

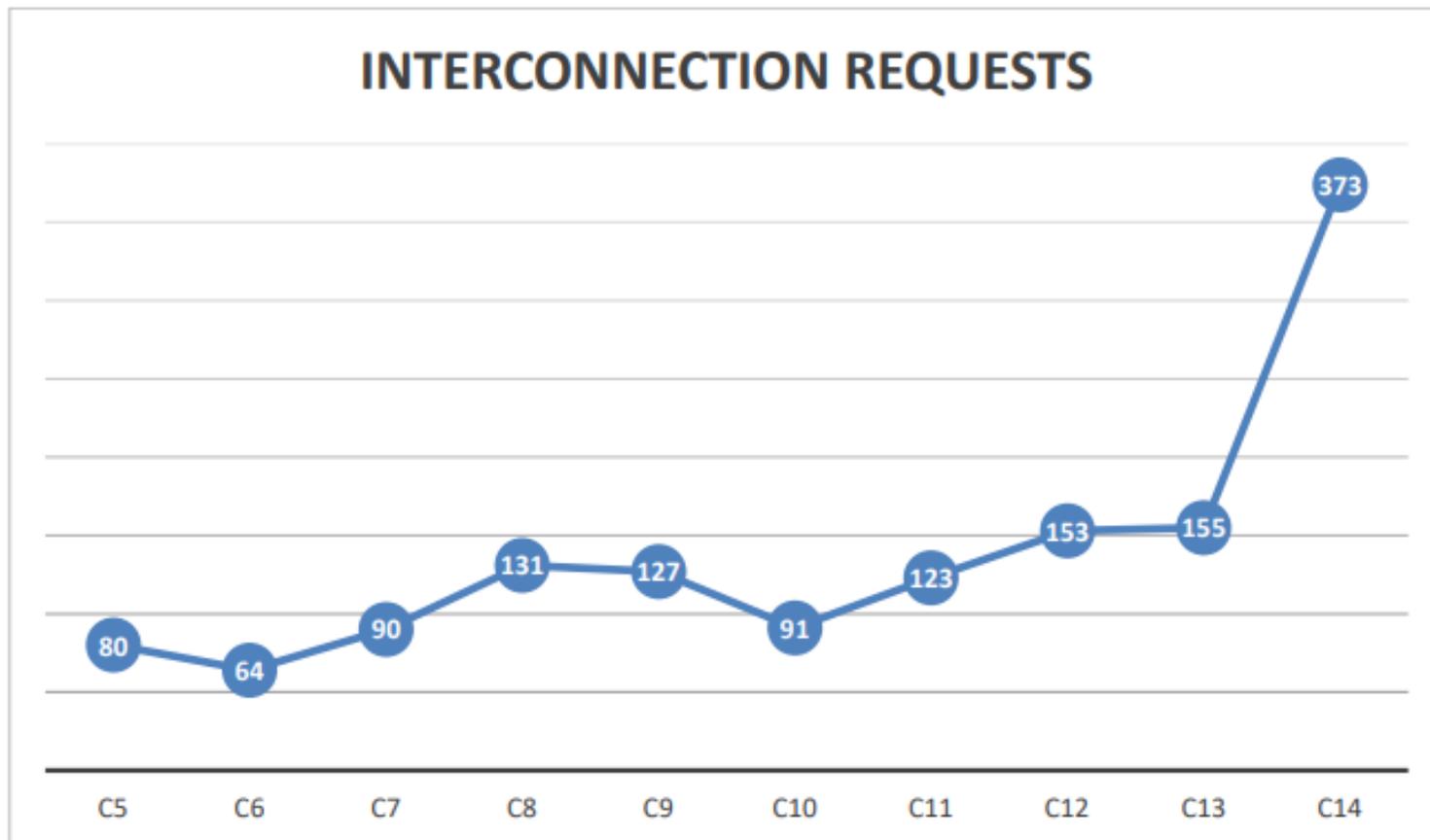


Decision on Cluster 14 Interconnection Procedures

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Board of Governors Meeting
General Session
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The ISO received an unprecedented number of interconnection requests in the annual interconnection request window conducted in April 2021 (cluster 14)



The size of interconnection queue cluster 14 requires study timeline and process changes

- In the last decade, the ISO has received an annual average of 113 queue cluster interconnection requests
- This year the ISO received 373 interconnection requests totaling over 110 GW
- This volume significantly exceeds the capacity of the ISO and the transmission owners to process the requests on normal timelines established in the ISO's tariff and business practice manual
- The ISO proposes to expand its study timelines and alter its study processes to accommodate this queue "supercluster" and ensure meaningful study results

Management proposes three principal revisions to its interconnection queue cluster 14 study process

- Extend overall study process by approximately 1 year with accompanying study modifications
- Estimated costs and cost allocations in Phase I studies will be advisory; the Phase II studies will set the cost caps
- Interconnection customers will be eligible for 100 percent refund of their initial financial security if the Phase II study:
 - increases the maximum cost responsibility by 25% or more than identified in the Phase I study; or
 - extends the longest-duration reliability network upgrade by one year or more than identified in the Phase I study

Proposed interconnection queue cluster 14 schedule

Deadline	Cluster 14 Proposal	Typical Cluster
Phase I Study Results Published	September 15, 2022	January 11, 2022
Initial IFS Due	January 13, 2023	April 25, 2022
Cluster 15 Request Window	April 15, 2023	April 15, 2022
Phase II Study Results Published	November 24, 2023	November 20, 2022
TPD Affidavits Due	December 8, 2023	December 1, 2022
TPD Results Published	March 23, 2024	March 14, 2023
Second IFS Due	May 4, 2024	May 19, 2023
Reassessment	August 20, 2024	August 1, 2023

Stakeholder input

- Stakeholders are in general agreement with the three principles
- A number of stakeholders proposed more demanding requirements to remain in the study process
 - Site control
 - Power purchase agreement status
 - Advance only select resource types
- The ISO plans to initiate a more extensive interconnection process enhancement initiative later this year

Management recommends the Board approve the cluster 14 interconnection procedures

- Allows the ISO to accommodate this cluster 14 “supercluster” under our current tariff framework and ensure meaningful study results
- Provides interconnection customers with certainty for cluster 14 study timelines and processes
- Enables further modifications to be considered in the more extensive interconnection process enhancement initiative to be initiated this fall