



October 30, 2014

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: California Independent System Operator Corporation  
Docket Nos. ER08-1317-003 and ER11-1830-000  
Interconnection Queue Quarterly Progress Report, Q3 2014, and  
Motion for Relief from Reporting Requirement**

Dear Secretary Bose:

Pursuant to the Commission's orders in the above-captioned dockets, the California Independent System Operator Corporation ("CAISO") hereby submits for filing its interconnection queue quarterly progress report for the third quarter of 2014.<sup>1</sup> The CAISO also hereby submits a motion for relief, respectfully requesting that the Federal Energy Regulatory Commission ("Commission") relieve the CAISO of the reporting requirement for these quarterly progress reports.

## **I. Summary of Motion for Relief**

As described in detail in the attached motion for relief, for the past six years, the CAISO has submitted quarterly progress reports pursuant to Commission directives to provide transparency to the Commission and interested parties concerning whether the CAISO's generator interconnection procedure reforms achieved the intended purpose of improving the interconnection process.<sup>2</sup> After six years, the CAISO believes that the Commission has sufficient information that the CAISO's ongoing generator interconnection reforms have continuously improved the interconnection process to justify providing an end-date to this open-ended reporting obligation. In further support of the CAISO's request to end the reporting obligation, the CAISO posts on its website nearly all of the information that the CAISO has included in the quarterly progress reports.<sup>3</sup> Thus, the information will continue to remain available to the Commission or

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<sup>1</sup> *California Independent System Operator Corp.*, 124 FERC ¶ 61,292 (2008) ("CAISO 2008"); *California Independent System Operator Corp.*, 133 FERC ¶ 61,223 (2010) ("CAISO 2010").

<sup>2</sup> *Id.*

<sup>3</sup> <http://www.aiso.com/planning/Pages/GeneratorInterconnection/Default.aspx>.

any interested party. Although the information is publicly available in a spreadsheet format, the CAISO expends a significant amount of time to transform that information into the tables previously included in the quarterly report format. In light of the passage of time, the improvement of the generator interconnection process, the continued availability of the information in a public forum, and the administrative burden involved in creating the quarterly reports, the CAISO submits that good cause exists for the Commission to terminate this reporting requirement. Relieving the CAISO of the quarterly progress reports will aid in the Commission's "goal of reducing regulatory burdens and promoting development of generating facilities."<sup>4</sup>

## **II. Q3 2014 Quarterly Progress Report and Alternative Form of Relief**

In the event that the Commission believes that there is a continued need for some form of the quarterly progress report, the CAISO's motion for relief respectfully requests that the Commission partially relieve the CAISO of its reporting requirement. As described in the CAISO's motion for relief, the CAISO proposes that this alternative relief could consist of reducing the information included in the progress report to only that information not publicly available on the CAISO's generator interconnection queue spreadsheet, which contains nearly all of the information (and far more information) than contained in the quarterly progress reports. As an example of this approach, the attached Q3 2014 quarterly progress report includes (1) reference and direction to access all data available in the CAISO's generator interconnection queue spreadsheet; (2) that information not available in the spreadsheet that has been included in the quarterly progress reports in the past; and (3) a summary of the CAISO's continued efforts to enhance its interconnection process. This report thus demonstrates how the CAISO's generator interconnection spreadsheet overlaps almost entirely with the quarterly progress reports and satisfies the need for transparency in the interconnection process.

## **III. Contents of Filing**

This filing includes the following:

1. This transmittal letter;
2. A motion for relief from the requirement to submit the generator interconnection queue quarterly progress reports;
3. The CAISO's generator interconnection queue spreadsheet; and

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<sup>4</sup> *Open Access and Priority Rights on Interconnection Customer's Interconnection Facilities*, Notice of Proposed Rulemaking, 147 FERC ¶ 61,123 at P 2 (2014).

4. The Q3 quarterly progress report, which incorporates by reference the generator interconnection queue spreadsheet.

#### **IV. Service**

The CAISO has served a copy of this filing on the parties listed on the official service list in this proceeding. In addition, the CAISO has posted a copy of this filing on its website.

#### **V. Conclusion**

The CAISO respectfully requests that the Commission grant the motion for relief included herein. Please contact the undersigned with any questions about this filing.

Respectfully submitted,

**/s/ William H. Weaver**

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**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<b>California Independent System Operator Corporation</b>	) ) ) )	<b>Docket Nos. ER08-1317-003 ER11-1830-000</b>
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**CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
MOTION FOR RELIEF FROM REPORTING REQUIREMENT**

The California Independent System Operator Corporation (“CAISO”) respectfully submits this motion for relief from the reporting requirement mandated by the Federal Energy Regulatory Commission (“FERC” or “Commission”) in the above-captioned dockets.<sup>1</sup> For the past six years, the CAISO has submitted quarterly progress reports pursuant to Commission directives to provide transparency to the Commission and interested parties concerning whether the CAISO’s generator interconnection procedure reforms achieved the intended purpose of improving the interconnection process.<sup>2</sup> After six years, the CAISO believes that the Commission has sufficient information that the CAISO’s ongoing generator interconnection reforms have continuously improved the interconnection process. In addition, the CAISO posts on its website nearly all of the information that the CAISO has included in the quarterly progress reports. Thus, the information will continue to remain available to the Commission or any interested party. Although the information is publicly available in a spreadsheet format, the CAISO

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<sup>1</sup> The ISO submits this motion pursuant to Rules 212 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.212.

<sup>2</sup> *California Independent System Operator Corp.*, 124 FERC ¶ 61,292 (2008) (“CAISO 2008”); *California Independent System Operator Corp.*, 133 FERC ¶ 61,223 (2010) (“CAISO 2010”).

expends a significant amount of time to transform that information into the tables included in the quarterly report format. In light of the passage of time, the improvement of the generator interconnection process, the continued availability of the information in a public forum, and the administrative burden involved in creating the quarterly reports, the CAISO submits that good cause exists for the Commission to terminate this reporting requirement.

## **I. BACKGROUND**

### **A. History of the Quarterly Progress Reports**

On July 28, 2008, the CAISO submitted tariff amendments regarding its generator interconnection process.<sup>3</sup> These amendments revised the CAISO's Large Generator Interconnection Procedures ("LGIP") and Large Generator Interconnection Agreement ("LGIA") to improve the efficiency of the CAISO's interconnection process, clear existing backlog of interconnection requests, and allow the interconnection process to integrate more efficiently with the CAISO's transmission planning process.<sup>4</sup> Most importantly, these revisions transitioned the CAISO interconnection process from a serial process to a cluster process.

In approving the CAISO's revisions, the Commission expressed concern that, "despite the reasonable efforts of the CAISO here, lengthy delays could continue under these reformed interconnection procedures."<sup>5</sup> The Commission therefore directed the

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<sup>3</sup> CAISO 2008 at P 1.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* at P 199.

CAISO to file quarterly progress reports detailing information on the interconnection queue, including, *inter alia*, the number of requests filed, the type of studies conducted, and the number of interconnection customers that have withdrawn from the queue.<sup>6</sup> The Commission stated that this reporting requirement would make the interconnection procedures more transparent for customers and would allow the Commission to monitor the queue more easily.<sup>7</sup>

On October 19, 2010, the CAISO filed additional revisions to its generator interconnection process.<sup>8</sup> These revisions sought to harmonize the CAISO's LGIP with its small generator interconnection procedures ("SGIP") by establishing integrated cluster study processes for small and large generators.<sup>9</sup> In addition, to expedite study processes for independent or otherwise adroit generators, the CAISO implemented new independent study and fast track processes.<sup>10</sup> The Commission approved these revisions, but expressed "interest" in seeing how the independent study and fast track processes were developed.<sup>11</sup> The Commission therefore expanded the CAISO's existing quarterly report requirements to include data on the use of the independent study and fast track processes.<sup>12</sup>

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<sup>6</sup> *Id.* at P 200.

<sup>7</sup> *Id.* at P 203.

<sup>8</sup> *CAISO 2010* at P 1.

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at PP 86-97; 110-118.

<sup>11</sup> *Id.* at P 97.

<sup>12</sup> *Id.* at PP 97; 117.

## B. Continuing Interconnection Process Enhancements

As the Commission is aware, since 2008 the CAISO has worked continually with stakeholders to refine its interconnection process. California's ambitious renewable portfolio standard<sup>13</sup> and the associated changes in the generation development marketplace have made it increasingly important over the past several years for the CAISO to identify ways to better administer its generation interconnection queue. The CAISO's overriding goal has been to tailor its procedures to promote California's energy goals while ensuring that they continue to be grounded in principles of fairness and non-discrimination to all interconnection customers. Because of the rapid evolution of the generation development marketplace in California due to the state's renewable portfolio standard, achieving these goals has required the CAISO to engage in a process of continuous review and enhancement of its generator interconnection procedures.<sup>14</sup>

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<sup>13</sup> See California Public Utilities Commission ("CPUC"), "California Renewables Portfolio Standard," available on the CPUC's website at <http://www.cpuc.ca.gov/PUC/energy/Renewables/>.

<sup>14</sup> The generator interconnection process and related provisions are set forth primarily in section 25 of the CAISO tariff. The interconnection procedures and *pro forma* generator interconnection agreements ("GIAs") are contained in appendices to the tariff: the small generator interconnection procedures ("SGIP") for projects in the serial study process (appendix S); small generator interconnection agreement ("SGIA") for interconnection requests processed under appendix S (appendix T); large generator interconnection procedures ("LGIP") for projects in the serial study process (appendix U); large generator interconnection agreement ("LGIA") for interconnection requests processed under appendix U (appendix V); interconnection procedures in effect prior to July 1, 2005 (appendix W); generator interconnection procedures ("GIP") for projects in a queue cluster study process prior to cluster 5 (appendix Y); LGIA for interconnection requests processed under appendix Y in a queue cluster window (appendix Z); LGIA for interconnection requests processed under appendix Y in a serial study group that tendered or executed the LGIA on or after July 3, 2010 (appendix BB); LGIA for interconnection requests processed under appendix Y in a queue cluster window that tendered or executed the LGIA on or after July 3, 2010 (appendix CC); generator interconnection and deliverability allocation procedures ("GIDAP") for projects in a queue cluster study process in cluster 5 and subsequent clusters (appendix DD); LGIA for interconnection requests processed under the GIDAP (appendix EE); SGIA for interconnection requests processed under the GIDAP (appendix FF); and one-time generator downsizing opportunity (appendix GG). Unless otherwise specified or the context otherwise requires, a GIA can be either an LGIA or an SGIA.

Subsequent to the GIDAP enhancements, in April 2013, the CAISO launched the Interconnection Process Enhancement (“IPE”) initiative, which was aimed at examining a broad spectrum of issues relating to its generator interconnection process.<sup>15</sup> The IPE initiative is the most recent initiative in a series of stakeholder processes that the CAISO has conducted over the past several years to meet its commitment to improving its interconnection process.<sup>16</sup> The 2013-14 IPE initiative originally consisted of fifteen topics. Of these, eight topics relating to queue management and capacity downsizing issues were accepted by the Commission in 2013 and 2014 to date,<sup>17</sup> and four more have been submitted for Commission review and acceptance.<sup>18</sup> These latter four included tariff provisions to implement the reforms directed by the Commission in Order No. 792, including new fast track interconnection eligibility thresholds and supplemental review and feedback following an interconnection customer’s inability to meet a fast

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<sup>15</sup> Further background information on the IPE initiative is provided in the CAISO’s September 30, 2013 tariff amendment filing in Docket No. ER13-2484 to implement the first set of tariff revisions to come from that initiative.

<sup>16</sup> The other stakeholder processes include Generation Interconnection Process Reform held in 2008-09, Generation Interconnection Procedures Phase 1 held in 2010, and Generation Interconnection Procedures Phase 2 (“GIP-2”) held in 2011 and early 2012. In addition, the CAISO began Generator Interconnection Procedures Phase 3 (“GIP-3”) in 2012 but deferred that initiative based on stakeholder feedback in order to develop a one-time generator downsizing opportunity.

<sup>17</sup> *California Independent System Operator Corp.*, 145 FERC ¶ 61,172 (2013); *California Independent System Operator Corp.*, 148 FERC ¶ 61,077 (2014).

<sup>18</sup> *California Independent System Operator Corp.*, Tariff Amendment to Implement Third Set of Interconnection Process Enhancements, Docket No. ER14-2586-000 (Aug. 4, 2014; Tariff Amendment to Implement Fourth Set of Interconnection Process Enhancements, Docket No. ER15-129-000 (Oct. 17, 2014). Of the three IPE topics not covered by the discussion above, two are being addressed through the CAISO’s business practice manuals, and the third was withdrawn based on a lack of stakeholder concern.



track screen.<sup>19</sup> These revisions sought to make the fast track process more transparent and efficient in order to attract more interconnection customers to the fast track process, and they were broadly supported by the CAISO and its stakeholders.

## II. REQUEST FOR RELIEF

### A. The CAISO Has Demonstrated Sufficiently the Improvement, Consistency, and Availability of its Interconnection Processes and Information, Obviating the Need for the Quarterly Progress Reports.

The CAISO has supplied the Commission with quarterly progress reports for over six years. To date, no party has submitted comments in response to any report.<sup>20</sup> Moreover, during this time the CAISO has processed hundreds of interconnection requests. Nearly one hundred generators have come online during this time, with nearly one hundred more generators scheduled to come online by the end of next year. Virtually all of the interconnection customers who have withdrawn from the interconnection queue have done so due to reasons such as the failure to secure a power purchase agreement, necessary siting, or licensing, all of which are reasons contemplated by the CAISO's tariff reforms. The CAISO believes that six years of reports should be sufficient to meet the Commission's original regulatory purpose,

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<sup>19</sup> *California Independent System Operator Corp.*, Tariff Amendment to Implement Third Set of Interconnection Process Enhancements, Docket No. ER14-2586-000 (Aug. 4, 2014); *Small Generator Interconnection Agreements and Procedures*, Order No. 792, 145 ¶ 61,159 (2013), *clarified*, Order No. 792-A, 146 FERC ¶ 61,214 (2014).

<sup>20</sup> For example, on July 29, 2014, without any prompting from the Commission or a party, the CAISO filed its Q1 and Q2 quarterly progress reports, stating that it had intended and was prepared to file the Q1 report by April 30, 2014, but did not do so until July 29, 2014 due to an administrative error. *California Independent System Operator Corp.*, Request to File Q1 Report Out of Time, Docket Nos. ER08-1317-003 and ER11-1830-000 (July 29, 2014).

especially given the continued availability of information on the CAISO's public website, as described below.

The Commission first required the quarterly progress reports in 2008 "to make the interconnection procedures more transparent," and to "address the viability of interconnection procedures . . . , particularly if delays continue to be significant and frequent."<sup>21</sup> While some delay and backlog in the interconnection queue is inevitable, virtually all delay is the result of interconnection customers' efforts to secure a power purchase agreement or project financing, both of which are outside of the CAISO's control. The CAISO actively manages customers in the queue to make sure they are progressing toward commercial operation. Where interconnection customers request to modify milestone dates or extend their commercial operation date, the CAISO analyzes on a case-by-case basis whether the proposed extensions are not unreasonable.

The CAISO continues to have one of the most active, robust, and diverse interconnection queues in the country, constantly bringing new generation onto the grid to meet the west's growing need for capacity and California's first-in-nation renewable portfolio standard. For the vast majority of interconnection customers, delays are neither significant nor frequent. Moreover, as explained below, the need for transparency is satisfied completely by the litany of information the CAISO posts on its generator interconnection website, including, especially, the CAISO Generator Interconnection Queue Spreadsheet ("GIQ Spreadsheet").<sup>22</sup> As such, good cause

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<sup>21</sup> CAISO 2008 at P 203.

<sup>22</sup> <http://www.caiso.com/planning/Pages/GeneratorInterconnection/Default.aspx>.

exists for the Commission to relieve the CAISO of this reporting requirement. Moreover, relieving the CAISO of the quarterly progress reports will aid in the Commission's "goal of reducing regulatory burdens and promoting development of generating facilities."<sup>23</sup>

**B. Nearly all of the Information in the Quarterly Progress Reports can be found on the GIQ Spreadsheet on the CAISO Website.**

The CAISO understands the need for transparency for its market participants and the Commission. CAISO staff regularly post a number of reports, studies, and bulletins on the CAISO generator interconnection website.<sup>24</sup> In addition, CAISO management makes regular annual updates to the CAISO Governing Board on the status of the interconnection queue and the CAISO's progress in helping California to achieve its goal of 33% renewable energy by 2020 while ensuring that the CAISO's procedures are grounded on fairness, diversity, and non-discrimination.<sup>25</sup>

Most importantly, every two weeks, CAISO personnel from its grid assets department updates and posts on the CAISO's website the GIQ Spreadsheet.<sup>26</sup> The GIQ Spreadsheet is a detailed progress report for every interconnection customer (1) currently in the interconnection queue, (2) now online on the CAISO controlled grid that came through the interconnection queue, and (3) that has withdrawn from the

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<sup>23</sup> *Open Access and Priority Rights on Interconnection Customer's Interconnection Facilities*, Notice of Proposed Rulemaking, 147 FERC ¶ 61,123 at P 2 (2014).

<sup>24</sup> *Id.*

<sup>25</sup> See CAISO Update on Renewables in the Generator Interconnection Queue, Memorandum to CAISO Board of Governors (presented at CAISO public Board meeting on July 15, 2014), *available at* <http://www.aiso.com/Documents/BriefingRenewablesGeneratorInterconnectionQueue-Memo-July2014.pdf>.

<sup>26</sup> <http://www.aiso.com/planning/Pages/GeneratorInterconnection/Default.aspx>.

interconnection queue. The GIQ Spreadsheet overlaps almost entirely with the quarterly progress reports. The Commission has cited such overlap as a factor in relieving the reporting burdens of other ISO/RTOs.<sup>27</sup> The same should be true here.

The GIQ Spreadsheet contains the following information that the CAISO includes in the quarterly progress reports:

- Number of interconnection requests filed and accepted;
- Number and type of studies conducted (e.g., accelerated, separately studied, cluster);
- Number, type, and size of each proposed generator, including the prime mover and the fuel type for the technology;
- Point of interconnection for each proposed generator;
- Number of interconnection customers withdrawn from the queue;
- Number, type, size, and outcome of projects using the independent study process, including the prime mover and the fuel type for the technology; Size, type of generator, and proposed location of interconnections requested under the fast track process, including the prime mover and the fuel type for the technology;
- Status of generator interconnection agreement (e.g., in progress, executed, or not started); and
- Number of interconnection customers that have achieved their commercial operation dates.

In addition, the GIQ spreadsheet includes a great deal of useful information that is not contained in the quarterly progress reports. Specifically, for every queue position the GIQ Spreadsheet lists:

- Date the CAISO received the interconnection request;
- Date the interconnection customer entered the queue;
- Deliverability Status;
- Queue position;
- Interconnection customer's current status;
- Location of the proposed generating unit;
- On-line date filed in the interconnection request;
- Current on-line date, as amended by modification requests; and
- Status of all required interconnection studies.

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<sup>27</sup> See *Devon Power LLC*, 121 FERC ¶ 61,138 at P 23 (2007).

As such, the only information contained in the quarterly progress reports that is not contained in the GIQ Spreadsheet is (1) the number of requests for the fast track process that did not pass the required screens, and which screens the generators failed; and (2) the reason for any rejections of projects requesting independent study treatment. However, both of these have not been included in recent quarterly progress reports because there have not been any instances where the CAISO has rejected or failed a generator requesting fast track or independent study processes. Because all of the required information for these processes can be found in the CAISO tariff and business practice manuals (“BPMs”), generators can self-evaluate and apply for these processes fairly easily. Further, it is within all market participants’ interests for generators to use the independent study or fast track processes. As such, the CAISO continually works with interested generators to help them become and remain eligible for these processes. Most generators, however, continue to use the CAISO’s standard study processes until they secure a power purchase agreement, at which point they generally have completed most required studies.

Unlike the quarterly progress reports, interconnection customers constantly use and reference the GIQ Spreadsheet. Its data allows interconnection customers and market participants to make any number of determinations regarding the construction of projects, deliverability, and possible affected systems. In addition, because the GIQ Spreadsheet is available as both a PDF file and Excel spreadsheet, users can rearrange, highlight, filter and display any possible set of data within the GIQ Spreadsheet. In a few seconds, users could go from looking at all current generator interconnection customers to only those customers, for example, currently in the CAISO

queue, using a solar photovoltaic fuel source, in Kern County, using the cluster study process, possessing an executed interconnection agreement, and scheduled to go online in 2015.<sup>28</sup> Users also could sort interconnection data by the generator's schedule online date, the date of the interconnection request, capacity, point of interconnection, or queue position.

In fact, preparing the quarterly progress reports consists almost entirely of several CAISO staff members spending several days rearranging data in the GIQ Spreadsheet and then manually putting that data into a Word document.<sup>29</sup> It is principally for this reason that the CAISO believes that the quarterly progress reports are an unnecessary burden on the CAISO. With over 250 interconnection customers currently in the CAISO queue, any relief on the burdens of CAISO staff allows the CAISO to assist market participants more efficiently. The benefits of the quarterly progress reports do not outweigh the costs, and as such, the CAISO respectfully requests that the Commission relieve the CAISO of filing the quarterly progress reports.

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<sup>28</sup> Queue position 775, for example.

<sup>29</sup> See, e.g., *California Independent System Operator Corp.*, Request to File Q1 Report Out of Time, Docket Nos. ER08-1317-003 and ER11-1830-000 (July 29, 2014). The progress report filed incorporated the tables by referencing the GIQ Spreadsheet.

### **III. ALTERNATIVE REQUEST FOR RELIEF**

In the event that the Commission denies the request for relief described above, the CAISO respectfully requests that the Commission partially relieve the CAISO of its reporting requirement by modifying the obligation such that the CAISO complies with one of the following alternatives, listed in order of preference (1 being most preferred), or any combination thereof:

1. Eliminate the quarterly reporting obligation but require all of the information that the Commission had required to be included in the quarterly reports to be included in the GIQ Spreadsheet. For example, the GIQ Spreadsheet could be enhanced to include separate tables for customers using the fast track or independent study processes with the same information that the Commission required to be included in the quarterly progress reports;
2. Reduce the report to include only that information not available on the CAISO GIQ Spreadsheet, as illustrated by the 2014 Q3 progress report filed herewith; or
3. Reduce the frequency of the report from every quarter to every year.

As explained above, preparing the quarterly queue progress reports represents a significant burden to CAISO staff, and as such, good cause exists for the Commission to terminate this reporting requirement, or, in the alternative, to partially relieve the CAISO of its reporting requirement.

#### IV. CONCLUSION

For the foregoing reasons, the Commission should grant the relief requested herein.

Respectfully submitted,

**/s/ William H. Weaver**

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Attorneys for the California Independent System Operator Corporation

Dated: October 30, 2014



## **CERTIFICATE OF SERVICE**

I hereby certify that I have served the foregoing document upon all of the parties listed on the official service list for the 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 at Folsom, CA, this 30<sup>th</sup> day of October, 2014.

**/s/ Sarah Garcia**  
Sarah Garcia

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**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System  
Operator Corporation

Docket Nos. ER08-1317-003  
ER11-1830-000

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**CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
INTERCONNECTION QUEUE QUARTERLY PROGRESS REPORT  
Q3 2014**

Quarterly Reporting Period:  
July 1 – September 30, 2014

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Deborah A. Le Vine  
Director, Infrastructure Contracts & Management  
California Independent System Operator Corporation

Date: October 30, 2014

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## **I. INTRODUCTION AND DISCUSSION OF THE REPORTING REQUIREMENTS GIVING RISE TO THIS REPORT**

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This report describes the ISO's progress over the period July 1, 2014 to September 30, 2014 in processing generator interconnection requests under the ISO's interconnection process.

The two primary sets of procedures under which the ISO is processing interconnection requests today are: (a) ISO Tariff Appendix Y, called the "Generator Interconnection Procedures ("GIP")<sup>1</sup>; and (b) ISO Tariff Appendix DD, the "Generator Interconnection and Deliverability Allocation Procedures ("GIDAP"). The GIP applies to the transition cluster through cluster four, and the GIDAP applies to cluster five and subsequent cluster studies.

The GIP and GIDAP combined govern all interconnection requests in the clusters to which they apply, regardless of whether the proposed facility is a large generating facility or a small generating facility. Under either the GIP or the GIDAP, an interconnection request is processed under one of three tracks:

- (1) The cluster study process track, which serves as the primary processing method and the default interconnection process;
- (2) The independent study process track, under which certain projects can be studied independently if they are determined to be electrically independent from other projects in the cluster study (and demonstrate the ability to complete non-ISO development milestones (like licensing) sooner than typical development timeframes); and

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<sup>1</sup> The ISO OATT, ISO Tariff Appendix Y can be accessed on the ISO's website at [http://www.caiso.com/Documents/AppendixY\\_GIPForInterconnectionRequests\\_Sep1\\_2014.pdf](http://www.caiso.com/Documents/AppendixY_GIPForInterconnectionRequests_Sep1_2014.pdf) and ISO Tariff Appendix DD can be accessed on the ISO's website at [http://www.caiso.com/Documents/AppendixDD\\_GeneratorInterconnectionAndDeliverabilityAllocationProcess\\_Sep1\\_2014.pdf](http://www.caiso.com/Documents/AppendixDD_GeneratorInterconnectionAndDeliverabilityAllocationProcess_Sep1_2014.pdf)

- (3) The fast track process track, which is available for projects of up to 5 MW, when it can be determined, through a limited evaluation methodology, that the project can be interconnected with no upgrades or with *de minimis* upgrades.

As explained in later sections of this report, the ISO is also processing some previous interconnection requests under prior “serial” interconnection tariff processes.

### **Background Regarding the Quarterly Reporting Requirements**

The reporting requirements giving rise to this report originate with the Commission’s orders approving the ISO’s 2008 GIPR Amendment and the later 2010 GIP Amendment. In 2008, the ISO revised its Large Generator Interconnection Procedures (“LGIP”) to change from a serial approach to a cluster approach. The ISO called this tariff amendment “Generator Interconnection Process Reform (GIPR).” The ISO refers to this revised LGIP as the “Cluster LGIP.” The Commission’s September 2008 Order accepting the GIPR Amendment included a requirement to file quarterly status reports on the ISO’s progress in processing interconnection requests under the cluster approach.<sup>2</sup> The Commission intended the quarterly reports to serve as a tool to evaluate how well the ISO’s cluster process is working.

In the December 2010 Order accepting the GIP (which the ISO now calls GIP Phase 1, after the ISO undertook another process called GIP Phase 2 in 2011), the Commission directed the ISO to include additional information within the quarterly status reports concerning the independent study process (“ISP”) and fast track process. For the ISP, the Commission directed the ISO to include information about the number of projects requesting interconnection through the ISP, the outcome of those requests, the complete length of time for recently completed ISP interconnection studies (from initial

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<sup>2</sup> *California Independent System Operator Corp.*, 124 FERC ¶ 61,292, at P 200 (2008) (“September 2008 Order”). The September 2008 Order also required the ISO to file two comprehensive status reports, one pertaining to the transition cluster and one pertaining to the first cluster. The ISO filed its first comprehensive report on the transition cluster on January 31, 2011.

application through final approval), and the reason for any rejections of projects requesting ISP treatment.<sup>3</sup>

With respect to the fast track process, the Commission directed the ISO to include in its reports the size and type of generator interconnection requested under the fast track process, the proposed location of the generator, the number of requests that did not pass the screens, and which screens the generator developer failed.<sup>4</sup>

This report is the ISO's twenty-third quarterly report.

### **The ISO Continues to Refine Its Generation Interconnection Process**

As the Commission is aware, since 2008, the ISO has worked with stakeholders to continue to refine its interconnection process. The ISO has commenced a new stakeholder initiative called Interconnection Process Enhancements. The initiative has spawned into a number of separate paths. Tariff language for the future downsizing policy and disconnection of completed phase(s) of projects due to failure to complete a subsequent project phase was approved by the Commission on July 31, 2014. On August 4, 2014 the ISO filed Tariff language with the Commission to modify the independent study and fast track interconnection processes, as developed during topic (4) improve independent study process and topic (5) improve Fast Track of the Interconnection Process Enhancements process, which is pending before the Commission with a requested effective date of November 4, 2014. On July 15, 2014 the ISO Board of Governors approved the proposal on topic (13) regarding clarity on timing of transmission cost reimbursement and topic (14) redistribution of forfeited funds. The ISO posted draft tariff language on these topics on September 4, 2014 and discussed the language with stakeholders on September 22, 2014. The ISO filed the tariff language

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<sup>3</sup> *California Independent System Operator Corp.*, 133 FERC ¶ 61,223, at PP 1, 97, 117 (2010) (“December 2010 Order”).

<sup>4</sup> *Id.* at P 117.

with the Commission on October 17, 2014.<sup>5</sup> The ISO intends to begin another round of enhancements starting in Q1 2015.

These efforts are part of a continual commitment by the ISO to refine and improve the process and to respond to the dramatic increase in interconnection requests in response to California's renewable portfolio standards ("RPS") policy, which mandates that Load Serving Entities satisfy their load requirements from 33% renewable energy sources by 2020.<sup>6</sup>

### **The ISO's Interconnection Queue<sup>7</sup>**

#### *Two legacy serial groupings<sup>8</sup>*

- Amendment 39 Procedures (A39) These projects that predated the serial study group. These requests were grouped together because, at the time the ISO made its 2008 waiver request which was a foundational step to establishing the Cluster LGIP, the associated interconnection studies for these projects had already been completed.<sup>9</sup>

The governing tariff provisions for each project under this component depend on the date that the interconnection customer submitted its interconnection request. If that date was before July 1, 2005, the governing provisions are

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<sup>5</sup> Stakeholder materials related to the Interconnection Process Enhancements initiative are available on the ISO website at <http://www.caiso.com/informed/Pages/StakeholderProcesses/InterconnectionProcessEnhancements.aspx>.

<sup>6</sup> SBX1-2 enacted by the California Legislature and signed by Governor Brown in April 2011 codified California's 33% RPS. Prior to this time, the 33% standard was a function of Governor Schwarzenegger's Executive Order S-21-09 signed in September 2009, which required the California Air Resources Board to adopt a 33% renewable energy requirement by 2020 to implement California's greenhouse gas law (AB 32).

<sup>7</sup> The Commission's orders relating to queue reporting require the ISO to report on the cluster component of the ISO interconnection queue and the ISP and Fast Track processes. Nevertheless, the ISO has made a practice of including the legacy interconnection requests as well as requests in the SGIP serial study and transition cluster groups in its reporting, so that each report would cover the entire ISO generator interconnection queue.

<sup>8</sup> In the listing below, Component 1 generally consists of that group of interconnection requests that are older in time than the interconnection requests under Component 2. However, this is not exactly so, as the groupings were also based on common characteristics (*e.g.*, studies that were already completed) that make collective treatment of the individual requests within the group more logical. This means that some interconnection requests that were older in time are part of Component 2 rather than Component 1.

<sup>9</sup> *See, e.g.*, Q1 2009 Report at p. 1 for discussion of the ISO's 2008 waiver petition.

those set forth in ISO Tariff Appendix W, *Interconnection Procedures in Effect Prior to July 1, 2005*, also known as the “Amendment 39 Procedures.” If the submittal date was on or after July 1, 2005, then the applicable provisions are those set forth in ISO Tariff Appendix U, *Standard Large Generator Interconnection Procedures (LGIP)*.

- Serial projects (Serial). These projects still needed interconnection studies to be completed at the time the ISO categorized interconnection requests and filed its 2008 request for tariff waiver that preceded the 2008 GIPR Amendment.

For all requests in this grouping, the applicable process is set forth in ISO Tariff Appendix U, *Standard Large Generator Interconnection Procedures (LGIP)*, which contains the procedures which immediately preceded the implementation of the Cluster LGIP.

- ***ISO Clusters governed by the GIP***

For the grouping of the cluster interconnection requests up through and including cluster four, the applicable interconnection procedures are set forth in ISO Tariff Appendix Y, *Generator Interconnection Procedures (GIP) for the Interconnection Requests*.

- LGIP Transition Cluster (LGIP-TC). requests received prior to June 2, 2008 that were transitioned to the Cluster LGIP.
- Cluster 1 (C1). the first group of interconnection requests received during an open request window (June 2, 2008 to July 31, 2009).
- Cluster 2 (C2). the second group of interconnection requests received during an open request window (October 1, 2009 to January 31, 2010).
- Cluster 3 (C3). the third group of interconnection requests received during an open request window (March 1, 2010 to July 31, 2010).
- Cluster 4 (C4). the fourth group of interconnection requests received during the open request window (March 1-31, 2011).<sup>10</sup>

- ***ISO Clusters Governed by the GIDAP***

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<sup>10</sup> Under the Cluster LGIP, the fourth cluster window opened on October 1, 2010 and was set to close on January 31, 2011. However, while the window period was opened, the GIP became effective. Under the GIP, a further fourth cluster window was opened during the month of March (March 1-31, 2011). All earlier fourth cluster applications received during 2010 are being processed together with the cluster track applications received during the March 2011 window period.

Clusters after cluster four are governed by ISO's GIDAP procedures, as set forth in ISO Tariff Appendix DD.

- Cluster 5 (C5). the fifth group of interconnection requests received during the open request window (March 1-31, 2012).
- Cluster 6 (C6). the sixth group of interconnection requests received during the open request window (April 1-30, 2013).
- Cluster 7 (C7). the seventh group of interconnection requests received during the open request window (April 1-30, 2014).

- ***Customers Governed by GIP Tracks Other than the Cluster Track***

- Independent Study Process (ISP). ISP interconnection requests can be submitted at any time. This component tracks ISP projects received from the inception of the ISP on December 19, 2010 through the end of the reporting period. It is important to note that the ISP is available to projects of any MW size. Accordingly, this component will be composed of both large and small generators. The independent study for these projects is done as energy-only. If an ISP project desires to have full-capacity deliverability status, then the deliverability study is done in the next deliverability study that the ISO performs as part of a cluster process in the Phase II interconnection study process.
- SGIP Serial Study (SGIP) and SGIP Transition Cluster. On December 19, 2010, the effective date for revised GIP Appendix Y, there were 128 active projects in the queue for the Small Generator Interconnection Process (SGIP). The ISO sent a notice to all SGIP interconnection customers whose projects were eligible to remain in the SGIP serial process, to inform them that they had an option to move their projects into the new SGIP transition cluster and be studied as energy-only in the combined Phase II interconnection studies that the ISO is conducting for LGIP Cluster 1 and Cluster 2.11
- Track Process (Fast Track). The Fast Track is available to projects up to 5 MW in size. Fast Track interconnection requests can be submitted at any time. This component tracks Fast Track projects received from the time the Fast Track process was revised on December 19, 2010 through the end of the reporting period. Currently the ISO does not have any Fast Track projects in its interconnection queue.

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<sup>11</sup> See Appendix 8 to Appendix Y.



Every two weeks the ISO publishes detailed information on the projects in the interconnection queue on the ISO public website at:

<http://www.caiso.com/planning/Pages/GeneratorInterconnection/Default.aspx>

The spreadsheet can be accessed directly at:

<http://www.caiso.com/Documents/ISOGeneratorInterconnectionQueueExcel.xls>.

A PDF version of the document is available at

<http://www.caiso.com/Documents/ISOGeneratorInterconnectionQueue.pdf>.

The document is separated into three tabs:

1. “Active Generation Projects” are projects in the ISO interconnection queue that are active and have not yet declared commercial operation for the project’s Interconnection Request
2. “Completed Generation Projects” are projects studied in the interconnection queue that have declared commercial operation for their entire Interconnection Request. (Column S of this tab, “Actual Online Date” contains the dates that the Projects declared COD)
3. “Withdrawn Generation Projects” are projects studied in the interconnection queue that have been withdrawn from the ISO interconnection queue (Column D of this tab “Application Status” contains the date the Project withdrew from the ISO interconnection queue)

As illustrated in Image 1 below, all three tabs of the document contain detailed information on the projects’ size, type, technology, deliverability status, location, and progress through the queue, including the following components:

- Column C, “Queue Date” indicates the date the Interconnection Request was deemed complete, which is the day the project is considered to have entered the queue.
- Column E, “Study Process” can be used to organize, filter, and view projects by study process.
- Columns F and G “Generating Facility Type-1” and “Generating Facility Type-2” contain the projects’ prime mover technology.

- Columns H and I “Generating Facility Fuel-1” and “Generating Facility Fuel-2” contain the projects’ fuel type for the technology.

**Image 1**

Queue Position	Interconnection Request Receive Date	Queue Date	Application Status	Study Process	Type-1	Type-2	Fuel-1	Fuel-2	MW-1	MW-2	MW Total
1048	4/30/2014	4/30/2014	Active	C7	STR		BAT		50		50
1049	4/29/2014	4/30/2014	Active	C7	PV		S		20		20
1050	4/29/2014	4/30/2014	Active	C7	PV		S		20		20
1051	4/30/2014	4/30/2014	Active	C7	STR	PV	BAT	S	30	90	120

The document also contains a legend for the phrases and acronyms used to identify the spreadsheet’s tabs and columns, as illustrated in Image 2:

**Image 2**

259	1091	5/22/2014	5/14/2014	Active
260	1092	1/13/2014	8/25/2014	Active
261				
262				
263	<b>Legend:</b>			
264	• Study Process Key: Active=project is in study th			
265	• Study Process Key: A39=Amendment 39 Procedu			
266	Cluster (Appendix 2 to Appendix Y), ISP=Independent			
267	• Generating Facility type Key: CC=Combined Cy			
268	• Generating Facility Fuel Key: B=Biofuel, BAT=E			

As illustrated in Image 3 below, all three tabs of the document contain detailed information on the projects’ that have executed Generator Interconnection Agreements or the GIAs are in progress:

V W X Y Z

Report Run Date: 10/24/2014

Availability		
Study (FAS) or Cluster Study	Optional Study (OS)	Interconnection Agreement Status
Complete		Executed
		In Progress
Complete		In Progress
Complete		In Progress
Complete		In Progress
Complete		In Progress