

Stakeholder Process: Decision on Interconnection Process Enhancements – Track 2

Summary of Submitted Comments

Stakeholders submitted three rounds of written comments to the ISO on the following dates:

- Round One, Issue Paper, submitted 01/17/2018
- Round Two, Straw Proposal, submitted 05/09/2018
- Round Three, Revised Straw Proposal, Submitted 07/10/2018

Parties that submitted written comments to the Revised Straw Proposal:

CESA (California Energy Storage Alliance), EDF-R (EDF Renewables), First Solar, Intersect Power, LSA (Large-scale Solar Association), NextEra, PG&E (Pacific Gas & Electric), SCE (Southern California Edison), SDG&E (San Diego Gas & Electric), Six Cities, Wellhead, and TMEIC (Toshiba Mitsubishi-Electric Industrial Systems Corporation)

Parties that participated in meetings or conference calls:

8minutenergy Renewables, Inc., Avangrid Renewables, LLC, Buchalter, Candela Renewables, CDWR, CEC, CESA, City of Anaheim, CPUC, ORA, Customized Energy Solutions, Duncan Weinberg, E.ON Climate and Renewables, FERC, First Solar, GE, Intersect Power, NRG Energy, Inc., PG&E, Phoenix Consulting, Recurrent Energy, SCE, SCE/ESP, SDG&E, Spiegel & McDiarmid, Terra-Gen, Thompson Coburn LLP, VEA, Wellhead Electric Company

Stakeholder comments are posted at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/InterconnectionProcessEnhancements.aspx>

Other stakeholder efforts include:

- Issue Paper, in-person meeting, January 24, 2018
- Straw Proposal, conference call, May 21, 2018
- Revised Straw Proposal, conference call, July 17, 2018

Management proposal	PG&E, SCE and Six Cities	First Solar and Intersect Power	EDF-R, LSA, NextEra & Intersect Power	Management response
<p>Issue 1</p> <p>Allocating transmission plan deliverability (Allocation Ranking Groups)</p>	<p>Support</p>	<p>Conditional support:</p> <p>First Solar and Intersect Power</p> <p>(1) Recommend deliverability be allowed to be allocated to projects that obtain a PPA with counterparties that do not have a resource adequacy requirement.</p> <p>First Solar</p> <p>(2) Recommends that Group Three projects (w/o PPA) should be allowed more time to elect the allocation status of a project that will proceed to commercial operation even if it does not obtain a PPA, and further request the ability to change the project's Commercial Operation Date (COD) if PPA is obtained.</p>	<p>Conditional support:</p> <p>EDF-R, LSA, NextEra</p> <p>(3) Recommend reducing the PPA requirements from PPAs that require deliverability to PPAs that are seeking deliverability, but do not require deliverability as an absolute requirement.</p>	<p>(1) ISO does not agree that the limited amount of remaining deliverability available for allocation should be provided to projects that are procured by entities that do not have a resource adequacy requirement.</p> <p>(2) ISO does not agree because the recommended change would allow "gaming" the process whereby projects could get an allocation when they have no intention of building their project without a PPA. This is the very behavior the ISO seeks to eliminate through the proposed criteria.</p> <p>(3) Again, the ISO does not agree that the limited amount of remaining deliverability available for allocation should be provided to projects that are procured by entities that do not require deliverability as a requirement within the PPA.</p>

Management proposal	PG&E, SCE and Six Cities	EDF-R, LSA, NextEra	Intersect Power	First Solar	Management response
Issue 2 Options for converting to Energy Only	Support	Conditional support: (1) Recommend that extra studies be performed before the interconnection customer elects to convert to energy only so that the customer will know if their network upgrades are no longer needed. Alternatively, these stakeholders recommend that the ISO provide the interconnection customer with the ability to withdraw its request to convert to energy only if their delivery network upgrades are still needed.	Conditional support: (2) Suggests that funds should only be retained if deliverability upgrades are still needed for other projects in the same cluster.	Conditional support: (3) Urges the consideration of other ways to address the concerns identified with projects using conversion requirements to reduce cost responsibility and then withdraw.	(1) The ISO disagrees because these additional study requirements would be burdensome and can be performed by the interconnection customers themselves. The ISO's study process schedule is integrated with the transmission planning study process and cannot accommodate additional studies. (2) The ISO disagrees because that would require the transmission owner to fund the subject upgrade if the project withdraws after converting to energy only, producing an opportunity for the interconnection customer to game the withdrawal process. (3) The ISO found that First Solar had a misunderstanding of the proposal, but also a valid concern that warranted a modification to the proposal to limit the impact to projects that receive an allocation by having a PPA or being on a PPA short list, and then lose it in the retention process through no fault of their own.

Management proposal	First Solar and PG&E	CESA, Intersect Power, SCE, SDG&E, Six Cities, and TMEIC	EDF-R, LSA, NextEra	Management response
Issue 3 Options for transferring deliverability	Support	Did not comment	Conditional support: (1) Support the proposal and recommend that such transfers be extended to any project at the same point of interconnection, regardless of ownership.	(1) The ISO disagrees because this would make deliverability a marketable commodity, which would be a significant paradigm shift in the current deliverability procedures and bypass the ISO's deliverability allocation process.

Management proposal	PG&E, SCE	CESA, Intersect Power, SCE, SDG&E, Six Cities, TMEIC, and Wellhead	Management response
Issue 4 Retaining energy storage facilities added to retiring generators	Support	Did not comment	

Management proposal	EDF-R, First Solar, NextEra, PG&E, and SCE	CESA, Intersect Power, LSA, SDG&E, Six Cities, and TMEIC	Wellhead	Management response
Issue 5 Generator Interconnection Agreement suspension	Support	Did not comment	Conditional support: (1) Suggests that the process should only apply to projects with delivery network upgrades.	(1) The ISO disagrees because a suspension's impact on reliability network upgrades are no less of a concern than for delivery network upgrades, and in many cases can be an even larger concern.

Management proposal	All stakeholders	Management response
Issue 6 Eliminating conditions for partial recovery of financial security	Support: All stakeholders support or did not comment on this issue.	

Management proposal	All stakeholders	Management response
Issue 7 Adding project names to interconnection queue	Support: All stakeholders support or did not comment on this issue.	

Management proposal	PG&E, SCE, SDG&E	CESA, Intersect Power, Six Cities, TMEIC and Wellhead	EDF-R, LSA, NextEra	Management response
Issue 8 Prohibiting technology changes for delayed projects	Support	Did not comment	Conditional support: (1) Recommend technology additions, not wholesale or partial changes, be allowed beyond the 7/10 year time-in-queue threshold.	(1) ISO disagrees because the process of adding new technologies to a project has enabled projects to incrementally make changes that result in wholesale technology conversions, which warrant a new interconnection request.

Additional Comments	Various Stakeholders	Management response
Topic not included in the Revised Straw Proposal	(1) Various stakeholders would like opportunity for Energy Only projects to re-enter the queue, pay for upgrades identified as needed in a deliverability study, and seek a deliverability allocation.	(1) The ISO decided not consider this topic in IPE 2018 due to not having sufficient time given all the other 2018 policy issues. The ISO agrees to consider this topic in a future IPE stakeholder initiative.