Broad Reach Power LLC (BRP) appreciates the opportunity to comment on the information presented at CAISO’s Transmission Development Forum (TDF) held on January 25, 2023 (1Q2023 TDF). The TDF represents a partial, incomplete step toward a system that will allow for an efficient build out of the grid but BRP recognizes it as an incremental improvement and appreciates the continued efforts to improve by CAISO and Participating Transmission Owner (PTO) staff.

Although BRP has projects that interconnect with multiple PTOs, BRP’s comments for the 1Q2023 TDF are primarily focused on information presented by PG&E. PG&E communicated significant increases in time to construct for several projects. These delays will impact California’s reliability and decarbonization goals. The CAISO needs to acknowledge the implications of PG&E’s delays and take appropriate action.

**Implication of TPP Upgrades Delays Needs to be Communicated.** PG&E’s presentation deck described schedules for 14 Transmission Planning Process (TPP) projects. Two showed a modest schedule improvement, 3 showed an In-Service delay of “3+ months”, and 9 projects showed a delay of “6+ months”. Interconnecting generators (Generators, Interconnection Customers, or ICs) do not have cost responsibility for TPP projects but such upgrades are “precursor” upgrades and thus these delays will impact many generation projects to the detriment of grid reliability and the State’s decarbonization goals. CAISO should provide a summary of how the delays will affect interim deliverability of specific projects either as part of a supplemental study or as part of the annual Interim Deliverability analysis. Specifically, CAISO should show the impact of project delays that push In Service past the summer season (i.e., past Q3) in a year, such as the East Shore-Oakland J 115 kV Reconductoring Project and the Morgan Hill Area Reinforcement.

**Generation Interconnection Network Upgrades Are Still Not Being Accurately Shown.** PG&E’s presentation summarized schedule changes for 6 Network Upgrade (NU) projects. The NU Generation Interconnection Excel (NU-GI) workbook, PG&E tab, lists 36 additional projects—for a total of 42¹—and, thus, provides a more complete picture. PG&E has changed the Service

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¹ Excluding projects shown as completed or cancelled. Note that the NU-GI workbook excludes many plan of service upgrades, such as new or modified switching stations, required to connect generators.
Date for no less than 23 GI projects since the first quarterly report released in 1Q2022. Of these 23 projects, 7 show a schedule improvement and 16 show a delay in the In-Service Date. The average delay for these projects is 18 months (7 quarters). This is not positive news and the “true” reality is undoubtably worse as this statistic represents only the change shown since PG&E reported data for first report from 1Q2022. The NU-GI workbook does not show the originally estimated In Service date that is communicated to generators in their Phase 2 reports and interconnection agreements (GIAs). BRP is aware of multiple NU-GI projects, with a total scope in excess of $100 million, for which PG&E’s current In Service date has been delayed by 8 quarters (30 months). You can’t tell this from the NU GI workbook, however. BRP reiterates the request made by others before that PTOs list the original In-Service dates committed to ICs in project GIAs.

**Corrective Action and Mitigation is Required.** PG&E’s performance with respect to fulfilling approved NU’s has gotten demonstrably worse and PG&E has offered no plan to put itself back on course. These delays and the likelihood of more to come puts generation projects at risk for being unable meet commitments to customers, vendors, and investors. Although the transparency provided in the TDF forums is helpful, CAISO should not consider it sufficient—the potential cost to the state is too great. CAISO should recognize the impact and take the actions listed below (BRP requests that CAISO / PTOs comment on each recommended action):

1. CAISO should communicate the true nature of these delays to the CPUC and FERC. As noted above, delays should be measured from the timelines communicated in Phase 2 studies or signed GIAs, not simply by the change in estimated In Service initially posted by the PTOs in 1Q2022.

2. CAISO should develop performance standards for its PTOs on upgrades committed via the TPP or generation interconnection process. CAISO should consider the ability to engage in enforcement actions or issue penalties when reasonable standards are not met.

3. Where the PTO forecasts that it cannot perform (or is demonstrably not performing), third parties should be allowed complete upgrades committed in the TPP or in GIAs. This could be done either by the PTO being required to seek external vendors more aggressively or seek investors/co-owners.

4. Where timelines have been extended from the dates originally communicated in the generator’s Phase 2 study or GIA, the PTO should be prohibited from collecting Third Interconnection Financial Security (IFS) prematurely. Per the CAISO tariff, Third IFS is not required until the start of construction. Per the projects listed in the PG&E tab of the GI-NU workbook, 14 projects show a start of construction 24 months or farther in the future. Another 8 do not show an estimated construction start date. Per PG&E’s remarks provided

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² Year on Year. Excludes projects in the 1Q2023 report shown as completed or cancelled.
at the TDF, projects that do not show a construction start date are still being scoped, and therefore, will unlikely start construction for at least a year. All PTOs, including PG&E should provide in their replies to this comment their specific policy is for requiring Third IFS relative to the start of construction shown in the NU-GI workbook.

5. As a way to alleviate the need for certain PTO projects that have been delayed. CAISO should invite generators to either reduce project size or the requested level of deliverability. In some cases, there may be a “win-win” where the delayed project can be descoped or be recognized as not having a reliability consequence as a result of generator modifications. CAISO should do this in 2023 as part of its annual reassessment process. CAISO is requested to confirm that a 2023 Reassessment will occur even though there was not cluster phase 2 study issued in 2022. A 2023 reassessment can incorporate many significant changes that have occurred in the last year including project dropouts, project downsizes, reductions in requested deliverability, changes to approved NUs via the TPP, and schedule delays as communicated by the PTOs. PTOs are requested to comment on whether the 2023 Reassessment would be beneficial for helping them identify project priorities in the face of scheduling constraints.

Submitted on Behalf of Broad Reach Power,

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