

Decision on Interconnection Process Enhancements 2023 – Track 1

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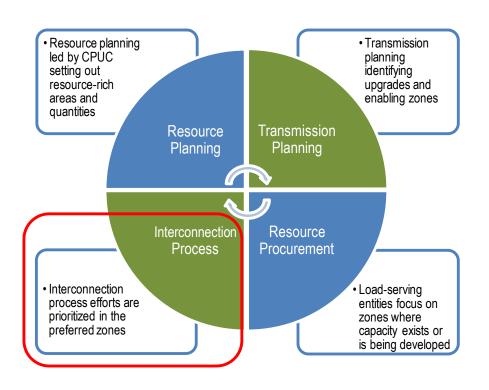
ISO Board of Governors meeting General Session May 18, 2023

Today: Requesting approval of initial tariff changes to set the stage for broader transformative changes

- Adjusts the timing of processing the Cluster 15 interconnection requests received in April (Track 1)
- Enables the development of the broader transformative changes (Track 2)
 - Leading to December Board of Governors meeting
- Allows for the timely processing of detailed studies for Cluster 14 resources that applied in 2021
 - With a modest adjustment



The ISO's interconnection process stakeholder initiative is based on the strategic direction established with the CPUC and CEC



The strategic direction was established in the CPUC/CEC/ISO Memorandum of Understanding signed in December, 2022 to:

- Tighten the linkage between resource and transmission planning, procurement direction, and the ISO interconnection process
- Create formal linkage between CEC SB 100/IEPR activities and the ISO and CPUC processes
- Reaffirm the existing state agency and single forecast set coordination



Current circumstances have reinforced the need for these transformative changes

- Over 7,000 MW per year is called for in the CPUC portfolios for the ISO's 2023-2024 planning cycle
- Interconnection requests continue to skyrocket

 many in areas not part of state resource plans, and in excessive volumes even in those areas

 Cluster 15 greatly exceeded last year's informal survey results of about 300 expected requests





Page 4

Proposed Track 1 changes:

- Postpone processing of Cluster 15 interconnection requests (validation, project scoping meetings and studies) to the 2nd quarter of 2024
- 2. The ISO will not accept Independent Study Process (ISP) interconnection requests until Cluster 15 has received its phase-I study results.
- 3. Revise Cluster 14 phase II study report deadline from November 24, 2023 to January 31, 2024.