

## **Market Notice**

***October 14, 2003***

### **- Comments Regarding FERC Large Generator Interconnection Rule (Order No. 2003) -**

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In our Market Notice on October 1st, (see below) the ISO provided notice that it had developed a White Paper to facilitate the discussion on FERC's Order 2003. In addition, we provided a preliminary schedule and requested that Market Participants provide a first round of written feedback no later than October 15, 2003. If you still wish to submit comments prior to this date, the following email address has been made available, **order2003@caiso.com**. There will be additional opportunities to submit comments in the future as outlined in the preliminary schedule below.

Once received, the ISO intends to post all written feedback to the ISO website in the Stakeholder Process section, under a tab titled "FERC Large Generator Interconnection Rule" (<http://www.caiso.com/docs/2003/10/01/200310011700457483.html>).

We believe this will provide for an open and free flowing exchange of ideas to assist the ISO in developing its interconnection proposal.

The ISO is planning to hold its first stakeholder meeting on October 21st. We will provide further details in a separate Market Notice. For more information, please contact your Account Manager.

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## **Market Notice**

***October 1, 2003***

### **- White Paper Regarding FERC Large Generator Interconnection Rule (Order No. 2003) -**

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As previously described in a Market Notice dated September 22, on July 24, 2003, FERC issued Order 2003. Order 2003 is the culmination of FERC's two-year effort to reform and standardize generator interconnection procedures nationwide. The purpose of the new rule is to establish consistent regional practices as well as to ensure non-discriminatory access to the grid. Order 2003

establishes new procedures for interconnecting new generation (greater than 20 MWs) to the transmission system. As noted in the prior Market Notice, Order 2003 directed all jurisdictional public utilities to file conforming tariff language and *pro forma* procedures and the appropriate interconnection agreement by October 20, 2003 (60-days after publication of the rule in the Federal Register). The ISO, CPUC and affected Participating Transmission Owners asked FERC for an extension of time to file the compliance filing (an additional ninety days). On September 26, 2003, FERC granted that request and directed the ISO to file its compliance filing no later than January 20, 2004.

In addition, the Market Notice stated that in order to facilitate discussion of the pertinent issues with Market Participants and other interested stakeholders, the ISO intended to issue a "White Paper" regarding interconnection service and solicit feedback from Market Participants. That White Paper is now complete and has been posted to the ISO website (<http://www.caiso.com/docs/2003/10/01/200310011700457483.html>). The ISO requests that Market Participants provide written feedback regarding the issues raised in the White Paper by no later than October 15, 2003. Subsequent to receipt of such feedback from Market Participants, the ISO will hold stakeholder meetings to further discuss the issues and refine the interconnection proposal. Finally, in addition to the pricing and service issues identified in the White Paper, the ISO may identify, and issue additional material regarding, other issues, such as queuing and the interconnection study process.

While still under development, but in order to provide Market Participants an opportunity to plan their schedules, the ISO offers the following preliminary schedule for developing its Order 2003 Compliance Filing:

October 1 <sup>st</sup>	Issue the ISO White paper and request comments from Market Participants
October 15 <sup>th</sup>	Market Participants provide comments
October 21 <sup>st</sup>	First Stakeholder meeting to describe Order 2003 and ISO White Paper and preliminary overview of Stakeholder comments
October 23 <sup>rd</sup>	ISO staff updates ISO Governing Board regarding development of interconnection policy
October 28 <sup>th</sup>	ISO publishes revised White Paper
November 4 <sup>th</sup> comments	Market Participants provide second round of
November 10 <sup>th</sup>	Second Stakeholder meeting to address stakeholder issues
November 18 <sup>th</sup>	Market Participants submit final round of comments
November 26 <sup>th</sup>	ISO staff submits recommendation on interconnection policy to ISO Governing Board
December 4 <sup>th</sup>	ISO staff presents proposed policy to ISO Governing Board

January 20<sup>th</sup>          FERC Filing

The ISO will update Market Participants further as the schedule is finalized. For more information, please contact your Account Manager.

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