



November 16, 2022

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VIA EMAIL

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Re: October 28, 2022, Transmission Development Forum

Dear CAISO and Participating Transmission Owner Representatives:

Falcon Energy Storage Holdings II (“Falcon”), a subsidiary of Arevon Energy, Inc. submits the following questions and comments in response to the quarterly Transmission Development Forum (“TDF”) web conference held on October 28, 2022, in which various parties provided updates on transmission projects and network upgrades identified in the generator interconnection process. The TDF is an important stakeholder process for generation developers to understand the status of Precursor Network Upgrades (“PNUs”) and other transmission upgrades that can negatively impact the in-service date of projects that are contracted to meet California’s reliability needs.

Falcon would appreciate additional clarity from Pacific Gas & Electric (“PG&E”) and CAISO on the following questions;

1. Could PG&E provide more detail on the internal decision-making process affecting how certain PNUs are reprioritized? How does PG&E ensure that Interconnection Customers are not harmed by reprioritizing certain PNUs required for one project over the PNUs required by another project? Does PG&E consider queue priority of interconnection customers in making prioritization decisions? Many PNUs that are being reprioritized are included in executed LGIAs. Does PG&E take this into consideration when determining what work to reprioritize? For example, Palo Alto 115kV circuit breakers 412 and 442 in-service dates were delayed by several years as part of the August 2022 CAISO Reassessment and now TDF. This upgrade is required for several advanced projects that are viable Mid-Term Reliability solutions, thus jeopardizing reliability in the state. A three-year delay to this PNU without explanation or justification is unacceptable. Can PG&E explain?
2. ACP-California requested in their comments to the July 29th TDF that PG&E provide more detail on how transmission projects are prioritized and sequenced by the PTOs. CAISO confirmed that this information would be provided in future TDF spreadsheets and presentations. As requested previously by ACP-California and now by Falcon, could PG&E please update their comments in the slide deck titled “PG&E Projects Status Summary” with an explanation on the rationale for reprioritization and sequencing rather than just the comment “Q4 Notes: Work reprioritization”?

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3. On the TDF call, PG&E noted that some of the reprioritization is due to simply having too much work. If this is the case, can CAISO facilitate a process that would allow Interconnection Customers to perform this work on behalf of PG&E to ensure projects come online in a timely manner to meet reliability needs and contractual obligations? Falcon, for one, is open to using PG&E-qualified subcontractors such that the work would be completed meeting all applicable utility standards and requirements, yet could be expedited to resolve the delays that PG&E itself is experiencing.
4. PG&E's delays to PNUs are significantly affecting generator commercial operation dates under executed LGIAs. In order to allow some impacted generators to come online in the interim, can CAISO and PG&E accelerate a customer's ability to perform limited or interim operational studies? Currently, customers cannot undertake these studies until 6 months prior to operations, which is unworkable because generators cannot get within 6 months of commercial operation (and achieve necessary financing) when their upgrades are substantially delayed.

Very truly yours,

/s/ Jason Johns

Jason A. Johns
Counsel for Arevon Energy, Inc.

cc: Tim Hemig; Paul Smerchanski