

April 30, 2012

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: California Independent System Operator Corporation  
Interconnection Queue Quarterly Progress Report, Q1 2012  
Docket Nos. ER08-1317-\_\_\_\_, ER11-1830-\_\_\_\_**

Dear Ms. Bose:

Please find our first quarter 2012 report. The California Independent System Operator Corporation (“ISO”) submits the report pursuant to the following orders of the Commission:

Order Conditionally Approving Tariff Amendment, dated September 28, 2008, at P 200 (California Independent System Operator Corp. (Docket No. ER08-1317-000), 124 FERC ¶ 61,292;

Order Conditionally Accepting Tariff Revisions, dated December 16, 2010 at PP 97, 117 (California Independent System Operator Corp. (Docket No. ER11-1830-000), 133 FERC ¶ 61,223).

The document is submitted by electronic filing and is entitled “California Independent System Operator Corporation Interconnection Queue Quarterly Progress Report, Q1 2011”.

If there are any questions concerning this filing, please contact the undersigned.

Respectfully Submitted,  
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**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System  
Operator Corporation

Docket Nos. ER08-1317-\_\_\_\_  
ER11-1830-\_\_\_\_

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**CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
INTERCONNECTION QUEUE QUARTERLY PROGRESS REPORT  
Q1 2012**

Quarterly Reporting Period:  
January 1, 2012 to March 31, 2012

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Date: April 30, 2012

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Implementation  
California Independent  
System Operator  
Corporation

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## **INTRODUCTION AND DISCUSSION OF THE REPORTING REQUIREMENTS GIVING RISE TO THIS REPORT**

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This is the First Quarter 2012 (“Q1 2012”) report of the California Independent System Operator Corporation (“ISO”). The report describes the ISO’s progress over the period January 1, 2012 to March 31, 2012 in processing generator interconnection requests under the ISO’s interconnection process.

The current process, contained in ISO Tariff Appendix Y, is called the “Generator Interconnection Procedures (“GIP”).<sup>1</sup> The GIP combines the processes for large generator and small generator interconnection into one interconnection tariff. Under the GIP, there are three possible study tracks for an interconnection request:

- (1) The cluster study process track, which serves as the primary processing method and the default interconnection process;
- (2) The independent study process track, under which certain projects can be studied independently if they are determined to be electrically independently from other projects in the cluster study (and demonstrate the ability to complete non-ISO development milestones (like licensing) sooner than typical development timeframes); and
- (3) The fast track process track, which is available for projects of up to 5 MW, when it can be determined, through a limited evaluation methodology, that the project can be interconnected with no upgrades or with *de minimis* upgrades.

As explained in later sections of this report, the ISO is also processing some previous interconnection requests under prior “legacy” interconnection tariff processes.

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<sup>1</sup> The ISO O.A.T.T., ISO Tariff Appendix Y can be accessed on the ISO’s website at <http://www.caiso.com/2872/2872862b51c40.pdf>

### **The Quarterly Reporting Requirement arises from the September 2008 Order on the GIPR**

The reporting requirements giving rise to this report come from the Commission's orders approving the ISO's 2008 GIPR Amendment and the later 2010 GIP Amendment. In 2008, the ISO revised its Large Generator Interconnection Process ("LGIP") to change from a serial approach to a queue cluster approach. The ISO called this tariff amendment "Generator Interconnection Process Reform (GIPR)." The ISO refers to this revised LGIP as the "Cluster LGIP."

The Commission's September 2008 Order that conditionally accepted the GIPR Amendment included a requirement to file quarterly status reports on the ISO's progress in processing interconnection requests under the cluster approach.<sup>2</sup> The Commission intended the quarterly reports to serve as a tool to evaluate how well the ISO's queue cluster process is working.

### **The Commission added reporting requirements for ISP and Fast Track in the December 2010 Order on the GIP Phase 1**

In a later December 2010 Order accepting the GIP (which the ISO now calls GIP Phase 1, after the ISO undertook another GIP Phase 2 process in 2011), the Commission directed the ISO to include additional reporting requirements within the quarterly status reports. The additional reporting subjects relate to the independent study process ("ISP") and fast track process. For the ISP, the Commission directed the ISO to include information about the number of projects requesting interconnection through the ISP, the outcome of those requests, the complete length of time for recently completed ISP

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<sup>2</sup> *Order Conditionally Approving Tariff Amendment*, dated September 28, 2008, at P 200 (*California Independent System Operator Corp.* (Docket No. ER08-1317-000), 124 FERC ¶ 61,292 (hereinafter, "September 2008 Order"). The September 2008 Order also required the ISO to file two comprehensive status reports, one pertaining to the transition cluster and one pertaining to the first queue cluster. The ISO filed its first comprehensive report on the transition cluster on January 31, 2011.

interconnection studies (from initial application through final approval), and the reason for any rejections of projects requesting ISP treatment.<sup>3</sup>

As to the fast track, the Commission directed the ISO to include in its reports the size and type of generator interconnection requested under the Fast Track process, the proposed location of the generator, the number of requests that did not pass the screens, and which screens the generator developer failed.<sup>4</sup>

### **The ISO continues to refine Its Generation Interconnection Process**

As the Commission is aware, since 2008, the ISO has amended its interconnection tariff three times (in 2009 and 2010, and in 2011). The 2011 GIP Phase 2 Amendment was accepted by the Commission, effective January 31, 2011 in its January 30, 2011 Order.<sup>5</sup> Moreover, the ISO's Board of Governors has approved a further refinement of the GIP in the ISO's Transmission Planning Process Generation Interconnection Process Integration Proposal,<sup>6</sup> and the ISO anticipates filing its tariff amendment on May 19, 2012.

In addition, the ISO continues to work with stakeholders to refine the interconnection process. To that end, this spring the ISO will be working on a proposal to allow downsizing of projects after execution of the generator interconnection agreement. This has become a critical issue for the projects as the time elapsed between entering the queue and actual construction could be a number of years and the changing issues in California including permitting, environmental restrictions and the ability to obtain a power purchase agreement result in need to downsize projects.

These efforts represent a continual commitment by the ISO to refine and improve the process and to respond to the dramatic increase in interconnection requests in

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<sup>3</sup> *Order Conditionally Accepting Tariff Revisions*, dated December 16, 2010 at PP 1, 97, 117 (*California Independent System Operator Corp.* (Docket No. ER11-1830-000), 133 FERC ¶ 61,223) (hereinafter "December 16 Order").

<sup>4</sup> *Id.* at P 117.

<sup>5</sup> [http://elibrary.ferc.gov/idmws/File\\_list.asp?document\\_id=13975721](http://elibrary.ferc.gov/idmws/File_list.asp?document_id=13975721)

<sup>6</sup> Approved by the ISO BOG on March 25, 2012.

response to California's renewable portfolio standards ("RPS") policy, which mandates that Load Serving Entities satisfy their load requirements from 33% renewable energy sources by 2020.<sup>7</sup>

### **Prior Quarterly Reports**

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This report is the ISO's fourteenth quarterly report. The prior thirteen quarterly reports are as follows:

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#### **2011**

Q4 2011 report (dated January 31, 2012) accessible at

[http://www.caiso.com/Documents/2011-01-31\\_ER08-1317\\_Q4InterconnectionRpt.pdf](http://www.caiso.com/Documents/2011-01-31_ER08-1317_Q4InterconnectionRpt.pdf)

Q3 2011 report (dated October 31, 2011) accessible at

[http://www.caiso.com/Documents/2011-10-31\\_Q3FERCQuarterlyRpt\\_ICQ.pdf](http://www.caiso.com/Documents/2011-10-31_Q3FERCQuarterlyRpt_ICQ.pdf)

Q2 2011 report (dated August 1, 2011, accessible at

[http://www.caiso.com/Documents/2011-08-01\\_Q2InterconnectionRpt\\_ER08-1317\\_ER11-1830.pdf](http://www.caiso.com/Documents/2011-08-01_Q2InterconnectionRpt_ER08-1317_ER11-1830.pdf)

Q1 2011 report (dated May 3 2011) The corrected filing (errata filing) which re-submitted the report with corrected Table 6 is accessible at

[http://www.caiso.com/Documents/2011-05-03\\_ErrataQ1\\_2010quarterlyprogressstatusreport\\_ER08-1317\\_ER11-1830.pdf](http://www.caiso.com/Documents/2011-05-03_ErrataQ1_2010quarterlyprogressstatusreport_ER08-1317_ER11-1830.pdf)

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#### **2010**

Q4 2010 report (dated January 31, 2011). This quarterly report is combined with the ISO's Comprehensive Status Report Following Completion of the Study Phase for Projects in the Transition Cluster (found at ISO link

[http://www.caiso.com/Documents/January31\\_2011Q42010quarterlyprogress\\_comprehensivestatusreport\\_indocketno\\_ER08-1317-000\\_GIPRamendment\\_.pdf](http://www.caiso.com/Documents/January31_2011Q42010quarterlyprogress_comprehensivestatusreport_indocketno_ER08-1317-000_GIPRamendment_.pdf)).

Q3 2010 report (dated October 29, 2010) (ISO link <http://www.caiso.com/283e/283ed0906b500.pdf>).

Q2 2010 report (dated July 30, 2010) (ISO link <http://www.caiso.com/27e3/27e3d90ce6a0.pdf>).

Q 1 2010 report (dated April 30 2010) (ISO link <http://www.caiso.com/2788/2788c4ca34340.pdf>).

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#### **2009**

Q4 2009 report (dated January 29, 2010) (ISO link <http://www.caiso.com/272d/272dbd991d4c0.pdf>).

Q3 2009 report (dated October 30, 2009) (ISO link <http://www.caiso.com/2457/2457e6f4470c0.pdf>).

Q2 2009 report (dated July 30, 2009) (ISO link <http://www.caiso.com/2403/2403907271f30.pdf>).

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<sup>7</sup> SBX1-2 enacted by the California Legislature and signed by Governor Brown in April 2011 codified California's 33% RPS. Prior to this time, the 33% standard was a function of Governor Schwarzenegger's Executive Order S-21-09 signed in September 2009 which required the California Air Resources Board to adopt a 33% renewable energy requirement by 2020 to implement California's greenhouse gases law (AB 32).

Q1 2009 report (filed April 30, 2009) (ISO link <http://www.caiso.com/23a0/23a0de6d701a0.pdf>).

2008

Q 4 2008 report (filed Feb 27 2009) (ISO link <http://www.caiso.com/2362/2362d4e612850.pdf>).

## The Component Parts of the ISO's Interconnection Queue

Given that the ISO's interconnection processes have been revised over time, the interconnection queue consists of various queue components:<sup>8</sup>

- ***Two legacy serial groupings***
  - Component 1: certain projects that predated the serial study group. These requests were grouped together because, at the time the ISO made its 2008 waiver request which was a foundational step to establishing the cluster LGIP. The associated interconnection studies for these projects had already been complete.<sup>9</sup>

The governing tariff provision for each project in this component depends on the date that the interconnection customer submitted the request. If that date was before July 1, 2005, the governing tariff is Appendix W, *Interconnection Procedures in Effect Prior to July 1, 2005*, also known as the "Amendment 39 Procedures." If the date was on or after July 1, 2005, the applicable tariff is Appendix U, *Standard Large Generator Interconnection Procedures (LGIP)*, which the ISO's 2005 version of the LGIP.

- Component 2: projects known as "the serial study group." These projects still needed interconnection studies to be completed at the time the ISO categorized interconnection requests and filed its 2008 tariff request waiver that preceded the 2008 GIPR Amendment.

For all requests in this grouping, the applicable process is Appendix U, *Standard Large Generator Interconnection Procedures (LGIP)*, the 2005 version of the LGIP, which are the ISO the procedures which immediately preceded the Cluster LGIP.

- ***Additional groupings now governed by the GIP***

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<sup>8</sup> The component numbers generally correspond to time (i.e. Component 1 generally consists of that group of interconnection requests that are oldest in time). However, this is not exactly so, as the groupings were also based on common characteristics (i.e. studies were already completed) that make collective treatment of the individual requests within the group more logical. This means that some interconnection requests which were older in time are part of Component 2 rather than Component 1.

<sup>9</sup> See, e.g. Q1 2009 Report at p. 1 for discussion of the ISO's 2008 waiver petition.

For these groupings, if there was an earlier applicable tariff that applied to processing before the GIP, that tariff is mentioned in the description:

- Component 3: projects in the Cluster LGIP transition cluster: this component consists of certain requests received prior to June 2, 2008 that were transitioned to the Cluster LGIP.

Through December 18, 2010, the applicable ISO tariff had been Appendix Y, *Large Generator Interconnection Procedures (LGIP) for Interconnection Requests in a Queue Cluster Window*, with specialized provisions for the transition cluster included within Appendix 2 to Appendix Y, *Large Generator Interconnection Procedures (LGIP) Relating to the Transition Cluster*. Effective December 19, 2010, the ISO's revised Appendix Y which is the GIP Tariff Amendment governs completion of the transition cluster.

- Component 4: the first queue cluster: the first group of interconnection requests received during an open request window (June 2, 2008 to July 31, 2009)

The applicable tariff had been Appendix Y, *Large Generator Interconnection Procedures (LGIP) for the Interconnection Requests in a Queue Cluster Window*. Effective December 19, 2010, the GIP Tariff Amendment governs further processing.

- Component 5: the second queue cluster: the second group of interconnection requests received during an open request window (October 1, 2009 to January 31, 2010)

The applicable tariff had been Appendix Y, *Large Generator Interconnection Procedures (LGIP) for the Interconnection Requests in a Queue Cluster Window*. Effective December 19, 2010, the GIP Tariff Amendment governs further processing.

- Component 6: the third queue cluster: the third group of interconnection requests received during an open request window (March 1, 2010 to July 31, 2010)

The applicable tariff had been Appendix Y, *Large Generator Interconnection Procedures (LGIP) for the Interconnection Requests in a Queue Cluster Window*. Effective December 19, 2010, the GIP Tariff Amendment governs further processing.

- Component 7: the fourth queue cluster, the fourth group of interconnection requests received during the open request window (March 1-31, 2011).<sup>10</sup>.

The applicable tariff had been Appendix Y, *Large Generator Interconnection Procedures (LGIP) for the Interconnection Requests in a Queue Cluster Window*. Effective December 19, 2010, the revised Appendix Y which is the GIP Tariff Amendment governs further processing.

- Component 8: Independent Study Process (ISP): ISP interconnection requests can be submitted at any time. This component tracks ISP projects received from the inception of the ISP on December 19, 2010 through the end of the report period. It is important to note that the ISP is available to projects of any MW size. Accordingly, this component will be composed of both large and small generators. The independent study for these projects is done as energy only. If an ISP project desires to have full deliverability, then the deliverability study is done in the next deliverability study work that the ISO is conducting as part of a cluster process Phase II study process.
- Component 9: SGIP Serial Study projects and SGIP Transition Cluster projects: On December 19, 2010, the effective date for the revised GIP Appendix Y, there were 128 active SGIP projects in queue. The ISO sent a notice to all SGIP interconnection customers whose projects were eligible to remain in the SGIP serial process, to inform them that they had an option to move their project into the new SGIP transition cluster and be studied as energy only in the combined Phase II interconnection studies that the ISO is conducting for LGIP Cluster 1 and Cluster 2. Only a few customers chose to move their projects into the transition group. Consequently, 63 projects opted to remain in the SGIP serial study group and 65 projects are in the SGIP transition cluster.
- Component 10: Fast Track Process (Fast Track): The Fast Track is available to projects up to 5 MW in size. Fast Track interconnection requests can be submitted at any time. This component tracks Fast Track projects received since the Fast Track process was revised on December 19, 2010 through the end of the report period.

In addition, commencing with this quarterly report, the ISO will be adjusting the tables that are reporting the status of each component so that consistent data is reported

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<sup>10</sup> Under the Cluster LGIP, the fourth queue cluster window opened on October 1, 2010 and was set to close on January 31, 2011. However, while the window period was opened, the GIP became effective. Under the GIP, a further fourth queue cluster window was opened during the month of March (March 1-31, 2011). All earlier fourth queue cluster applications received during 2010 will be processed together with the cluster track applications received during March 2011 window period

across each queue component. We have added a new table for SGIP (Table 16), and only for this report we have included the previous version of the tables in Appendix 1.

The Commission’s September 2008 Order only directs the ISO to report on the queue cluster component of the ISO interconnection queue and not on the ISOs work to complete the legacy, pre-Cluster LGIP interconnection requests. Nevertheless, the ISO has made a practice of including the legacy interconnection requests in its reporting, so that each report would cover the entire ISO large generation interconnection queue. This report continues that practice, and discusses the legacy large interconnection requests as Components 1 and 2 of the large generator interconnection queue. The Commission’s December 2010 Order only directs the ISO to report on Independent Study and Fast Track projects, and does not direct the ISO to report on the SGIP serial study group or the SGIP transition cluster.

## COMPOSITION OF CLUSTER INTERCONNECTION REQUESTS BY TECHNOLOGY

### Component 1: The Pre-Serial Group

The breakdown by technology of interconnection customers in the pre-serial group is as follows:

<b>Table 1</b>						
<b>Pre-Serial Interconnection Customers</b>						
<b>Categorized by Prime Mover Technology</b>						
Prime Mover	Number	Technology				
		WTR	G	NG	B	W
Steam Turbine	2		1		1	
Hydraulic Turbine	1	1				
Wind Turbine	5					5
Combined Cycle	3			3		
Combined Cycle/PV						
Combustion Turbine	3			3		
<b>Total</b>	<b>14</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>1</b>	<b>5</b>
B=Biomass; G=Geothermal; NG=Natural Gas; WTR=Water; W=Wind						

There were no changes to this category during Q1 2012.

### Component 2: The Serial Group

The breakdown by technology of interconnection customers in the serial group is as follows:

<b>Table 2</b>							
<b>Serial Interconnection Customers Categorized by Prime Mover Technology</b>							
Prime Mover	Number	Technology					
		WTR	G	NG	B	S	W
Steam Turbine	13		1	4	1	7	
Hydraulic Turbine							
Wind Turbine	20						20
Combined Cycle	6			6			
Photovoltaic	6					6	
Hydraulic Turbine	1	1					
<b>Total</b>	<b>46</b>	<b>1</b>	<b>1</b>	<b>10</b>	<b>1</b>	<b>13</b>	<b>23</b>
B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind WTR=Water							

Since last quarter, three projects were completed and two projects were withdrawn.

### Component 3: The Transition Cluster

The breakdown by technology of interconnection customers in the transition cluster is as follows:

<b>Table 3</b>						
<b>Transition Cluster Interconnection Customers Categorized by Prime Mover Technology</b>						
Prime Mover	Number	Technology				
		B	G	NG	S	W
Steam Turbine	9			1	8	
Photovoltaic	14				14	
Wind Turbine	7					7
Combined Cycle	4			4		
Combined Cycle/PV	1			0.5	0.5	
Combustion Turbine	2			2		
<b>Total</b>	<b>37</b>	<b>0</b>	<b>0</b>	<b>7.5</b>	<b>23</b>	<b>7</b>
B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind						

One wind project was completed in the transition cluster during Q1 2012.

#### Component 4: The First Queue Cluster

The breakdown by technology of interconnection customers in the first queue cluster is as follows:

<b>Table 4</b>						
<b>First Queue Cluster Interconnection Customers Categorized by Prime Mover Technology</b>						
Prime Mover	Number	Technology				
		WTR	NU	NG	S	W
Steam Turbine	1		1			
Photovoltaic	7				7	
Wind Turbine	1					1
Gas Turbine	1			1		
Hydraulic Turbine	1	1				
<b>Total</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>1</b>

WTR=Water; NU=Nuclear; NG=Natural Gas; S=Solar; W=Wind

One wind turbine and one solar project in Cluster 1 withdrew in Q1 2012.

#### Component 5: The Second Queue Cluster

The breakdown by technology of interconnection customers in the second queue cluster is as follows:

<b>Table 5</b>						
<b>Second Queue Cluster Interconnection Customers Categorized by Prime Mover Technology</b>						
Prime Mover	Number	Technology				
		G	NG	S	W	WTR
Steam Turbine	1	1				
Photovoltaic	16			16		
Wind Turbine	1				1	
Combined Cycle	3		3			
Combustion Turbine	1		1			
Reciprocating Engine	1		1			
<b>Total</b>	<b>23</b>	<b>1</b>	<b>5</b>	<b>16</b>	<b>1</b>	<b>0</b>

B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind

One wind turbine project and two photovoltaic projects withdrew from Cluster 2 in Q1 2012.

**Component 6: The Third Queue Cluster**

The breakdown by technology of interconnection customers in the third queue cluster is as follows:

<b>Table 6</b>						
<b>Third Queue Cluster Interconnection Customers</b>						
<b>Categorized by Prime Mover Technology</b>						
Prime Mover	Number	Technology				
		G	NG	S	W	B
Steam Turbine	2			1		1
Photovoltaic	13			13		
Wind Turbine	2				2	
Combustion Turbine/PV	1			0.5	0.5	
<b>Total</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>14.5</b>	<b>2.5</b>	<b>1</b>
B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind						

There were no changes to Cluster 3 in Q1 2012. The remaining projects will begin negotiating generator interconnection agreements in Q4 2012.

**Component 7: The Fourth Queue Cluster**

The breakdown by technology of interconnection customers in the fourth queue cluster is shown on Table 5.

<b>Table 7</b>							
<b>Fourth Queue Cluster Interconnection Customers</b>							
<b>Categorized by Prime Mover Technology</b>							
Prime Mover	Number	Technology					
		G	NG	S	W	WTR	Li
Steam Turbine	6	2		4			
Photovoltaic	81			81			
Wind Turbine	6				6		
Combined Cycle	2		2				
Combustion Turbine	2		2				
Hydraulic Turbine	1					1	
Pumped Storage	0					0	
Battery Storage	1						1
<b>Total</b>	<b>99</b>	<b>2</b>	<b>4</b>	<b>85</b>	<b>6</b>	<b>1</b>	<b>1</b>
G=Geothermal; NG=Natural Gas; S=Solar; W=Wind; WTR=Water; Li=Lithium-ion Battery							

There were nine steam turbine projects, 52 photovoltaic projects, six wind turbine projects, one combined cycle project and one pumped storage project that withdrew. The remaining projects will begin negotiating generator interconnection agreements in Q4 2012. The ISO has also utilized an alternative Cluster 4 Phase I methodology which it is posted on ISO's website.<sup>11</sup>

## QUARTERLY PROGRESS IN PROCESSING THE LARGE GENERATOR QUEUE

### Component 1: Pre-Serial Projects

<b>Table 8</b> Component 1 Projects - Pre-Serial	Q 1 2012	Q 4 2011
Number of active projects which have completed the GIA negotiation process	11	11
Number of active projects which have not completed the GIA negotiation process	3	3
Number of projects withdrawn this quarter	0	0
Projects completed during the quarter	0	0
Number of projects in this category	14	14

Of the fourteen Pre-Serial projects in the queue, the three projects without an LGIA are in active negotiations and are expected to be executed in the near future. The remaining eleven projects are being actively monitored to ensure they adhere to the Appendix B milestones. A new table has been created to more accurately reflect the status of the Pre-Serial Projects based on the queue management initiative which is designed to track and monitor the terms and conditions in the GIA. The prior version of Table 6 has been removed from the section and included in Appendix 1 to this report.

<sup>11</sup> The ISO webpage entitled "Generation Interconnection Cluster 4 Phase 1 Methodology" can be accessed at <http://www.caiso.com/informed/Pages/StakeholderProcesses/GenerationInterconnectionCluster4Phase1Methodology.aspx>. The Technical Bulletin "Revisions to Cluster 4, Phase 1 Study Methodology" can be accessed from the page, at hyperlink <http://www.caiso.com/Documents/Generation%20interconnection%20cluster%204%20phase%201%20methodology%20-%20papers%20and%20proposals/FinalTechnicalBulletin-GenerationInterconnectionProceduresRevisionCluster4Methodolog.pdf>

### Component 2: The Serial Study Group

<b>Table 9</b>		
Queue Component 2 Projects - The Serial Study Group	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	29	30
Number of active projects which have not completed the GIA negotiation process	17	21
Number of projects withdrawn this quarter	2	0
Projects completed during the quarter	3	0
Number of projects in this category	51	51

Currently there are 46 active serial study projects which have not achieved commercial operation. Since last quarter, three projects were completed and two projects were withdrawn. All of the active serial study projects had already completed the normal study process before Q3 2011 began. Seventeen projects remain to complete the negotiation stage of the interconnection process and the ISO has been diligently working with the participating transmission owners and interconnection customers to reduce this number. A new table has been created to more accurately reflect the status of the Serial Group projects based on the queue management initiative which is designed to track and monitor the terms and conditions in the interconnection agreements. The prior version of Table 7 has been removed from the section and included in Appendix 1 to this report.

### Component 3: The Transition Cluster

<b>Table 10</b>		
Queue Component 3 Projects - The Transition Cluster	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	17	12
Number of active projects which have not completed the GIA negotiation process	20	26
Number of projects withdrawn this quarter	0	0
Projects completed during the quarter	1	0
Number of projects in this category	38	38

One project was completed in the Transition Cluster in Q1 2012.

#### Component 4: The First Queue Cluster

<b>Table 11</b> Queue Component 4 Projects - The First Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	2	0
Number of active projects which have not completed the GIA negotiation process	9	12
Number of projects withdrawn this quarter	2	0
Projects completed during the quarter	0	0
Number of projects in this category	11	12

The first queue cluster (Cluster 1) completed the Phase II interconnection study process during Q3 2011, in combination with Cluster 2 projects. In Q1 2012, the second interconnection financial security posting obligation came due as a result of the issuance of the Phase II study reports. The posting obligation deadline is 180 calendar days after the ISO issues the final Phase II study report to interconnection customers, which occurred in August 2011.

Under the Cluster LGIP, Cluster 1 and Cluster 2 were studied together in a combined Phase II interconnection study process. This provision of the Cluster GIP was carried over into the GIP for Clusters 1 through 4 because these clusters were already in progress when the GIP (GIP Phase 1) became effective. Accordingly, Cluster 3 and 4 (discussed below) are also being studied in this fashion (separate Phase I studies followed by a combined Phase II study). As part of the interconnection process and after completion of the Phase II studies, the generator interconnection agreements are being tendered and negotiations are underway between the ISO, PTO and interconnection customers. Those customers who posted the second financial posting will start negotiating the generator interconnection agreements in Q2 2012.

**Component 5: The Second Queue Cluster**

<b>Table 12</b> Queue Component 5 Projects - The Second Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	0	0
Number of active projects which have not completed the GIA negotiation process	23	26
Number of projects withdrawn this quarter	3	1
Projects completed during the quarter	0	0
Number of projects in this category	26	27

As stated above, Phase II interconnection studies for the second queue (Cluster 2) projects were completed in Q3 2011- having been part of a combined Phase II interconnection study process that included Clusters 1 and 2 (as well as the SGIP transition cluster projects).

The ISO and participating transmission owners completed the study reports at the end of August. In Q1 2012, the second financial posting obligation came due as a result of the issuance of the Phase II study reports for Clusters 1 & 2. This obligation occurs 180 calendar days after the ISO issues final Phase II study reports to customers, which occurred in August 2011. Those projects which posted the second financial posting will start negotiating the generator interconnection agreements in Q2 2012. Three projects withdrew from Cluster 2 in Q1 2012.

**Component 6: The Third Queue Cluster**

<b>Table 13</b> Queue Component 6 Projects - The Third Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	0	0
Number of active projects which have not completed the GIA negotiation process	18	18
Number of projects withdrawn this quarter	0	0
Projects completed during the quarter	0	0
Number of projects in this category	18	18

The Phase 1 study reports for the Cluster 3 interconnection customers were issued in December 2011. The ISO will send these customers an invoice for their first interconnection financial security posting 90 calendar days after the results were sent to the customers. The ISO will study the 18 projects which elected to move forward along with the fourth queue cluster (Cluster 4) projects in a combined Phase II interconnection study which will be completed in Q4 2012. There were no changes to Cluster 3 in Q1 2012.

<b>Component 7: The Fourth Queue Cluster Table 14</b> Queue Component 7 Projects - The Fourth Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	0	0
Number of active projects which have not completed the GIA negotiation process	99	168
Number of projects withdrawn this quarter	69	4
Projects completed during the quarter	0	0
Number of projects in this category	99	168

The Phase 1 interconnection financial security posting invoices for the fourth queue cluster were sent out in Q1 2012, and, as a result, 69 interconnection customers withdrew, leaving 99 interconnection customers. The Phase II study reports for Clusters 3 and 4 will be completed in Q4 2012, and then those interconnection customers will begin the generator interconnection agreement negotiation process.

**Component 8: Independent Study Process**

<b>Table 15</b> Queue Component 9: Requests Within the Independent Study Process under GIP	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Active Projects as of beginning of Quarter	1	0	4	3
Interconnection Requests received	0	1	0	1
Number of Interconnection Requests that withdrew during the Quarter	0	0	4	0
Total Interconnection Requests	1	1	0	4

During Q1 2012 there was one active ISP project and none withdrew. The other three ISP projects were given the option to enter the Cluster 4 study group and did so in order to be studied as Full Capacity Deliverability status. (Under the GIP, ISP customers must be studied under the cluster process to achieve full capacity deliverability status, since deliverability assessments in a given interconnection study cycle are conducted as part of the cluster study. The ISP studies themselves only evaluate energy only deliverability status.)

### **Component 9: SGIP Serial Study projects and SGIP Transition Cluster projects**

Currently, 51 interconnection customers remain in the SGIP serial study group, with all but two having received their facilities study results. In Q1 2012 there was one Serial SGIP project that withdrew and no additional studies were completed. Consequently, 49 of the 51 projects have completed the SGIP serial study process and ten of the 51 have executed interconnection agreements. Four Fast Track and one Independent Study Process project were moved from the SGIP group into their own category in the queue report and there was one Fast Track project added.

The “SGIP transition cluster projects,” which transition to the cluster process as part of the GIP Amendment, were included in the combined Phase II study for Clusters 1 and 2. The SGIP transition cluster consists of projects 20MW and smaller which had entered the ISO SGIP process before December 19, 2010 and for which the ISO would not be able to complete SGIP system impact or facilities studies by approximately December 19, 2010. These projects were transitioned to the GIP.

The 43 SGIP transition cluster projects in the combined Cluster 1 and Cluster 2 Phase II interconnection studies have received their final study report, which completes their study process. These SGIP transition cluster projects are now required to post their interconnection financial security along with the other projects in the Cluster 1 and Cluster 2 study process within 180 days after receiving the final study report, the standard cluster study process. The interconnection financial security posting invoice for these projects was issued in Q1 2012 and as a result there were twenty projects that withdrew

from the SGIP transition cluster group. The remaining 42 projects are now beginning the generator interconnection agreement negotiation process, which is expected to start in Q2 2012.

<b>Table 16</b> Queue Component 10 Projects - The SGIP Transition Cluster	Q1 2012	Q4 2011
Number of active projects which have completed the GIA negotiation process	1	1
Number of active projects which have not completed the GIA negotiation process	42	61
Number of projects withdrawn this quarter	19	0
Projects completed during the quarter	0	0
Number of projects in this category	62	62

**Component 10: Fast Track Process**

<b>Table 17</b> Queue Component 10: Requests Within the Fast Track Process under GIP	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Active Projects as of beginning of Quarter	4	4	4	4
Interconnection Requests received	1	0	0	1
Number of Interconnection Requests that withdrew or deemed to not qualify for the Fast Track Process during the Quarter	0	0	0	1
Total Interconnection Requests	5	4	4	4

Currently, all four fast track projects remain as active projects in the queue and there was one new project that entered the queue in Q1 2012. It was determined that the initial four fast track projects failed to pass the Fast Track screens. The screen they failed was the fourth screen (see GIP section below).

**5.3.1.4** The proposed Generating Facility, in aggregation with other generation on the transmission circuit, shall not contribute more than 10 percent to the transmission circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

Two of the projects were determined to meet GIP Section 5.3.3 (below) in that while they failed the screening process, no upgrades are reasonably anticipated. These projects will move forward to the SGIA stage.

**5.3.3** If the proposed interconnection fails the screens and no Upgrades are reasonably anticipated, but the CAISO and Participating TO determine that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards under these procedures, the Participating TO shall, within fifteen (15) Business Days, provide the Interconnection Customer with a Small Generator Interconnection Agreement for execution.

It was determined that Upgrades were reasonably anticipated for the other two projects. However, project modifications are being considered that may result in these projects passing the previously failed screen. The project just added to Fast Track is still being analyzed at this time.

**Appendix 1**

**Prior Version of Table 6 for Amendment 39 projects**

<b>Table 6</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q2 2011</b>	<b>Q1 2011</b>
<b>Component 1 Projects</b>				
Number of projects which have completed interconnection process	35	35	36	37
Number of projects which have not completed interconnection process	0	1	1	1
Number of projects withdrawn	8	7	6	5
Number of projects in this category	43	43	43	43
<b>Breakdown of the status of projects in this Category</b>				
Projects with completed studies for which LGIA not completed	0	1	1	1
Projects for which studies and LGIAs signed but which have not yet come online	11	11	12	14
Projects with signed LGIAs, which have completed Interconnection process and are now online and with declared Commercial Operation Date (COD).	24	24	24	23
Number of projects withdrawn	8	7	6	5
Number of projects in this category	43	43	43	43

**Prior Version of Table 7 for the Serial Study Group**

<b>Table 7</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q2 2011</b>	<b>Q1 2011</b>
<b>Queue Component 2: The Serial Study Group</b>				
Number of projects which have completed interconnection process	10	8	7	6
Number of projects to be completed	51	54	55	59
Number of projects that have withdrawn from Serial Study Group	16	15	15	12
Total Number of projects in Category 2	77	77	77	77
<b>Breakdown by milestone</b>				
<b>Study Work</b>				
Projects for which studies are completed	53	55	55	59
Projects for which Facilities Study is in progress	0	0	0	0
Projects for which Systems Impact Study is in progress <sup>1</sup>	0	0	0	0
Projects for which Feasibility Study is in progress	0	0	0	0
Projects completed or withdrawn	24	22	22	18
Total Number of projects in Category 2	77	77	77	77
<b>Interconnection Agreements</b>				
Projects with completed studies for which LGIA not completed	21	21	23	26
Projects for which studies completed and LGIAs signed but which have not yet come online	30	33	32	33
Projects with signed LGIAs, which have completed Interconnection process and are now online and with declared Commercial Operation Date (COD).	10	8	7	6
Projects for which studies have not been completed	0	0	0	0
Projects that have withdrawn	16	15	15	12
Total Number of projects in Category 2	77	77	77	77

**Prior Version of Table 8 for the Transition Cluster**

<b>Table 8</b>				
Queue Component 3: The Transition Cluster	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Active Projects as of beginning of Quarter	3838	38	38	40
Number of Interconnection Requests that withdrew during the Quarter	00	0	-1	2
Projects Completed during the Quarter	11	0	1	0
Active Projects as of end of Quarter	3737	38	38	38

**Prior Version of Table 9 for the First Queue Cluster**

<b>Table 9</b>				
Queue Component 4: Requests Within the First Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Active Projects as of beginning of Quarter	1212	12	13	13
Number of Interconnection Requests that withdrew during the Quarter	11	1	0	0
Projects Completed during the Quarter	00	0	0	0
Active Projects as of end of Quarter	1111	12	13	13

**Prior Version of Table 10 for the Second Queue Cluster**

<b>Table 10</b>				
Queue Component 5: Requests Within the Second Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Active Projects as of beginning of Quarter	26	26	27	27
Number of Interconnection Requests that withdrew during the Quarter	3	1	0	0
Projects Completed during the Quarter	0	0	0	0
Active Projects as of end of Quarter	23	26	27	27

**Prior Version of Table 11 for the Third Queue Cluster**

<b>Table 11</b> Queue Component 6: Requests Within the Third Queue Cluster under GIPR LGIP	Q1 2012Q1 2012	Q4 2011	Q3 2011	Q1 2012
Active Projects as of beginning of Quarter	1818	18	39	18
Number of Interconnection Requests that withdrew during the Quarter	00	0	21	0
Projects Completed during the Quarter	00	0	0	0
Active Projects as of end of Quarter	1818	18	18	18

**Prior Version of Table 12 for the Fourth Queue Cluster**

<b>Table 12</b> Queue Component 7: Requests Within the Fourth Queue Cluster under GIPR LGIP	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Active Projects as of beginning of Quarter	168	172	172	193
Number of Interconnection Requests that withdrew during the Quarter	69	4	4/4	21
Total Interconnection Requests	99	168	172	172

## ***Certificate of Service***

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 30<sup>th</sup> day of April, 2012 at Folsom, California.

*/s/ Susan Montana*

Susan Montana