

Decision on interconnection process enhancements for queue management

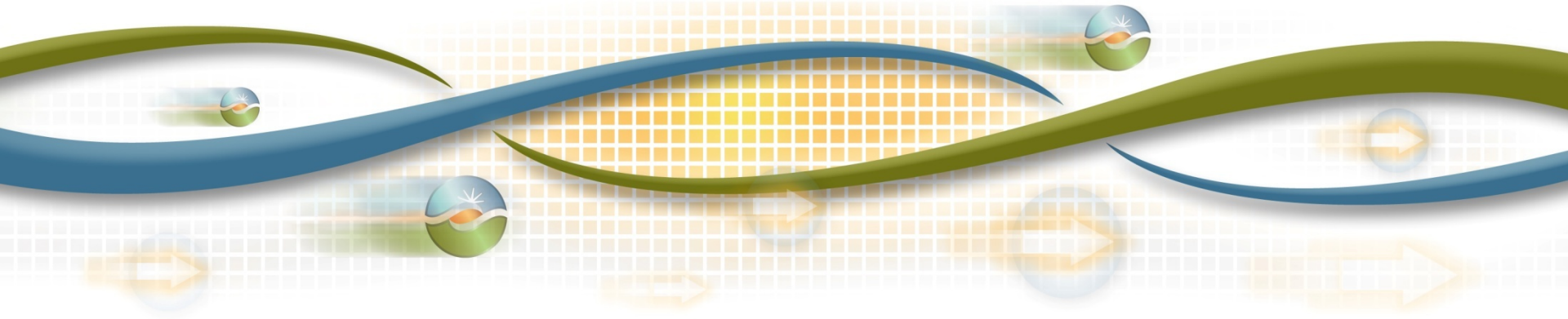
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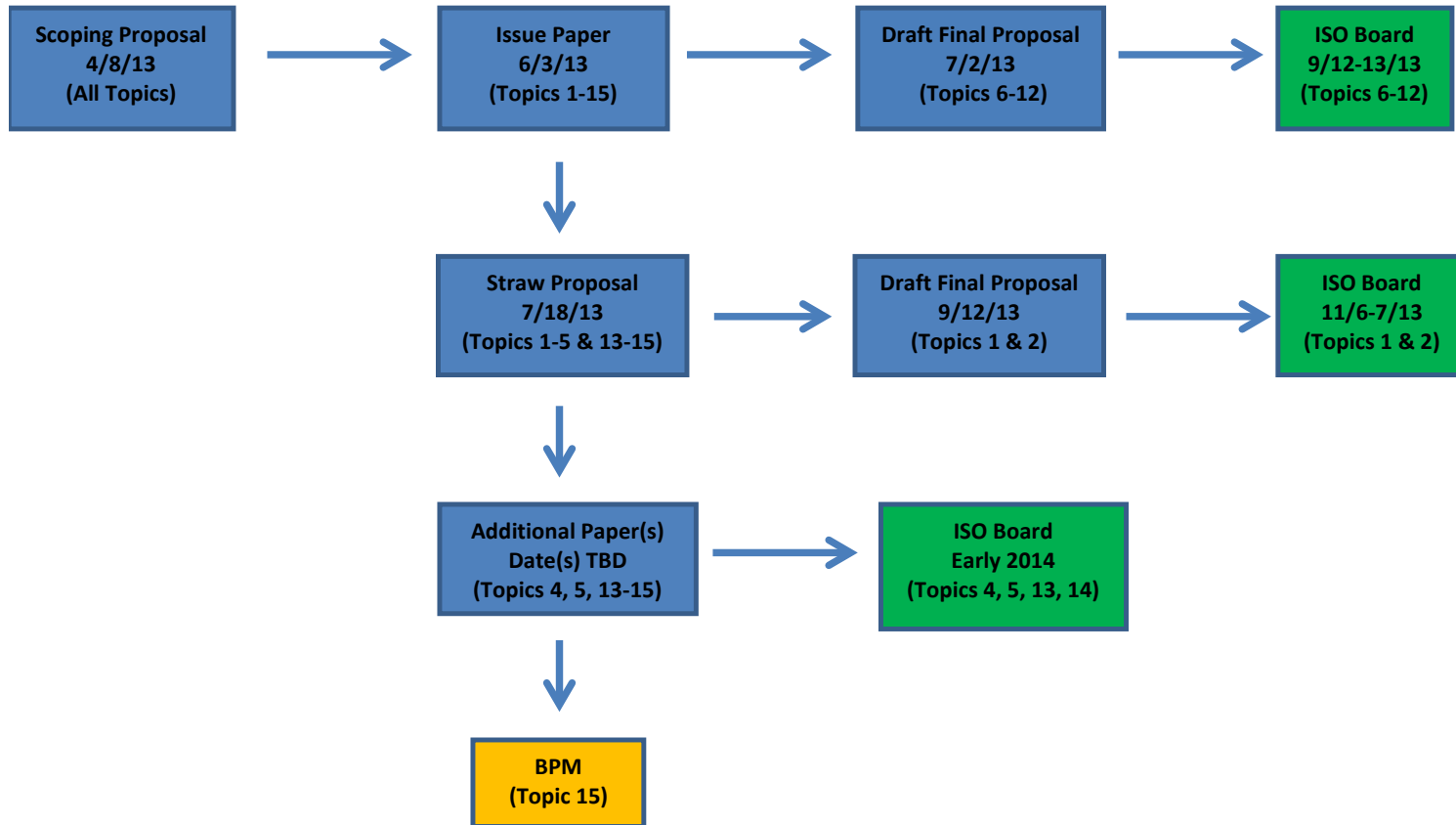
Board of Governors Meeting

General Session

September 12, 2013



The interconnection process enhancements initiative addresses 15 topics, 6 of which are before the Board today.



Queue management topics are 7 of 15 topics in overall interconnection process enhancements initiative.

- Only 6 of the 7 queue management topics are before the board today
- Changes are largely administrative in nature
- Stakeholders support bringing these topics to the Board now, prior to completion of entire initiative
- Resolution of these 6 topics will improve ISO's ability to administer interconnection queue more efficiently
- Proposals on the remaining 9 topics in this initiative are still under development

Queue Management Topics

No.	Topic
6	Provide for ability to charge customer for ISO and participating transmission owner costs associated with processing material modification request
7	Allow commercial operation date and other modifications for small generator projects similar to large generator projects
8	Establish a length of time in queue provision for small generator projects similar to large generator projects
9	Clarify that participating transmission owner alone and not participating transmission owner and ISO tenders generator interconnection agreement
10	Revise triggering event for tendering draft generator interconnection agreement
11	Revise ISO's time to finalize the execution copy of the generator interconnection agreement
12	<i>Revise suspension definition to ensure consistency between serial and cluster projects to avoid impact to other queued projects (Not seeking Board approval at this time).</i>

There is broad support for majority of proposal, but a few concerns remain.

- Topic 6: Southern California Edison would prefer fixed fee versus actual costs approach because of ease of administration
- Topic 10: Large Solar Association would like self-prioritization mechanism for interconnection agreement negotiations

Management recommends approval of the proposal.

- Changes are broadly supported by stakeholders
- Proposal was refined to address many of the stakeholders' comments and concerns
- Proposed modifications will greatly improve ISO's ability to administer generator interconnection queue more efficiently