



## Stakeholder Comments Template

### Supercluster Interconnection Procedures

This template has been created for submission of stakeholder comments on the Supercluster Interconnection Procedures final proposal and draft tariff language that were published on June 14, 2021. The proposal, draft tariff language, stakeholder meeting presentation, and other information related to this initiative may be found on the miscellaneous stakeholder meetings webpage at:

<http://www.caiso.com/informed/Pages/MeetingsEvents/MiscellaneousStakeholderMeetings/Default.aspx>

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **June 28, 2021**.

| Submitted by | Organization                               | Date Submitted |
|--------------|--|----------------|
| Shannon Eddy | Large-scale Solar Association (LSA)        | June 28, 2021  |
| Rick Umhoff  | Solar Energy Industries Association (SEIA) |                |

**Please provide your organization's comments on the Supercluster Interconnection Procedures final proposal, and June 21 stakeholder call discussion:**

LSA and SEIA (together, “LSA/SEIA”) appreciate the opportunity to comment on the CAISO’s May 14<sup>th</sup> document, Supercluster Interconnection Procedures – Final Proposal (Proposal). LSA and SEIA’s comments focus on the two criteria for 100% release of the Initial Interconnection Financial Security (IFS) Posting – in the Phase II Study, compared to the Phase I Study: (1)  $\geq 25\%$  increase in Network Upgrade (NU) Maximum Cost Responsibility (MCR) (MCR Criterion); and (2)  $\geq 1$  year duration of longest-duration Reliability Network Upgrade (RNU) (Duration Criterion).

LSA and SEIA support the releasability proposal and these criteria generally but recommend the following specific modifications:

- **MCR Criterion:** MCR increases due to conversion of Conditionally Assigned Network Upgrades (CANUs) into Assigned Network Upgrades (ANUs) should count against the 25% threshold.
- **Duration Criterion:** The duration of Delivery Network Upgrades (DNUs) should count against the longest-duration threshold.

## Final Proposal and Draft Tariff Language Comments

The reasons for these recommendations are explained below. In addition, LSA and SEIA have a couple of process clarification requests, described at the end of these comments.

### **MCR Criterion**

Under the CAISO tariff:

- MCR from Phase I = (full cost of assigned Interconnection Reliability Network Upgrades (IRNUs)) + (allocated costs for all other ANUs).
- MCR from Phase II under the Proposal = (full IRNU costs + other ANU costs) from Phase II.

When CANUs are converted into ANUs for the Phase II Study, that change alone could increase the Phase II Study MCR by 25% or more, depending on the relative costs of the CANU(s) and the other ANUs. The Proposal would exclude such CANU conversions from the Phase I-Phase II MCR comparison, regardless of the magnitude of the change, on the grounds that such increases are currently allowed and excluded from the “lower of the two” studies establishing cost responsibility today.

However, the proposed simplification of the Phase I Study imposes additional risks on Interconnection Customers (ICs), removing information that ICs would otherwise have to assess the likelihood that CANUs would become ANUs between Phase I and Phase II (and, in addition, that additional CANUs might be identified in Phase II that could further increase IC risks). Specifically, useful information like the amount of overload in stability studies and other analyses excluded from Phase I for this cluster triggering the need for the CANUs will be missing, so it will be harder for ICs to assess the likelihood that identified CANUs will later be converted into ANUs.

For that reason, consistent with the other exceptions the CAISO is making for this Cluster 14 process, the CAISO should include CANU conversion into ANUs between Phase I and Phase II in its application of the MCR Criterion.

### **Duration Criterion**

Under the Proposal, the 100% IFS releasability would be triggered if the duration of the longest-duration RNU in the Phase II Study exceeds that in the Phase I Study by more than a year. The CAISO is focusing on RNUs here because projects generally cannot reach their Commercial Operation Date (COD) without RNU completion, i.e., this criterion is really “COD delay exceeding one year.”

However, sustained project operation without DNU completion – i.e., without the ability to count toward Resource Adequacy (RA) obligations – is a severe impediment to project viability. This commercial reality is already recognized in the CAISO tariff and BPMs

For example, the BPM for Generator Management, Section 6.2.1.3 (Milestone Extension When Network Upgrades Are Delayed) defines PTO-caused Network Upgrade delays as a reason for granting project milestone delays without even the need for a Material Modification Assessment (MMA) request. This provision applies for Network Upgrades generally, including DNUs.

Similarly, BPM Section 6.5.2.1 (Time in Queue) requires the IC to demonstrate, for COD extensions beyond the 7-year tariff development deadline, that “engineering, permitting, and construction will take longer than the applicable maximum period and that circumstances that caused the delay were beyond the control of the Interconnection Customer.” This provision is not limited to “engineering, permitting, and construction” of IC facilities and could be applied to PTO construction delays of Network Upgrades, including DNUs.

Thus, the exclusion of DNU durations from the Duration Criterion is inconsistent with both commercial market conditions and current CAISO policy. For that reason, the Duration Criterion should be modified to include all Network Upgrades, including DNUs.

**Process Clarification Request**

LSA and SEIA also ask that the CAISO make two process clarifications.

The current, well-established GIDAP schedule provides considerable certainty regarding study timing. This allows developers to rationally plan their budgeting, capital spend, and other development activities, throughout the study process.

LSA and SEIA appreciate the CAISO’s statements that the proposed C14 dates are “outside” dates, and we support CAISO’s commitment to accelerate the timeline where possible. However, it would be very helpful if the CAISO could :

- Provide advance notice before the Phase I and Phase II Study releases, e.g., 90 days if possible; and
- Clarify that the Initial Interconnection Financial Security posting will be due at least 90 CDs after the Phase I Study release, and the Second IFS Posting wil be due at least 180 CDs after the Phase II Study release, regardless of the timing of those releases.