Terra-Gen Development Company, LLC (“Terra-Gen”) appreciates the opportunity to provide the following suggestions in response to the CAISO’s Supercluster Interconnection Procedures issue paper and draft final proposal that was published on May 14, 2021 (“CAISO Proposal”):

Terra-Gen supports the CAISO Proposal, but requests consideration of the following:

1) We understand that CAISO intends to perform the short-circuit study within the Phase 1 study process to provide some sort of cost estimates associated with short-circuit duty (“SCD”) requirements as well as an elimination toll to lower the number of interconnection requests for Phase 2. Since any SCD cost estimate provided in Phase 1 will not be realistic, we recommend the elimination of this study in Phase 1 and adding instead the Site Control requirement for entering Phase 2 studies.

2) Since any study result for Phase 1 will not be realistic, the interconnection facilities cost estimate can be calculated based on the per unit cost guide provided by the PTOs and the network upgrades cost estimates can be based on $/MW cost that
will be calculated based on the reduced number of scenarios. Under this circumstance, we recommend to increase the required interconnection financial security postings associated with network upgrades from the existing value of 15%, to a new value of 30% (with a 15% non-refundable portion). We are making this suggestion solely for Cluster 14 given the need to address the challenges presented by this cluster quickly and will not suggest this to become a permanent change. We believe this enhanced financial security posting requirement, along with the site control requirements described above, will eliminate many speculative interconnection requests.

California’s need for additional renewable resources, and energy storage solutions to incorporate such resources is growing, and there is a high probability that interconnection clusters of 150 or more requests will become common, as evidenced by the size of the last three clusters, each of which exceeded 150 interconnection requests. We support the CAISO carefully evaluating process improvements for the long-term effectiveness of the interconnection study process.