Stakeholder Comments Template

Submitted by	Company	Date Submitted
Shannon Eddy (<u>shannon@consciousventuresgroup.com</u>) Rachel Gold (<u>Rachel@consciousventuresgroup.com</u>)	Large-scale Solar Association (LSA)	July 19 th , 2013

Please use this template to provide your comments on the Interconnection Process Enhancements Draft Final Proposal for Topics 6-12 posted on July 2 and as supplemented by the presentation and discussion during the July 10 stakeholder web conference.

Submit comments to GIP@caiso.com

Comments are due July 19, 2013 by 5:00pm

The Draft Final Proposal for Topics 6-12 posted on July 2 may be found at:

http://www.caiso.com/Documents/DraftFinalProposal_Topics6-12_InterconnectionProcessEnhancements.pdf

The presentation discussed during the July 10 stakeholder web conference may be found at:

http://www.caiso.com/Documents/Agenda Presentation-InterconnectionProcessEnhancementsJul10_2013.pdf

Following each topic listed below, the ISO poses specific questions and requests that stakeholders respond to each.

Topic 6 – Provide for ability to charge customer for costs to process a material modification request

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 6:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA supports this proposal because it is generally fair and consistent with the CAISO's other study policies. However, LSA's support is conditioned on the following:

- Implementation of the CAISO's proposed cost tracking and transparency proposals, to give developers some idea of reasonable costs to process different types of MMA requests. LSA urges the CAISO to develop such cost information for other interconnection-related studies as well, e.g., Phase I and Phase II Studies.
- Development of a reasonable list of exemptions from Material Modification Assessment (MMA) requirements i.e., changes that can be made through notice to the CAISO and PTO but without the need for an MMA in the resolution of IPE Topic 15.

Topic 7 – COD modification provision for small generator projects

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 7:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA fully supports this proposal as fair and consistent with the treatment of large projects.

Topic 8 – Length of time in queue provision for small generator projects

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 8:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA has no further comments on Topic 8 at this time.

Topic 9 – Clarify that PTO and not ISO tenders GIA

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 9:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA fully supports this proposal.

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Topic 10 – Timeline for tendering draft GIAs

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 10:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA supports this proposal with qualification. The proposal should be modified explicitly to allow Interconnection Customers (ICs) to elect to receive a draft GIA within 30 Calendar Days of the Phase II Study (i.e., the same timing as under the current rules), consistent with the timelines allowed for other elections between the Phase I and Phase II Studies. This would give the CAISO and PTO plenty of notice of such expedited treatment. The CAISO supported this proposal specifically in its written response to LSA's comments on the Issue Paper.

LSA notes that the CAISO intends to include "self-prioritization" issues generally in BPM modifications. However, LSA still believes that this election should be provided for in this tariff change and not in a BPM, because: (1) the BPMs are supposed to be consistent with the tariff and not contradict it; and (2) this self-prioritization element is simple and straightforward.

Topic 11 – LGIA negotiations timeline

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 11:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA supports this proposal with qualification. This proposal should be modified explicitly to allow ICs to elect expedited treatment of its GIA negotiations, consistent with the timelines allowed for other elections between the Phase I and Phase II Studies. This would give the CAISO and PTO plenty of notice of such expedited treatment.

LSA notes that the CAISO intends to include such "self-prioritization" issues generally in BPM modifications. However, LSA still believes that this election should be provided for in this tariff change and not in a BPM, because the BPMs are supposed to be consistent with the tariff and not contradict it. LSA agrees that the <u>details</u> of how negotiations should proceed for projects electing "high-priority" treatment – e.g., deadlines for turning around drafts – would be properly addressed in the BPM process.

Topic 12 – Consistency of suspension definition between serial and cluster

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 12:

- 1. Fully support;
- 2. Support with qualification; or,
- 3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

LSA supports this proposal with qualifications.

LSA has strongly supported the CAISO's Queue Management efforts generally. LSA supports the part of the proposal that would apply the proposed changes to contracts that are not executed or "substantially negotiated" when the changes are implemented, given: (1) how long the affected projects have been in the interconnection queue; and (2) the several months before the likely FERC ruling (around November), which affords those projects time to avoid the changes through executing LGIAs by then.

However, LSA has opposed CAISO attempts to retroactively revise IC rights through restrictions unrelated to the changes under consideration (e.g., loss of suspension rights through participation on the Generator Project Downsizing Study). Thus, LSA opposes the part of the proposal that would impose these changes in the case of LGIA amendments, regardless of the cause or impact of those amendments. Such mandatory revisions would be especially unfair in situations where the amendments:

- <u>Are for reasons beyond the IC's reasonable control</u>. Such situations could include (but are not limited to):
 - COD extensions or other changes due to PTO (or Affected System) construction delays or other upgrade/plan-of-service changes; or
 - Changes required by permitting or licensing conditions not known when the LGIA was executed.
- <u>Are not material</u>, i.e., do not adversely impact any lower-queued projects.

LSA recommends that the CAISO withdraw the portion of the proposal entirely that addresses LGIA amendments. Failing that, the CAISO should make the exceptions detailed above, i.e., that the changes would not be imposed where the LGIA amendments are due to factors beyond the generator's control or are not material under the tariff.

In addition, as stated in its comments on the Issue Paper, LSA believes that consideration of the concept proposed by Wellhead Energy – that a cluster project be allowed to suspend obligations for a shared upgrade under certain limited circumstances – should be included in the scope of this topic. Further discussion should address ways to ensure that the other projects sharing the upgrade are not harmed by the suspension and that the suspending project bears any consequences (e.g., cost and/or deliverability) of the suspension. LSA reserves judgment on the merits of Wellhead's proposal pending development of these additional details.