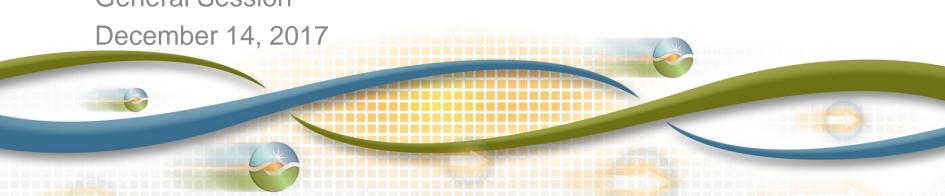


Decision on expedited Generator Interconnection and Deliverability Allocation Procedure (GIDAP) enhancements

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Board of Governors Meeting

General Session



Management is proposing two changes to the generator interconnection and deliverability allocation procedure

- Extended parking opportunity for Interconnection Customers
- 2. Shorten the month-long interconnection request window to enable more time for request validation

Enhancement #1 - Extend parking opportunity for interconnection customers

- Transmission plan deliverability (TPD) is needed for a project to be eligible as an RA resource.
- Projects must receive a TPD allocation in the ISO's study process and requires a PPA or being shortlisted for a PPA.
 - If project does not qualify, it may "park" for one year and seek an allocation in the following year's process.
 - If project does not receive an allocation after parking, it must convert to energy only or withdraw from the queue.
- Interconnection customers have requested additional time to park and seek a PPA.

Proposed parking extension

The ISO proposes to extend the parking option period for one additional year when the following criteria are met:

Criterion 1:

 A project will only be allowed to park for a second year when there is TPD still available in the project's area.

Criterion 2:

- If a project has a network upgrade assigned to it, which is needed by a later cluster project, parking for a second year will not be allowed.
- If a project has a network upgrade assigned to it, which is needed by another project within its cluster, parking is only allowed if all projects sharing the network upgrade opt to park.

Tendering of an Interconnection Agreement

To mitigate risk to a PTO, a project must come out of parking status to be tendered a GIA, including the first year and second year of parking.



Preliminary snap-shot assessment of proposed parking criteria

- Currently 30 Cluster 8 projects are parked.
- 20 of the 30 projects would have opportunity to park for a second year.
- Final determination of C8 project's opportunity to park for a second year will be based on the results of the annual allocation study in March 2018.

Enhancement #2 – Shorten the month-long interconnection request window to enable more time for interconnection request validation.

- Meeting current tariff mandated interconnection request (IR) validation timelines has become challenging.
 - IRs have become increasingly varied and complex.
 - The number of IRs seeking to modify their project during the validation process has increased.
- The ISO proposes to shorten the month-long IR window to enable more time for IR validation without impacting the overall interconnection process timeline.

The ISO proposes to shorten the cluster application window and increase the validation period.

	Current Timeline	Proposed Timeline	Tariff Section
IR/Application Window Opens	April 1	April 1	3.3.1
IR/Application Window Closes	April 30	April 15	3.3.1
IR Validation	Within 20 BDs after close of application window	No later than May 31	3.5.2.2
Pro-forma Study Agreement to Interconnection Customer	Within 30 CDs after close of application window	No later than May 31	6.1.1
Scoping Meeting held	Within 60 CDs after close of application window	No later than June 30	6.1.2

BD = Business Days. CD = Calendar Days. Deadlines falling on non-BDs move to next BD.



Stakeholders generally support the proposed enhancements but some concerns remain

Supportive of extended parking

- Provides more time for developers to obtain a purchase agreement.
- Provides benefits to LSEs' RPS procurement process.
- Some requested further changes that will be considered in IPE 2018.

Opposed to extended parking

- Allows projects to linger in queue unnecessarily.
- Increases risk to PTOs having to back-stop network upgrade financing.

Management recommends the Board approve the proposed enhancements to the GIDAP.

- Broadly supported by stakeholders.
- Provide interconnection customers with the improved opportunity for receiving transmission plan deliverability.
- Improve the effectiveness of the interconnection request window.