



# Decision on Interconnection Process Enhancements

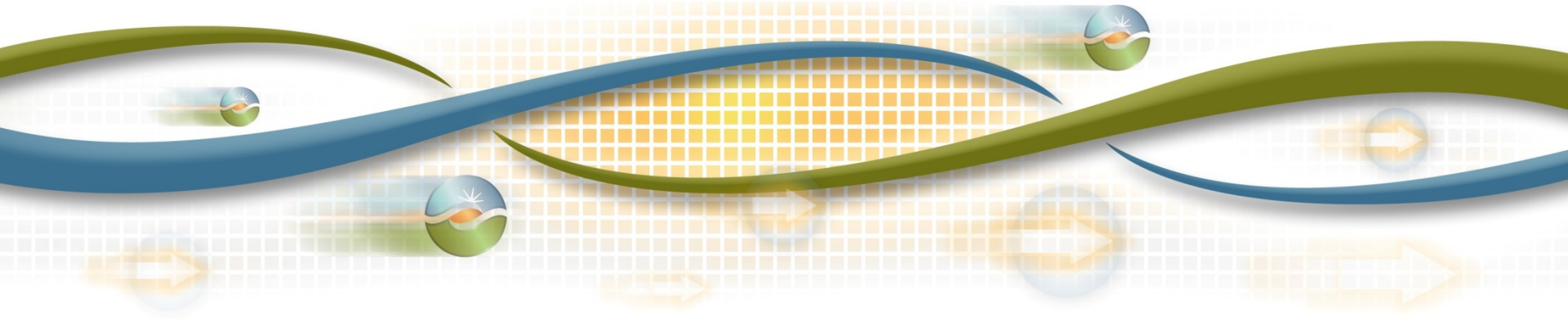
Deb Le Vine

Director, Infrastructure Contracts & Management

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General Session

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# The interconnection process enhancements initiative included 11 topics, 2 are before the Board today.

No.	Topic
1	Affected Systems
2	Time-In-Queue Limitations
3	<i>Negotiation of Generator Interconnection Agreements</i>
4	<i>Deposits</i> <i>Interconnection Request Study Deposits</i> <i>Limited Operation Study Deposits</i> <i>Modification Deposits</i> <i>Repowering Deposits</i>
5	<i>Stand-Alone Network Upgrades and Self Build Option</i>
6	<i>Allowable Modifications Between Phase I and Phase II Study Results</i>
7	<i>Conditions for Issuance of Study Reports</i>
8	<i>Generator Interconnection Agreement Insurance</i>
9	<i>Interconnection Financial Security</i> <i>Process Clarifications</i> <i>Posting Clarifications</i> <i>Transmission Plan Deliverability Affidavit Impacts</i>
10	<i>Forfeiture of Funds for Withdrawal During Downsizing Process</i>
11	<i>Transmission Plan Deliverability Option B Clarifications</i>

# The affected systems proposal expands the existing business practice manual process.

- Sets a sixty day time limit for identifying as an affected system
- Allows for identification outside the timeline if:
  - CAISO failed to notify the affected system
  - Interconnection customer changes project such that it then impacts an affected system
  - Wholesale distribution access customer converts to a ISO customer
- If an affected system does not meet the above criteria, and comes forward later, ISO will not delay synchronization or commercial operation absent a legitimate reliability issue

# The time-in-queue proposal establishes commercial viability criteria to retain deliverability beyond 7/10 years.

- Failure to meet criteria results in conversion to energy only deliverability status, but customer remains in queue
  - Commercial viability criteria includes permitting, power purchase agreement status, site exclusivity, and GIA status
- Allows for power purchase agreement based commercial operation date extensions and a one year energy-only conversion delay for lack of a power purchase agreement
- Clarifies existing requirement that participating transmission owners must provide notice to customers of network upgrade delays and allows for a commensurate delay to commercial operation

# Broad stakeholder support for the proposal but one stakeholder does not fully support certain elements.

- Affected system
  - Believes an affected system that identifies late should be further limited to a demonstration of significant and material impact
  - Believes “legitimate reliability issue” should be defined in the tariff
  - Requested the ISO post all existing agreements that participating transmission owners have with affected systems
  - Believes the affected system should define the impact to their system in the 60 day process
- Time-in-queue
  - Believes the criteria should only apply when the deliverability upgrades can be used by an existing project
  - Requested that additional policy be developed for deliverability upgrades that are under construction or already in service when a project converts to energy only

Management recommends the Board approve the proposal.

- Improves the process for affected systems.
- Provides needed structure for administering the queue.
- Further positions the ISO interconnection process to enable more ambitious renewable policy goals.