



**LS Power Comments**

**Generator Interconnection: Cluster 14 Revised Study Process and Timeline**

Submitted to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com) May 28, 2021.

Submitted by	Organization	Date Submitted
<i>Rena Steichen Sandeep Arora</i>	<i>LS Power</i>	<i>5/28/2021</i>

**Please provide your organization’s comments on the Supercluster Interconnection Procedures issue paper and draft final proposal, and May 21 stakeholder call discussion:**

LS Power understands the need for developing special interconnection procedures to handle this Supercluster. We offer the following recommendations to CAISO on the proposed changes.

**CAISO should continue to look for opportunities to minimize proposed delays for Cluster 14.**

The proposed delays should be treated as “up to 1 year delay” and throughout the Cluster 14 study process CAISO and PTOs should look for opportunities to improve schedule. Here are a few suggestions to consider to improve schedule:

1. Further reduce the scope of Phase 1 study such that the 8 month delay that is currently projected for delivery of Phase 1 study report can be minimized.
2. If a large number of projects drop out after the Scoping meetings in September, CAISO should revisit the projected delay and revise the schedule if possible.
3. CAISO is currently projecting the Phase 2 study report delay to be 4 months. Phase 2 study work according to the proposed Super Cluster schedule will likely not begin until the end of 2022. This gives CAISO and PTOs over 18 months from now to increase staffing levels or hire consultants such that the projected 4 month Phase 2 delay can be completely eliminated.

If CAISO and PTOs are able to implement these recommendations and are able to gain at least 2 months for Phase 1 schedule and 4 months for Phase 2 schedule, this should overall minimize the Cluster delays by 6 months – a 50% improvement as compared to current projections.

**CAISO should issue study results for participating transmission owners (PTOs) as these become available.**

CAISO expects that studies for a few PTOs may be done months sooner than others, but is considering releasing all reports at the same time. This is due to perceived equity concerns. We recommend that CAISO should release reports in PTO areas as these become available. We believe the equity concerns can be handled within CPUC/LSE RFO processes. For instance, projects in delayed PTO areas may be allowed late start in order to qualify for RFOs. Withholding reports for all projects will impede progress of all projects in the state. This delay can lead to potential reliability risks if not enough projects are able to come online in time to meet the 11,500 MW procurement target directed by CPUC under Integrated Resource Plan for mid-term reliability (2023-26).

**Phase 1 cost caps should not be eliminated.**

CAISO proposes to eliminate Phase 1 cost caps. We recommend CAISO reconsider this. Phase 1 cost caps play a vital role as these provide good indication to Developers about interconnection costs, which helps them make decisions such as whether they should continue developing the projects or not. Phase 1 cost caps also play vital role under the LSE RFO processes. LSEs typically utilize this information to compare interconnection costs of projects and the impact these have on rate payer costs. If there are no cost caps in Phase 1, then the earliest firm cost information will become available is in November 2023, which will delay decision making for these projects. Therefore, we recommend Phase 1 cost caps should not be eliminated. If CAISO can't identify a way to implement these, it should consider offering cost caps within a range, such as +/- 20%.

**CAISO should not implement proposed delays for future Super Clusters by default.**

While we understand reasons for implementing special procedures for the current Super Cluster, we don't agree with CAISO's proposal of applying similar procedures to all future Super Clusters, which CAISO defines as a Cluster where number of projects requesting interconnection exceeds 150. Rather than applying these procedures by default, CAISO should analyze the potential delays, if any, on a cluster by cluster basis. CAISO could also have a stakeholder discussion on this topic under a Queue Cluster reform initiative.