that has not been cured and the Interconnection Customer has not commenced curative actions;
- (5) The Interconnection Customer must maintain its Commercial Operation Date set forth in the GIA unless an extension results in no Material Modification or delay in the construction schedule for Network Upgrades common to multiple Generating Facilities; or unless the extension is occasioned by a material delay in the Participating TO's construction of any Network Upgrades or Participating TO's Interconnection Facilities

The Interconnection Customer will provide the required information in the form of an affidavit as described in the Business Practice Manual. Interconnection Customers that fail to meet these criteria will become Energy Only for that portion of the Generating Facility that has not retained TP Deliverability. An Interconnection Customer's failure to retain its TP Deliverability will not be considered a Breach of its GIA. Except as provided in Section 8.9.3.2, Interconnection Customers that become Energy Only for failure to retain their TP Deliverability Allocation may not reduce their Maximum Cost Responsibility, Current Cost Responsibility, or Interconnection Financial Security for any assigned Delivery Network Upgrades unless the CAISO and Participating TO(s)

determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers. To the extent TP Deliverability has been allocated, lost, or relinquished only for a portion of the Interconnection Customer's project, this section 8.9.3 will apply to that portion of the project only.

### **8.9.3.1 Retaining TP Deliverability Allocation for Pre-Cluster 10 Interconnection Customers**

Interconnection Customers in Queue Cluster 9 or earlier subject to this Appendix DD that have been allocated TP Deliverability or that parked pursuant to Section 8.9.4 or 8.9.4.1, annually, on the date set forth and according to the process described in the Business Practice Manual, must demonstrate that the Generating Facility meets the following criteria to retain its TP Deliverability:

- (1) The Generating Facility is in good standing with respect to the criteria on which the allocation of TP Deliverability was based;
- (2) If the Generating Facility received TP Deliverability on the basis of negotiating or being shortlisted for a power purchase agreement, it must have executed the agreement by the start of the next allocation cycle, or attest to balance-sheet financing or receipt of a commitment of project financing;
- (3) If the Interconnection Customer has executed a GIA, it must remain in good standing with regard to its GIA, such that neither the Participating TO nor CAISO has provided the Interconnection Customer with a Notice of Breach of the GIA that has not been cured and the Interconnection Customer has not commenced curative actions;
- (4) The Interconnection Customer must maintain its Commercial Operation Date set forth in the GIA unless an extension is required for reasons beyond the control of the Interconnection Customer or such extension results in no Material Modification or delay in the construction schedule for Network Upgrades common to multiple Generating Facilities; or unless the extension is occasioned by a material delay in the Participating TO's construction of any Network Upgrades or Participating TO's Interconnection Facilities.

Interconnection Customers that have attested to balance-sheet financing or receipt of a commitment of project financing or do so pursuant to this Section are not subject to Section 8.9.2.2. Interconnection Customers that attest to balance-sheet financing pursuant to this Section 8.9.3.1 will be placed in TP Deliverability allocation group 8.9.2(3).

\* \* \* \* \*

### **8.9.5 Partial Allocations of Transmission Based Deliverability to Option (A) and Option (B) Generating Facilities**

If a Generating Facility is allocated TP Deliverability in the current Interconnection Study Cycle in an amount less than the amount of Deliverability requested, then the Interconnection Customer must choose one of the following options:

- (i) Accept the allocated amount of TP Deliverability and reduce the MW generating capacity of the proposed Generating Facility such that the allocated amount of TP Deliverability will provide Full Capacity Deliverability Status to the reduced generating capacity;
- (ii) Accept the allocated amount of TP Deliverability and adjust the Deliverability status of the proposed Generating Facility to achieve Partial Capacity Deliverability corresponding to the allocated TP Deliverability;
- (iii) For Option (A) Generating Facilities, accept the allocated amount of TP Deliverability and seek additional TP Deliverability for the remainder of the requested Deliverability of the Interconnection Request in the next allocation cycle. In such instance, the Interconnection Customer shall execute a GIA for the entire Generating Facility having Partial Capacity Deliverability corresponding to the allocated amount of TP Deliverability. Following the next cycle of TP Deliverability allocation, the GIA shall be amended as needed to adjust its Deliverability status to reflect any additional allocation of TP Deliverability. At this time the Interconnection Customer may also adopt options (i) or (ii) above based on the final amount of TP Deliverability allocated to the Generating Facility. There will be no further opportunity for this Generating Facility to participate in any subsequent cycle of TP Deliverability allocation; or
- (iv) Decline the allocated amount of TP Deliverability and either withdraw the Interconnection Request or convert to Energy Only Deliverability Status. An Interconnection Customer having an Option (A) Generating Facility that has not previously parked may decline the allocation of TP Deliverability and park until the next cycle of TP Deliverability allocation in the next Interconnection Study Cycle.

An Interconnection Customer that selects option (iii) or (iv) above may, at the time it selects the option, elect to reduce the generating capacity of its Generating Facility.

Interconnection Customers accepting a partial allocation of TP Deliverability may pursue additional deliverability as described in Section 8.9.2.

\* \* \* \* \*

### **8.9.8 Updates to Phase II Interconnection Study Results**

Upon completion of the allocation of TP Deliverability in accordance with Section 8.9.2, the ISO will provide the allocation results to the Interconnection Customers for eligible Generating Facilities in the current Queue Cluster and eligible parked Generating Facilities. Each of these Interconnection Customers will then have seven (7) calendar days to inform the ISO of its decisions in accordance with Sections 8.9.4, 8.9.5, and 8.9.6. Following the ISO's receipt of this information from all affected Interconnection Customers, the ISO will provide updates where needed to the Phase II Interconnection Study reports for all Generating Facilities whose Network Upgrades have been affected.

### **8.9.9 Deliverability Transfers**

Deliverability may not be assigned or otherwise transferred except as expressly provided by the CAISO Tariff. An Interconnection Customer may reallocate its Generating Facility's Deliverability among its own Generating Units or Resource IDs at the Generating Facility. The Generating Units must be located at the same Point of Interconnection. The Generating Facility's aggregate output as evaluated in the Deliverability Assessment cannot increase as the result of any transfer, but may decrease based on the assignee's characteristics and capacity. The CAISO will inform the Interconnection Customer of each Generating Unit's Deliverability Status and associated capacity as the result of any transfer. The results will be based on the current Deliverability Assessment methodology.

An Interconnection Customer may request to reallocate its Deliverability among its Generating Units pursuant to Section 6.7.2.2 of this GIDAP, Article 5.19 of the LGIA, and Article 3.4.5 of the SGIA, as applicable. A repowering Interconnection Customer may transfer Deliverability as part of the repowering process pursuant to Section 25.1.2 of the CAISO Tariff. An Interconnection Customer expanding its capacity behind-the-meter pursuant to Section 4.2.1.2 also may transfer Deliverability as part of that process, or subsequently under the other processes in this Section.

\* \* \* \* \*

## **Section 14 PTOs Interconnection Facilities and Network Upgrades**

\* \* \* \* \*

### **14.2.4 Limited Operation Study**

**14.2.4.1** Pursuant to Article 5.9 of the Large Generator Interconnection Agreement set forth in Appendices V, BB, CC, and EE, Generating Facilities may request a limited operation study. The Participating TO and/or the CAISO, as applicable, will, upon the request and at the expense of the Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Generating Unit and the Interconnection Customer's Interconnection Facilities may operate prior to the completion of the Participating TO's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice. The Participating TO and the CAISO will permit the Interconnection Customer to operate the Generating Unit and the Interconnection Customer's Interconnection Facilities in accordance with the results of such studies. To the extent study assumptions change, the CAISO and Participating TO will update study results as needed.

**14.2.4.2** The Generating Unit owner will provide the CAISO a \$10,000 deposit for the limited operation study with the request. Except as provided below, any limited operation study will be concluded, and a response provided to the Generating Unit owner in writing, within forty-five (45) calendar days from when



the CAISO receives all of the following: the Generating Unit owner's written approval of the limited operation study plan, technical data required to assess the request, and the \$10,000 deposit. If the limited operation study cannot be completed within that time period, the CAISO will notify the Generating Unit owner and provide an estimated completion date and an explanation of the reasons why additional time is required.

Notwithstanding any other provision, all refunds pursuant to this Appendix DD will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

**14.2.4.3** The Generating Unit owner will be responsible for the actual costs incurred by the CAISO and the Participating TO(s) in conducting the modification assessment. If the actual costs of the limited operation study are less than the deposit provided by the Generating Unit owner, the Generating Unit owner will be refunded the balance. If the actual costs of the limited operation study are greater than the deposit provided by the Generating Unit owner, the Generating Unit owner shall pay the balance within thirty (30) days of being invoiced. The CAISO will coordinate the request with the Participating TO(s). The Participating TO(s) will invoice the CAISO for any limited operation study work within seventy-five (75) calendar days of completion of the study, and, within thirty (30) days of payment of the Participating TO(s) invoice, the CAISO will issue an invoice or refund to the Generating Unit owner, as applicable, based upon such submitted Participating TO invoices and the CAISO's costs for the assessment.

### **14.3 Network Upgrades**

With the exception of LDNUs and ADNUs for Option (B) Generating Facilities that were not allocated TP Deliverability, Network Upgrades will be constructed by the applicable Participating TO(s). Interconnection Customers may, at their discretion, select parties other than the applicable PTOs to construct certain LDNUs and ADNUs required by their Option (B) Generating Facilities that are not allocated TP Deliverability, if such LDNUs and ADNUs are eligible for construction by parties other than the applicable PTO pursuant to Section 24.5.2 of the CAISO Tariff. Such ADNUs and LDNUs will be incorporated into the CAISO Controlled Grid pursuant to the provisions for Merchant Transmission Facilities in CAISO Tariff Sections 24.4.6.1, and 36.11. Unless the Interconnection Customer elects construction by a party other than the applicable Participating TO, the applicable Participating TO(s) will be obligated to construct the LDNUs and ADNUs. This Section shall not apply to an Interconnection Customer's right to build Stand Alone Network Upgrade(s) in accordance with the LGIA.

#### **14.3.1 Initial Funding**

Assigned Network Upgrades shall be funded by the Interconnection Customer(s) either by means of drawing down the Interconnection Financial Security or by the provision of additional capital, at each Interconnection Customer's election, up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to each Interconnection Customer(s). Current Cost Responsibility may be adjusted consistent

with this GIDAP and up to the Interconnection Customer's Maximum Cost Responsibility, but the applicable Participating TO(s) shall be responsible for funding any capital costs for the Assigned Network Upgrades that exceed the Current Cost Responsibility assigned to the Interconnection Customer(s).

- (a) Where the funding responsibility for any RNU, LOPNU, and LDNU has been assigned to a single Interconnection Customer, the applicable Participating TO(s) shall invoice the Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to each Interconnection Customer(s) for the RNUs, LOPNUs, or LDNUs, respectively.
- (b) Where the funding responsibility for an RNU, LOPNU, or LDNU has been assigned to more than one Interconnection Customer in accordance with this GIDAP, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such Network Upgrades in accordance with their respective Current Cost Responsibilities. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to that Interconnection Customer.
- (c) Where the funding responsibility for an ADNU being constructed by one or more Participating TO has been assigned to more than one Option (B) Interconnection Customer, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such ADNUs based on their respective Current Cost Responsibilities.

Any permissible extension of the Commercial Operation Date of a Generating Facility will not alter the Interconnection Customer's obligation to finance its Assigned Network Upgrades where the Network Upgrades are required to meet the earlier Commercial Operation Date(s) of other Generating Facilities that have also been assigned cost responsibility for the Network Upgrades.

### **14.3.2 Repayment of Amounts Advanced for Network Upgrades and Refund of Interconnection Financial Security**

#### **14.3.2.1 Repayment of Amounts Advanced Regarding Non-Phased Generating Facilities**

An Interconnection Customer with a non-Phased Generating Facility in Queue Cluster 5 or earlier, or an Interconnection Customer in the Independent Study Process or the Fast Track Process that has been tendered a Generator Interconnection Agreement before December 19, 2014, shall be entitled to a repayment for the Interconnection Customer's contribution to the cost of Network Upgrades commencing upon the Commercial Operation Date of its Generating Facility.

An Interconnection Customer with a non-Phased Generating Facility in Queue Cluster 6 or later, or an Interconnection Customer in the Independent Study Process or the Fast Track Process that has not been tendered an Interconnection Agreement before December 19, 2014, shall be entitled to repayment for the Interconnection Customer's contribution to the cost of Network Upgrades placed in service on or before the Commercial Operation Date of its Generating Facility, commencing upon the Commercial Operation Date of the Generating Facility. Repayment for the Interconnection Customer's contribution

to the cost of Network Upgrades placed into service after the Commercial Operation Date of its Generating Facility shall, for each of these Network Upgrades, commence no later than the later of: (i) the first month of the calendar year following the year in which the Network Upgrade is placed into service or (ii) 90 days after the Network Upgrade is placed into service.

An Interconnection Customer subject to this Section 14.3.2.1 shall be entitled to repayment for its contribution to the cost of Network Upgrades as follows:

- (1) For RNUs, in accordance with the Interconnection Customer's cost responsibility assigned up to a maximum of \$60,000 per MW of generating capacity as specified in the GIA. The CAISO will publish an annual inflation factor and adjusted amount for this figure with the per unit cost publication on the CAISO Website pursuant to Section 6.4 of this GIDAP. Interconnection Customers will be entitled to repayment subject to the figure corresponding to their Commercial Operation Date.
- (2) For LDNUs and LOPNUs, except for LDNUs for Option (B) Generating Facilities that were not allocated TP Deliverability, in accordance with the Interconnection Customer's Current Cost Responsibility.
- (3) Option (B) Generating Facilities that were not allocated TP Deliverability will not receive repayment for LDNUs or ADNUs.

Unless an Interconnection Customer has provided written notice to the CAISO that it is declining all or part of such repayment, such amounts shall include any tax gross-up or other tax-related payments associated with the Network Upgrades not refunded to the Interconnection Customer, and shall be paid to the Interconnection Customer by the applicable Participating TO(s) on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the applicable date as provided for in this Section 14.3.2.1; or (2) any alternative payment schedule that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the applicable commencement date.

For Network Upgrades the Interconnection Customer funded but did not receive repayment, the Interconnection Customer will be eligible to receive Merchant Transmission Congestion Revenue Rights (CRRs) in accordance with CAISO Tariff Section 36.11 associated with those Network Upgrades, or portions thereof that were funded by the Interconnection Customer. Such CRRs would take effect upon the Commercial Operation Date of the Generating Facility in accordance with the GIA.

\* \* \* \* \*

**Appendix 1 Interconnection Request**  
**INTERCONNECTION REQUEST**

Provide one copy of this completed form pursuant to Section 7 of this Appendix 1 below.

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with the CAISO Controlled Grid pursuant to the CAISO Tariff (check one):

Fast Track Process.

Independent Study Process.

Queue Cluster process.

Annual Deliverability Assessment pursuant to Section 9.

2. This Interconnection Request is for (check one):

A proposed new Generating Facility.

An increase in the generating capacity or a Material Modification to an existing Generating Facility.

3. Requested Deliverability Statuses are (check one in each category):

On-Peak (for Purposes of Net Qualifying Capacity

Full Capacity (For Independent Study Process and Queue Cluster Process only)

(Note – Deliverability analysis for Independent Study Process is conducted with the next annual Cluster Study)

Partial Deliverability for \_\_\_ MW of electrical output (For Independent Study Process and Queue Cluster Process only)

Energy Only

Off-Peak

Off-Peak Deliverable

Off-Peak Energy Only

\* \* \* \* \*

- g. Interconnection Customer data (set forth in Attachment A)

**The Interconnection Customer shall provide to the CAISO the technical data called for in Attachment A to this Interconnection Request. One (1) copy is required.**

- h. Requested Interconnection Service Capacity (in MW) (if lower than the Generating Facility Capacity; may not exceed Generating Facility Capacity);

\_\_\_\_\_

8. Representative of the Interconnection Customer to contact:

[To be completed by the Interconnection Customer]

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City, State: \_\_\_\_\_  
Zip Code: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

9. This Interconnection Request is submitted by:

Legal name of the Interconnection Customer: \_\_\_\_\_

\* \* \* \* \*

## Appendix EE

### Article 1. Definitions

\* \* \* \* \*

**Area Off-Peak Constraints** shall mean a transmission system operating limit that would cause excessive curtailment to a substantial number of Generating Facilities during Off-Peak Load conditions, as described in Section 6.3.2.2 of Appendix DD and the CAISO Off-Peak Deliverability Assessment posted on the CAISO Website.

**Area Off-Peak Network Upgrades (AOPNUs)** shall mean a transmission upgrade or addition the CAISO identifies in the Transmission Planning Process to relieve an Area Off-Peak Constraint.

**Assigned Network Upgrade (ANU)** shall mean Reliability Network Upgrades, Local Off-Peak Network Upgrades, and Local Delivery Network Upgrades currently assigned to the Interconnection Customer. Assigned Network Upgrades exclude Conditionally Assigned Network Upgrades unless they become Assigned Network Upgrades.

\* \* \* \* \*

**Conditionally Assigned Network Upgrade (CANU)** shall mean Reliability Network Upgrades, Local Off-Peak Network Upgrades, and Local Delivery Network Upgrades currently assigned to an earlier Interconnection Customer, but which may be assigned to the Interconnection Customer.

\* \* \* \* \*

**Current Cost Responsibility (CCR)** shall mean the Interconnection Customer's current allocated costs for Assigned Network Upgrades, not to exceed the Maximum Cost Responsibility. This cost is used to calculate the Interconnection Customer's Interconnection Financial Security requirement.

\* \* \* \* \*

**General Reliability Network Upgrade (GRNU)** shall mean Reliability Network Upgrades that are not Interconnection Reliability Network Upgrades.

\* \* \* \* \*

**Interconnection Financial Security (IFS)** shall mean any of the financial instruments listed in Section 11.1 of the GIDAP that are posted by an Interconnection Customer to finance the construction of facilities or Network Upgrades.

\* \* \* \* \*

**Interconnection Reliability Network Upgrades (IRNU)** shall mean Reliability Network Upgrades at the Point of Interconnection to accomplish the physical interconnection of the Generating Facility to the CAISO Controlled Grid. IRNUs are treated as Reliability Network Upgrades unless otherwise noted.

\* \* \* \* \*

**Local Off-Peak Constraints** shall mean a transmission system operating limit modeled in the generator interconnection study process that would be exceeded or lead to excessive curtailment, as described in the Off-Peak Deliverability Assessment methodology, if the CAISO were to assign Off-Peak Deliverability Status to one or more Generating Facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Off-Peak Constraint.

**Local Off-Peak Network Upgrades (LOPNUs)** shall mean a transmission upgrade or addition the CAISO identifies in the generator interconnection study process to relieve a Local Off-Peak Constraint.

\* \* \* \* \*

**Maximum Cost Exposure (MCE)** shall mean, pursuant to Appendix DD, the sum of (1) the Interconnection Customer's Maximum Cost Responsibility and (2) the Conditionally Assigned Network Upgrades from its Phase I or Phase II Interconnection Study.

**Maximum Cost Responsibility (MCR)** shall mean, pursuant to Appendix DD, the lower sum of the Interconnection Customer's (1) full cost of assigned Interconnection Reliability Network Upgrades and (2) allocated costs for all other Assigned Network Upgrades, from its Phase I or Phase II Interconnection Studies, not to exceed the Maximum Cost Exposure.

\* \* \* \* \*

**Off-Peak Deliverability Constraints** shall mean a transmission system operating limit that constrains Generating Facilities in an area, leading to the excessive curtailment of expected Energy.

**Off-Peak Network Upgrades** shall mean Network Upgrades needed to relieve Off-Peak Deliverability Constraints. Area Off-Peak Network Upgrades address Area Off-Peak Constraints. Local Off-Peak Network Upgrades address Local Off-Peak Constraints.

\* \* \* \* \*

**Precursor Network Upgrades (PNU)** shall mean Network Upgrades required for the Interconnection Customer consisting of (1) Network Upgrades assigned to an earlier Interconnection Customer in an earlier Queue Cluster, Independent Study Process, or Fast Track Process, that has executed its GIA pursuant to Section 14.2.2 of the GIDAP; and (2) Network Upgrades in the approved CAISO Transmission Plan.

\* \* \* \* \*

**Reliability Network Upgrades (RNU)** shall mean the transmission facilities at or beyond the Point of Interconnection identified in the Interconnection Studies as necessary to interconnect one or more Generating Facility(ies) safely and reliably to the CAISO Controlled Grid, which would not have been necessary but for the interconnection of one or more Generating Facility(ies), including Network Upgrades necessary to remedy short circuit or stability problems, or thermal overloads. Reliability Network Upgrades shall only be deemed necessary for system operating limits, occurring under any system condition, which cannot be adequately mitigated through Congestion Management, Operating Procedures, or Special Protection Systems based on the characteristics of the Generating Facilities included in the Interconnection Studies, limitations on market models, systems, or information, or other factors specifically identified in the Interconnection Studies. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Generating

Facility's interconnection may have on a path's WECC rating. Reliability Network Upgrades include Interconnection Reliability Network Upgrades and General Reliability Network Upgrades.

\* \* \* \* \*

**Stand Alone Network Upgrades** shall mean Network Upgrades that are not part of an Affected System that the Interconnection Customer may construct without affecting day-to-day operations of the CAISO Controlled Grid or Affected Systems during their construction. The Participating TO, the CAISO, and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to this LGIA. If the CAISO, the Participating TO, and the Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, the CAISO or Participating TO must provide the Interconnection Customer a written technical explanation outlining why it does not consider the Network Upgrade to be a Stand Alone Network Upgrade within 15 days of its determination.

**Surplus Interconnection Service** shall mean any unneeded portion of Interconnection Service Capacity established herein, such that if Surplus Interconnection Service is utilized the total amount of Interconnection Service Capacity at the Point of Interconnection would remain the same.

\* \* \* \* \*

## **ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION**

Interconnection Facilities, Network Upgrades, and Distribution Upgrades shall be studied, designed, and constructed pursuant to Good Utility Practice. Such studies, design and construction shall be based on the assumed accuracy and completeness of all technical information received by the Participating TO and the CAISO from the Interconnection Customer associated with interconnecting the Large Generating Facility.

**5.1 Options.** Unless otherwise mutually agreed among the Parties, the Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Standard Option, Alternate Option, or, if eligible, Merchant Option, set forth below, Interconnection Facilities, Network Upgrades, and Distribution Upgrades, and such dates and selected option shall be set forth in Appendix B, Milestones. At the same time, the Interconnection Customer shall indicate whether it elects the Option to Build set forth in Article 5.1.3 below. If the dates designated by the Interconnection Customer are not acceptable to the CAISO and Participating TO, they shall so notify the Interconnection Customer within thirty (30) calendar days. Upon receipt of the notification that the Interconnection Customer's designated dates are not acceptable to the CAISO and Participating TO, the Interconnection Customer shall notify the CAISO and Participating TO within thirty (30) calendar days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

**5.1.1 Standard Option.** The Participating TO shall design, procure, and construct the Participating TO's Interconnection Facilities, Network Upgrades, and Distribution Upgrades, using Reasonable Efforts to complete the Participating TO's Interconnection Facilities, Network Upgrades, and Distribution Upgrades by the dates set forth in Appendix B, Milestones. The Participating TO shall not be required to undertake any



action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event the Participating TO reasonably expects that it will not be able to complete the Participating TO's Interconnection Facilities, Network Upgrades, and Distribution Upgrades by the specified dates, the Participating TO shall promptly provide written notice to the Interconnection Customer and the CAISO and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

- 5.1.2 Alternate Option.** If the dates designated by the Interconnection Customer are acceptable to the Participating TO, the Participating TO shall so notify the Interconnection Customer within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities by the designated dates.

If the Participating TO subsequently fails to complete the Participating TO's Interconnection Facilities by the In-Service Date, to the extent necessary to provide back feed power; or fails to complete Network Upgrades by the Initial Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by the Parties for such Trial Operation; or fails to complete the Network Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B, Milestones; the Participating TO shall pay the Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, provided, however, the dates designated by the Interconnection Customer shall be extended day for day for each day that the CAISO refuses to grant clearances to install equipment.

- 5.1.3 Option to Build.** The Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades. The Participating TO, CAISO, and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A to this LGIA. Except for Stand Alone Network Upgrades, the Interconnection Customer shall have no right to construct Network Upgrades under this option.
- 5.1.4 Negotiated Option.** If the dates designated by the Interconnection Customer are not acceptable to the CAISO and Participating TO, the Parties shall in good faith attempt to negotiate terms and conditions, including revision of the specified dates and liquidated damages, the provision of incentives, or the procurement and construction of all facilities other than the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build under Article 5.1.3. If the Parties are unable to reach agreement on such terms and conditions, then, pursuant to Article 5.1.1 (Standard Option), the Participating TO shall assume responsibility for the design, procurement and construction of all facilities other than the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades if the Interconnection Customer elects to exercise the Option to Build.
- 5.1.5 Merchant Option.** In addition to any Option to Build set forth in Article 5.1.3 of this LGIA, an Interconnection Customer having an Option (B) Generating Facility may elect to have a party other than the applicable Participating TO construct some or all of the LDNU and ADNU for which the Interconnection Customer has the obligation to fund and which are not subject to reimbursement. Such LDNU and ADNU will be constructed and incorporated into the CAISO Controlled Grid pursuant to the provisions for Merchant

**5.2 General Conditions Applicable to Option to Build.** If the Interconnection Customer assumes responsibility for the design, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, or assumes responsibility for any stand-alone task, such as telecommunications, environmental, or real-estate related work:

(1) within six (6) months of the execution of this LGIA, or at a later date agreed to by the Parties, the Interconnection Customer will submit to the CAISO and the Participating TO a milestone schedule for the design, procurement, and construction of the Stand Alone Network Upgrades, or any stand-alone task assumed by the Interconnection Customer. The milestone schedule will be required to support the Interconnection Customer's Commercial Operation Date, and any Appendix B Milestones will be amended to include the milestone schedule for the Stand Alone Network Upgrades;

(2) the Interconnection Customer shall engineer, procure equipment, and construct the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Participating TO;

(3) The Interconnection Customer's engineering, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which the Participating TO would be subject in the engineering, procurement or construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades;

(4) the Participating TO shall review, and the Interconnection Customer shall obtain the Participating TO's approval of, the engineering design, equipment acceptance tests, and the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, which approval shall not be unreasonably withheld, and the CAISO may, at its option, review the engineering design, equipment acceptance tests, and the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades;

(5) prior to commencement of construction, the Interconnection Customer shall provide to the Participating TO, with a copy to the CAISO for informational purposes, a schedule for construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from the Participating TO;

(6) at any time during construction, the Participating TO shall have the right to gain unrestricted access to the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades and to conduct inspections of the same;

(7) at any time during construction, should any phase of the engineering, equipment procurement, or construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by the Participating TO, the Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades;

(8) the Interconnection Customer shall indemnify the CAISO and Participating TO for claims arising from the Interconnection Customer's construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades under the terms and procedures applicable to Article 18.1 Indemnity;

(9) The Interconnection Customer shall transfer control of the Participating TO's Interconnection Facilities to the Participating TO and shall transfer Operational Control of Stand Alone Network Upgrades to the CAISO;

(10) Unless the Parties otherwise agree, the Interconnection Customer shall transfer ownership of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades to the Participating TO. As soon as reasonably practicable, but within twelve months after completion of the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades, the Interconnection Customer shall provide an invoice of the final cost of the construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades to the Participating TO, which invoice shall set forth such costs in sufficient detail to enable the Participating TO to reflect the proper costs of such facilities in its transmission rate base and to identify the investment upon which refunds will be provided;

(11) the Participating TO shall accept for operation and maintenance the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

(12) The Interconnection Customer's engineering, procurement and construction of the Participating TO's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of the "Option to Build" conditions set forth in Appendix C. Interconnection Customer shall deliver to the Participating TO "as-built" drawings, information, and any other documents that are reasonably required by the Participating TO to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by the Participating TO.

(13) If the Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3, the Interconnection Customer shall pay the Participating TO the agreed upon amount of \$\_\_\_\_\_ for Participating TO to execute the responsibilities enumerated to it under Article 5.2. The Participating TO will invoice the Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 12.

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**5.16 Suspension.** The Interconnection Customer may request to suspend at any time all work associated with the construction and installation of the Participating TO's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades required under this LGIA, other than Network Upgrades identified in the Phase II Interconnection Study as common to multiple generating facilities. Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2 of the GIDAP, a modification assessment deposit, and an anticipated end date of the suspension. Interconnection

Customers may request a suspension for the maximum amount of time in lieu of providing an anticipated end date. The CAISO and Participating TO will approve suspension requests where:

- (a) the Participating TO's electrical system and the CAISO Controlled Grid can be left in a safe and reliable condition in accordance with Good Utility Practice, the Participating TO's safety and reliability criteria, and Applicable Reliability Standards; and
- (b) the CAISO and Participating TO determine the suspension will not result in a Material Modification.

During suspension, the Interconnection Customer may request to extend or shorten their suspension period, consistent with the maximum period provided in this Article. The CAISO and Participating TO will approve such requests where they meet criteria (a) and (b), above. Requests to extend or shorten extensions will require a new modification assessment request and deposit. The Interconnection Customer shall be responsible for all reasonable and necessary costs for suspension for which the Participating TO (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the Participating TO's electric system during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which the Participating TO cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, the Participating TO shall obtain Interconnection Customer's authorization to do so.

Network Upgrades common to multiple generating facilities, and to which the Interconnection Customer's right of suspension shall not extend, consist of Network Upgrades identified for:

- (i) generating facilities which are the subject of all Interconnection Requests made prior to the Interconnection Customer's Interconnection Request;
- (ii) generating facilities which are the subject of Interconnection Requests within the Interconnection Customer's queue cluster; and
- (iii) generating facilities that are the subject of Interconnection Requests that were made after the Interconnection Customer's Interconnection Request but no later than the date on which the Interconnection Customer's Phase II Interconnection Study Report is issued, and have been modeled in the Base Case at the time the Interconnection Customer seeks to exercise its suspension rights under this Article.

The Participating TO shall invoice the Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work required under this LGIA pursuant to this Article 5.16, and has not requested the Participating TO to recommence the work or has not itself recommenced work required under this LGIA in time to ensure that the new projected Commercial Operation Date for the full Generating Facility Capacity of the Large Generating Facility is no more than three (3) years from the Commercial Operation Date identified in Appendix B hereto, this LGIA shall be deemed terminated and the Interconnection Customer's responsibility for costs will be determined in accordance with Article 2.4 of this LGIA. The suspension period shall begin on the date the Interconnection Customer provides in its request, if approved.. Ninety (90) days before the

anticipated end date of the suspension, the Participating TO and the CAISO will tender an amended draft LGIA with new construction milestones. The Parties agree to negotiate the amended draft LGIA in good faith such that it can be executed by the end of the suspension.

Interconnection Customer subject to Section 8.9.2.2 of Appendix DD may not request suspension.

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## **5.19 Modification.**

**5.19.1 General.** The Interconnection Customer or the Participating TO may undertake modifications to its facilities, subject to Section 25.1(c) and Section 25 of the CAISO Tariff if the Interconnection Customer has achieved its Commercial Operation Date, and subject to Section 6.7.2 of Appendix DD if it has not.

If a Party plans to undertake a modification that reasonably may be expected to affect the other Parties' facilities, that Party shall provide to the other Parties sufficient information regarding such modification so that the other Parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Parties at least ninety (90) Calendar Days in advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

Notwithstanding Section 7.5 of Appendix DD, at any time after achieving its Commercial Operation Date, the Interconnection Customer may reduce the megawatt generating capacities of its Generating Facilities, subject to Section 25.1(c) of the CAISO Tariff. Section 7.5.11 of Appendix DD will still apply to such requests to reduce capacity.

**5.19.2 Standards.** Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this LGIA and Good Utility Practice.

**5.19.3 Modification Costs.** The Interconnection Customer shall not be directly assigned the costs of any additions, modifications, or replacements that the Participating TO makes to the Participating TO's Interconnection Facilities or the Participating TO's Transmission System to facilitate the interconnection of a third party to the Participating TO's Interconnection Facilities or the Participating TO's Transmission System, or to provide transmission service to a third party under the CAISO Tariff. The Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

**5.20 Annual Reassessment Process.** In accordance with Section 7.4 of the GIDAP, the CAISO will perform an annual reassessment, as part of a queue cluster interconnection study cycle, in which it will update certain base case data prior to beginning the GIDAP Phase II Interconnection Studies. As set forth in Section 7.4, the CAISO may determine through this assessment that Delivery Network Upgrades and Off-Peak Network Upgrades already identified and included in executed generator interconnection agreements should be modified in order to reflect the current circumstances of interconnection customers in the queue, including any withdrawals therefrom, and any additions and upgrades approved in the CAISO's most recent TPP cycle. To the extent that this determination modifies the scope or characteristics of, or the cost responsibility for, any Delivery Network Upgrades and Off-Peak Network Upgrades set forth in Appendix A to this LGIA, such modification(s) will be reflected through an amendment to this LGIA.