California Independent
System Operator Corporation

April 30, 2010

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Q1 Quarterly Report on Progress in Processing Interconnection Requests; Docket No. ER08-1317-___

Dear Ms. Bose:

Pursuant to Paragraph 200 of the Commission's "Order Conditionally Approving Tariff Amendment" issued in this docket on September 26, 2008, 124 FERC ¶ 61,292 (2008), the California Independent System Operator Corporation ("ISO") respectfully submits by electronic filing the "Q1 2010 Quarterly Report of the California Independent System Operator on Progress In Processing Interconnection Requests."

If there are any questions concerning this filing, please contact the undersigned.

Respectfully Submitted,

/s/ Baldassaro "Bill" DiCapo
Baldassaro "Bill" DiCapo
Counsel for the California Independent System Operator Corporation

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

California Independent System Operator Corporation	))	Docket No. ER08-1317-___

Q1 2010 QUARTERLY REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR ON PROGRESS IN PROCESSING INTERCONNECTION REQUESTS

Reporting Period: January 1, 2010 to March 31, 2010

Date: April 30, 2010

Baldassaro ("Bill") Di Capo
Senior Counsel, California Independent System Operator Corporation

Part One: Introduction

The California Independent System Operator Corporation ("ISO") submits this "Q1 2010 Quarterly Report of the California Independent System Operator on Progress in Processing Interconnection Requests." The ISO submits this report pursuant to the Commission's order that the ISO submit quarterly reports on the ISO's processing of interconnection requests under the Generator Interconnection Process Reform (GIPR). The GIPR is the ISO's reformed Large Generator Interconnection Process (LGIP).

The Reporting Requirement and Prior Quarterly Reports

The Commission's September 26, 2008 order approving the GIPR LGIP included a requirement for quarterly reporting of the ISO's progress in processing interconnection requests, as a tool to evaluate whether the ISO's new, reformed process is working as planned.[1]

This report covers the period from January 1, 2010 through March 31, 2010, which is the first quarter of 2010 ("referenced as Q1 2010"). This is the ISO's sixth report. The prior reports are:

1. The ISO's Q4 2008 Quarterly Report, dated and filed February 27, 2009[2];
2. The ISO's Q1 2009 Quarterly Report, dated and filed April 30, 2009[3];
3. The ISO's Q2 2009 Quarterly Report, dated and filed July 30, 2009[4]; and
4. The ISO's Q3 2009 Quarterly Report, dated and filed October 30, 2009.[5]
5. The ISO's Q4 2009 Quarterly Report, dated and filed January 29, 2010.[6]

[1] *Order Conditionally Approving Tariff Amendment*, dated September 28, 2008, at P 200 *(California Independent System Operator Corp.* 124 FERC ¶ 61,292) (hereinafter, "September 26 Order").
[2] Accessible on the ISO's Web site at http://www.caiso.com/2362/2362d4e612850.pdf
[3] Accessible on the ISO's Web site at http://www.caiso.com/23a0/23a0de6d701a0.pdf
[4] Accessible on the ISO's Web Site at http://www.caiso.com/2403/2403907271f30.pdf
[5] Accessible on the ISO's Web Site at http://www.caiso.com/2457/2457e6f4470c0.pdf
[6] Accessible on the ISO's Web Site at http://www.caiso.com/272d/272dbd991d4c0.pdf

Part Two: A Description of the Components of the Interconnection Queue

Requests are now processed in clusters. The heart of the GIPR LGIP reform is a change from a serial process (processing requests sequentially in the order received) to a cluster process (processing requests in clusters received during a request window period).

The queue components. This report breaks down the interconnection queue into the following queue components[7]:

- Two groupings of legacy interconnection requests under prior (legacy) interconnection processes;
    - Component 1: certain projects that predated the Serial Study Group. These requests were grouped together because, at the time the ISO made its waiver request, the associated interconnection studies for these projects had already been complete.[8]
    - Component2: projects known as "the Serial Study Group." These projects needed to have studies completed at the time of categorization.

- Three cluster groupings under the GIPR LGIP;
    - Component 3: projects in the Transition Cluster: requests received at time of categorization that would transition to the new cluster study process.
    - Component 4: the First Queue Cluster: the first group of interconnection requests received during an open request window (June 2, 2008 to July 31, 2009)
    - Component 5: the Second Queue Cluster: the second group of interconnection requests received during an open request window (October 1, 2009 to January 31, 2010)

Components 1 and 2 are included so that the report covers the entire queue. Components 1 and 2 (the legacy components) are not subject to the reporting requirement under the September 26 Order. Nevertheless, the ISO has included them to give fuller context to the ISO's efforts to process its interconnection queue.

[7] The component numbers generally correspond to time (i.e. Component 1 generally consists of that group of interconnection requests that are oldest in time). However, this is not exactly so, as the groupings were also based on common characteristics (i.e. studies were already completed) that make collective treatment of the individual requests within the group more logical. This means that some interconnection requests which were older in time are part of Component 2 rather than Component 1.

[8] See discussion of the ISO's waiver petition in earlier quarterly reports, such as the Q1 2009 Report at p. 1.

Interconnection Requests Processed under the Cluster Study Process

Component 3: The Transition Cluster. The Transition Cluster is the first cluster of generation interconnection requests being processed under the GIPR LGIP. The term "Transition Cluster" reflects the fact that the ISO received these requests when the LGIP process was still serial, but, with Commission approval, they were transitioned to cluster study and processing under the GIPR LGIP. This component consists of LGIP interconnection requests:

(i) that had been made under the ISO's 2005 version of the LGIP,
(ii) that were still pending as of June 2, 2008, but
(iii) which the ISO did not assign to the Serial Study Group.[9]

The applicable ISO tariff is Appendix Y, *Large Generator Interconnection Procedures (LGIP) for Interconnection Requests in a Queue Cluster Window*, with specialized provisions for the Transition Cluster included within Appendix 2 to Appendix Y, *Large Generator Interconnection Procedures (LGIP) Relating to the Transition Cluster*.

Component 4: The First Queue Cluster. Under the GIPR LGIP, the ISO opens a request window twice a year to receive interconnection requests. After the request window closes, all of the eligible requests constitute a cluster, and these projects are studied and otherwise handled on the same time line. (A graphic that depicts the LGIP stages and timelines is included at the end of this report). The First Queue Cluster consists of the interconnection requests received under the request window that was

[9] As the ISO explained in its transmittal letter transmitting its GIPR Amendment request to FERC on July 28, 2008:

The Serial Study Group consists of certain "late stage" Interconnection Requests, which the CAISO will continue to study serially and pursuant to existing timelines. The CAISO elected to define late stage Interconnection Requests as those that either: (1) had met specific advanced milestones in the current LGIP Interconnection Study process, (2) had a power purchase agreement approved, or pending approval, by the CPUC or Local Regulatory Authority, or (3) were next in queue order to interconnect to any transmission project that has received land use approvals from any local, state, or federal entity, as applicable, up to the capacity studied by the CAISO. The CAISO explained that these criteria were logical and consistent with the Commission's guidance in the March 20 Order.

ISO Transmittal Letter to FERC submitted the ISO's GIPR Tariff Initiative, dated July 28, 2008 at p10.n 15. The ISO's Transmittal Letter can be accessed on the ISO's Web site at http://www.caiso.com/2012/2012c70a7880.pdf .

opened after the GIPR LGIP was approved. This window period opened June 2, 2008 and closed July 31, 2009. The applicable tariff is Appendix Y, *Large Generator Interconnection Procedures (LGIP) for the Interconnection Requests in a Queue Cluster Window*.

Component 5: The Second Queue Cluster. This component consists of interconnection requests received during the Second Queue Cluster window, which opened October 1, 2009 and closed January 31, 2010. Like Component 4, the Second Queue Cluster is processed under Appendix Y.

Interconnection Requests Subject to Legacy (Pre-GIPR) Procedures

Component 1: Projects Predating the Serial Study Group. As stated above, the ISO grouped these requests because, at the time the ISO made its waiver request, these requests had already completed the study phase of the interconnection process. The governing tariff provision for each project depends on the date that the interconnection customer submitted the request. If the date was prior to July 1, 2005, the governing tariff is Appendix W, *Interconnection Procedures in Effect Prior to July 1, 2005,* also known as the "Amendment 39 Procedures." If the date was on or after July 1, 2005, the applicable tariff is Appendix U, *Standard Large Generator Interconnection Procedures* (LGIP), which the ISO's 2005 version of the LGIP).

Component 2: the Serial Study Group. For all requests in this grouping, the applicable process is Appendix U, *Standard Large Generator Interconnection Procedures* (LGIP), the 2005 version of the LGIP, which are the ISO the procedures which preceded the 2008 GIPR Amendment.

Part Three: Composition of GIPR Interconnection Requests By Technology

Component 3: The Transition Cluster

The breakdown by technology of interconnection customers in the Transition Cluster is as follows:

Table 1
Transition Cluster Interconnection Customers Categorized by Prime Mover Technology

Prime Mover	Number	Technology				
		B	G	NG	S	W
Steam Turbine	19	1	7		11	
Photovoltaic	16				16	
Wind Turbine	8					8
Combined Cycle	6			6		
Combined Cycle/PV	1			0.5	0.5	
Combustion Turbine	2			2		
Total	**52**	**1**	**7**	**8.5**	**27.5**	**8**

B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind

Component 4: The First Queue Cluster

The breakdown by technology of interconnection customers in the First Queue Cluster is as follows:

Table 2
First Queue Cluster Interconnection Customers Categorized by Prime Mover Technology

Prime Mover	Number	Technology				
		WTR	NU	NG	S	W
Steam Turbine	8		1		7	
Photovoltaic	9				9	
Wind Turbine	2					2
Combined Cycle	1			1		
Wind Turbine/PV	1				0.5	0.5
Combustion Turbine	1			1		
Hydraulic Turbine	1	1				
Total	**23**	**1**	**1**	**2**	**16.5**	**2.5**

WTR=Water; NU=Nuclear; NG=Natural Gas; S=Solar; W=Wind

Component 5: The Second Queue Cluster

The breakdown by technology of interconnection customers in the Second Queue Cluster is as follows:

Table 3
Second Queue Cluster Interconnection Customers Categorized by Prime Mover Technology

Prime Mover	Number	Technology				
		G	NG	S	W	WTR
Steam Turbine	1	1				
Photovoltaic	31			31		
Wind Turbine	6				6	
Combined Cycle	3		3			
Combustion Turbine	3		3			
Hydraulic Turbine	1					1
Total	**45**	**1**	**6**	**31**	**6**	**1**

B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind

Part Four: Progress in Processing the Interconnection Requests

Component 3: The Transition Cluster

Table 4 Queue Component 3: The Transition Cluster	Q1 2010	Q4 2009
Active Projects as of beginning of Quarter	52	105
Transition Cluster eligible Projects having withdrawn during the Quarter	0	-53
Projects added to Transition Cluster during the Quarter	0	0
Active Transition Cluster Projects as of end of Quarter	52	52

The number of projects in the Transition Cluster has remained at 52 since December 2009, the deadline for interconnection customers to post their initial security posting and progress into the Phase II interconnection studies.

Under the GIPR LGIP timelines for the Transition Cluster, Phase II interconnection studies were scheduled for completion in the October 2010 time frame. During Q1, the Participating TOs and the ISO developed a work plan to speed up this process, with the goal of completing the studies during the June-July timeframe. At present, the ISO and PTOs hope to meet or better this completion time.

Component 4: The First Queue Cluster

Table 5 Queue Component 4: Requests Within the First Queue Cluster under GIPR LGIP	Q1 2010	Q4 2009
Interconnection Requests received	23	37
Number of Interconnection Requests that withdrew during the Quarter	0	-4
Total Interconnection Requests	23	23

During Q1, the number of interconnection requests has remained at 23. The ISO and Participating TOs are working to complete the power flow base cases for the Phase I Studies. The Phase I studies are in progress and the Results Meetings with the interconnection customers are scheduled to begin in June.

Component 5: The Second Queue Cluster

Table 6 Queue Component 4: Requests Within the Second Queue Cluster under GIPR LGIP	Q1 2010
Interconnection Requests received	45
Number of Interconnection Requests that withdrew during the Quarter	0
Total Interconnection Requests	45

As mentioned above, the window period for the Second Queue Cluster opened on October 1, 2009 and closed on January 31, 2010. While the ISO received 57 interconnection requests for the Second Queue Cluster before the window closed, there were 12 withdrawals, leaving the Second Queue Cluster at 45 interconnection requests.

Scoping meetings have been held with the interconnection customers and the ISO and Participating TOs will be working on the power flow base cases for the Phase I Studies for this cluster during the second quarter 2010.

Component 2: The Serial Study Group

Table 7 Queue Component 2: The Serial Study Group	Q1 2010	Q4 2009
Number of projects which have completed interconnection process	2	2
Number of projects to be completed	68	69
Number of projects that have withdrawn from Serial Study Group	-6	-5
Total Number of projects in Category 2	76	76
Breakdown by milestone		
Study Work		
Projects for which studies are completed	50	45
Projects for which Facilities Study is in progress	17	23
Projects for which Systems Impact Study is in progress	1	1
Projects for which Feasibility Study is in progress[1]	0	0
Projects completed or withdrawn	8	7
Total Number of projects in Category 2	76	76
Interconnection Agreements		
Projects with completed studies for which LGIA not completed	29	33
Projects for which studies completed and LGIAs signed but which have not yet come online[2]	21	12
Projects with signed LGIAs, which have completed Interconnection process and are now online and with declared Commercial Operation Date (COD).	2	2
Projects for which studies have not been completed	18	24
Projects that have withdrawn	6	5
Total Number of projects in Category 2	76	76

[1] Feasibility studies either not applicable completed, or waived.

[2] One LGIA is being circulated for signatures in Q1 2010, but yet to be fully executed.

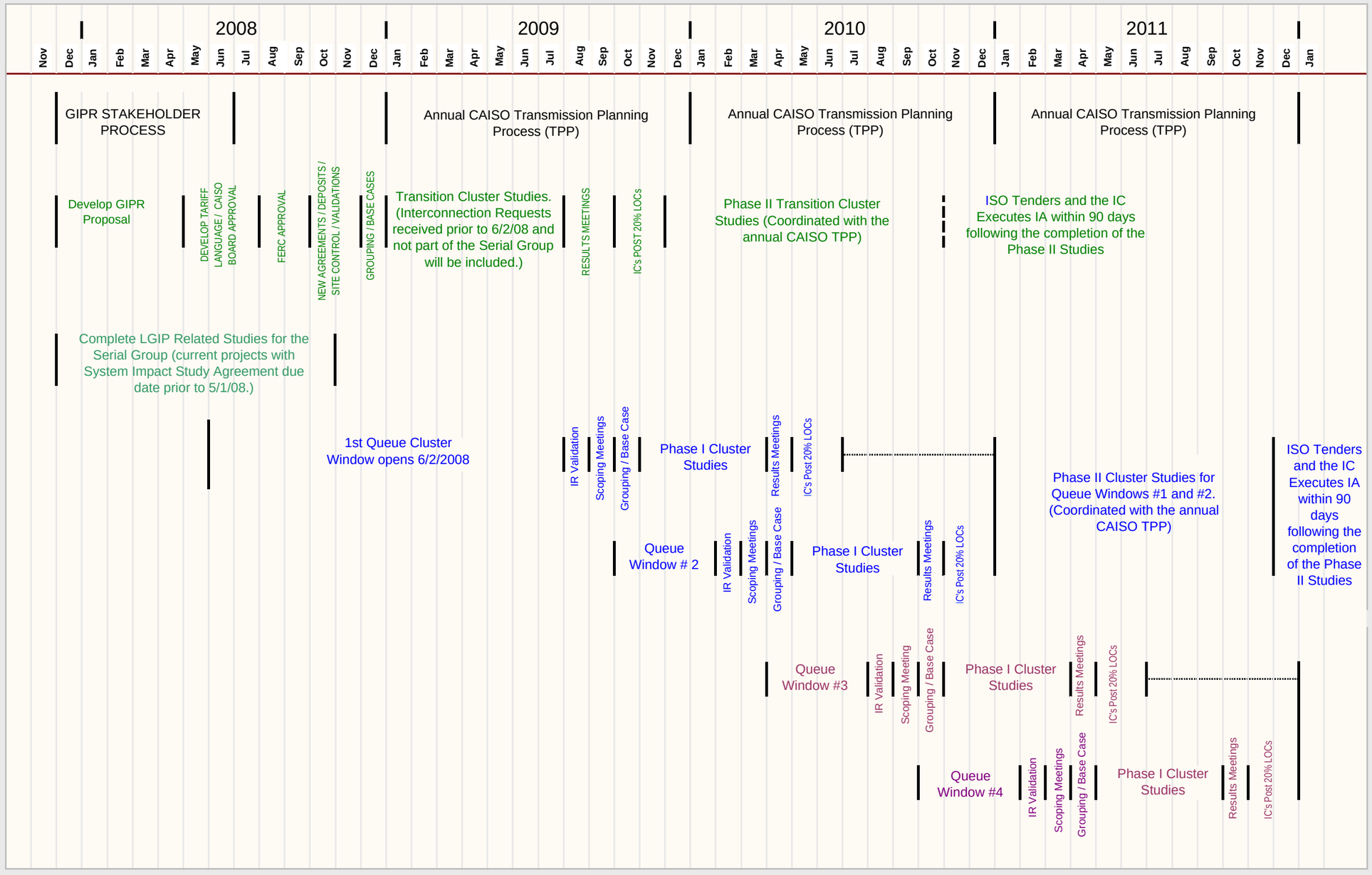
Seventy-six projects make up the Serial Study Group. During Q1, one project withdrew from the interconnection process. This project had completed the study cycle and was in LGIA negotiations when it was withdrawn. Five additional projects completed the study phase and entered the LGIA phase. Nine additional LGIAs were completed for the group (an increase from 12 to 21).

Component 1: Projects Covered by Amendment 39 or the 2005 LGIP

Table 8 Component 1 Projects	Q1 2010	Q4 2009
Number of projects which have completed interconnection process	19	19
Number of projects which have not completed interconnection process	19	19
Number of withdrawn requests	-5	-5
Number of projects in this category	43	43
Breakdown of the status of projects in this Category		
Projects with completed studies for which LGIA not completed	1	1
Projects for which studies and LGIAs signed but which have not yet come online	18	18
Projects with signed LGIAs, which have completed Interconnection process and are now online and with declared Commercial Operation Date (COD).	19	19
Projects completed or withdrawn	5	5
Number of projects in this category	43	43

This grouping consists of 43 projects. The remaining item to close out this queue component is a single project for which the LGIA must be completed.

Generation Interconnection Process Reform (GIPR) Proposal Timelines
Transition Cluster and Future Cluster Windows



7/16/08 CAISO

Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 30th day of April, 2010 at Folsom, California.

/s/ Anna Pascuzzo

Anna Pascuzzo