Decision on interconnection contract management enhancements

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Interconnection Contract Management Enhancements

1. **“ISO as an Affected System” Study Agreement**
   - The ISO is becoming increasingly impacted by generators connecting in neighboring systems
   - Propose to implement a new agreement to provide a consistent mechanism for a study and study deposit

2. **Clarifying rights to retain all Interconnection services upon retirement**
   - Currently, ISO only defines deliverability retention rights following retirement or shut-down of a generating facility
   - Propose to make interconnection service retention rights coincident with deliverability retention rights

3. **Adjust timeline for ISO to tender study plans to Interconnection customers requesting a repower study**
   - Currently, ISO has 10 days to tender study plan to a customer
   - Propose to adjust timeline to 30 days from date data is deemed valid

4. **Clarify repower language regarding Interconnection of generating units**
   - Adjust language to distinguish between modification and repower processes
Interconnection Contract Management Enhancements

5. **Allow projects to align commercial operation dates with Power Purchase Agreements**
   - Currently, projects that elect to proceed without a power purchase agreement and seek a deliverability allocation are prohibited from extending their commercial operation date
   - Propose that if a project executes a power purchase agreement, that project will be permitted to align its commercial operation date with such agreement

6. **Allow project conversions from other resource types to 100% storage**
   - Currently, projects may only convert a portion of the facility to storage
   - Propose to allow projects to convert up to 100% storage

7. **Align processes for “serial” projects with current “cluster” projects**
   - Currently, inconsistencies between modification and re-study processes
   - Propose to remove inconsistent treatment, which will streamline processes

8. **Revise the Effective Date of Generator Interconnection Study Process Agreements**
   - Currently, effective date is the date the interconnection request is *submitted*
   - Propose to change the effective date to when the request is *deemed complete*
Management recommends the Board approve the proposed interconnection contract management enhancements.

• ISO received favorable comments and suggestions from stakeholders
  – ISO was able to clarify or implement such comments
  – No anticipated issues going forward with the majority of changes being administrative with stakeholder concurrence

• Improves effectiveness and timeliness of contract and study-related processes

• Improves transparency and clarifies existing requirements

• Improves the processes and procedures to help California and the west to continue to meet public policy goals while protecting ratepayer costs