

Stakeholder Comments Template

Generator Interconnection: Cluster 14 Revised Study Process and Timeline

This template has been created for submission of stakeholder comments on the Supercluster Interconnection Procedures issue paper and draft final proposal that was published on May 14, 2021. The proposal, stakeholder meeting presentation, and other information related to this initiative may be found on the miscellaneous stakeholder meetings webpage at:

<http://www.caiso.com/informed/Pages/MeetingsEvents/MiscellaneousStakeholderMeetings/Default.aspx>

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **May 28, 2021**.

Submitted by	Organization	Date Submitted
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**Please provide your organization’s comments on the Supercluster Interconnection Procedures issue paper and draft final proposal, and May 21 stakeholder call discussion:**

EDF-R appreciates this opportunity to comment on CAISO’s draft final proposal for revising the Generation Interconnection and Deliverability Allocation Process (GIDAP) to process CAISO’s largest cluster ever (Supercluster 14). CAISO proposes that changes made during this very accelerated process be the standard for any future Superclusters (clusters that receive 150 or more interconnection requests.)

EDF-R agrees that changes to accommodate a cluster of this magnitude are necessary and appreciates the CAISO’s swift response to the issue. However, EDF-R is concerned that the proposed changes for Supercluster 14, while logical, will not be sufficient to address the current supercluster nor will they disincentivize interconnection customers from submitting the types of interconnection requests that are ballooning the interconnection queue. The fact that the CAISO’s interconnection queue is full of speculative interconnection requests is not in question. The Joint Entities (CAISO, CPUC, CEC) all agree generally that the magnitude of generation required to meet the need is approximately 10 GW by 2025. The CAISO’s current active interconnection queue is 80 GW and Supercluster 14 expands the existing interconnection queue to 187 GW. This number dwarves the expected need. Why? Because it is full of interconnection requests that are a proxy for information requests. The interconnection queue also shows 4.5 GW

of capacity as having a Commercial Operation Date that occurs in the past and, this one example of several that show that interconnection requests many interconnection requests are submitted as investments for the purpose of holding queue priority as its market value rises. The CAISO may not appreciate or agree that queue positions are a product to be bought and sold, but that is the reality, and project purchases and assignments are common. The supercluster situation is a direct result of these drivers. The CAISO's proposal is a proposal to figure out how to perform a huge study when it should be a proposal to seek to right-size the Supercluster, and prevent future clusters from inflating the queue.

Overall, EDF-R opposes the CAISO's current proposal, and respectfully requests the CAISO implement the following process modifications which would both address the true drivers of the Supercluster and produce meaningful results on a quicker timeline:

- **CAISO should publish a Pre-Phase-I report comparing the makeup of Supecluster 14 to regional curtailments, known transmission constraints, a DC screening analysis, and known deliverability availability.**

The CAISO's proposal strongly relies on the logic that driving to Phase II and getting to the point where it is common for interconnection customers to withdraw projects is imperative. EDF-R proposes that for the supercluster, the CAISO introduce new and early inflection point for that decision making. The CAISO does not require FERC approval to change dates, nor does the CAISO require FERC approval to publish informational reports. The CAISO states frequently on stakeholder calls, including the May 21 call, that this information is available, and stakeholders can collect, collate, and analyze it as they please. That is technically true, but the reality the information is not readily accessible (the NDA process and certificate process are undeniably complex), and the information is sometimes convoluted, without clear primary keys for accurate comparative analysis, and it is not easily understood by non-expert stakeholders. Readability and accessibility is as important as availability. The pre-Phase-I report should compare the makeup of Supecluster 14 to regional curtailments, known transmission constraints, and known deliverability availability.

EDF-R also requests that the CAISO include in its planned interconnection process enhancements initiative (IPE) a proposal to develop a tool that has usability equivalent to MISO's POI tool:

<https://giqueue.misoenergy.org/PoiAnalysis/index.html>.

- **After receipt and review of Pre-Phase-I report, the CAISO should give interconnection customers the option to withdraw their requests and receive a complete refund of their study deposit.**

Publishing a Pre-cluster-I report to will give interconnection customers who

submitted their requests as a proxy for information requests the opportunity to withdraw from the interconnection queue with no penalty.

- **The Pre-Cluster-1 report should also include high-level insight into on the CAISO's plan to augment its modelling assumptions.**

CAISO stated that it will augment its modeling assumptions to curtail or redispatch resources in the Cluster to allow the models to arrive at what they called a "reasonable solution". EDF-R requests that CAISO provide upfront transparency on proposed changes to the current regional methodology and creation of additional sub sections within those regions. This information will be critical necessary for stakeholders to understand and the interpret the Phase I results and for the Phase I results to have meaningful credibility.

- **It is acceptable to extend timelines to accommodate the Pre-Phase-I report because meaningful Phase I reports are better then a glut of reports that are inaccurate.**

- **With the Pre-Phase-I report and opportunity to withdraw without penalty, no changes are required to the GIDAP security posting schedule and rules.**

The CAISO's proposed change to provide 100% refund on Phase I financial security postings if Phase II study results increase MCR by 25%+ or timeline by 1 year are contradictory with reducing Supercluster 14 size, will incentivize developers staying longer in the queue, and will incentivize the creation of future superclusters. CAISO's proposal to change cost allocation procedures such that Phase I will not set maximum cost responsibility (MCR) (only Phase II) do no favors for developers, who could still see their maximum cost exposure (MCE) which is MCR plus Conditional Assigned Network Upgrades (CANU) soar well above the MCR and thus the developers do not receive any benefit in the form of reduced financial risk after phase 1.

- **CAISO should seek permission from the FERC to increase interconnection security risks for Supercluster 14 and all clusters going forward.**

CAISO's financial security risk is below that for interconnection request at other ISOs. For example, at SPP 25% of financial security postings are nonrefundable after scoping is complete. In the GIDAP's existing framework, \$250K after scoping meeting, 25% after Phase I, and 25% after Phase II would be closer to comparable. CAISO's concern for retroactive ratemaking is honorable but based on informational discussions with the FERC EDF-R believes the FERC will be receptive to the change, and urges the CAISO to, at the very least, seek an informational meeting with the FERC to test responsiveness to the proposal. FERC is well aware of problems plaguing interconnection queues across the United States.

- **EDF-R supports CAISO's suggestion to publish study results from different areas on uniform timelines, and believes the suggestions above will reduce the amount of time needed to develop reports.**