



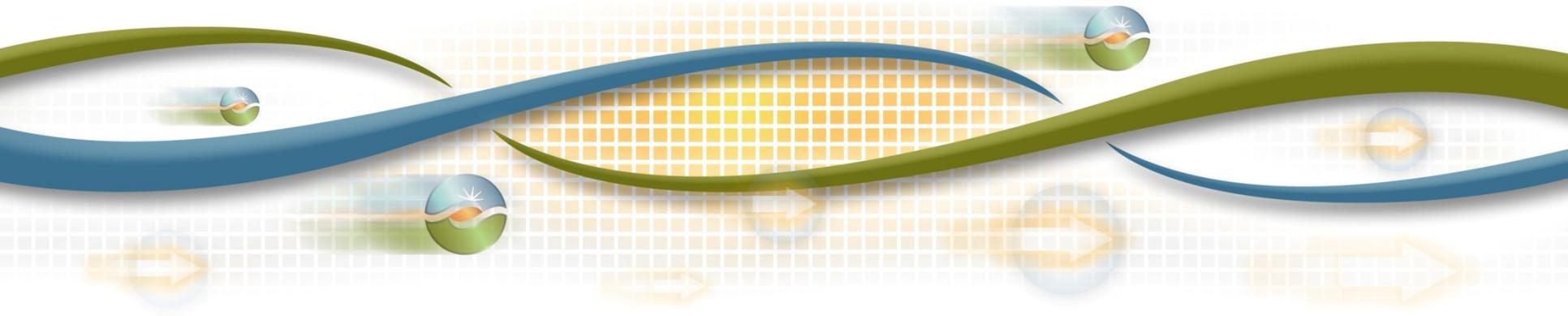
California ISO
Shaping a Renewed Future

Interconnection Process Enhancements Initiative

Revised Straw Proposal

Stakeholder Web Conference

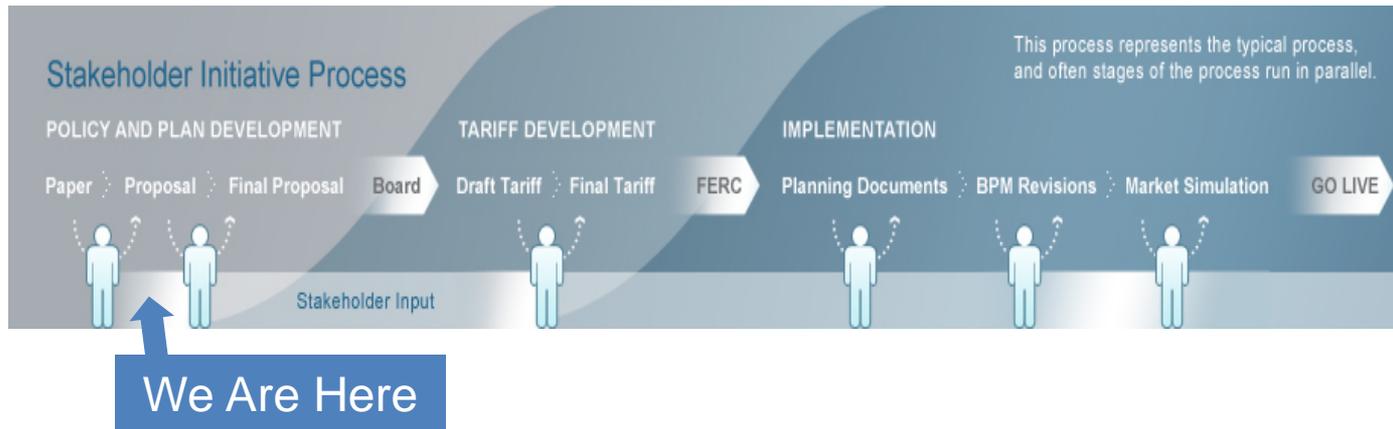
May 18, 2015



Agenda

Time	Topic	Speaker
1:00-1:10	Introduction	Kristina Osborne
1:10-2:50	Discussion on Revised Proposals	IPE Team
2:50-3:00	Next Steps	Kristina Osborne

Stakeholder process schedule



Date	Milestone
May 11, 2015	Revised Straw Proposal
May 18, 2015	Stakeholder Meeting (web conference)
June 1, 2015	Stakeholder Comments Due
June 26, 2015	Draft Final Proposal
July 9, 2015	Stakeholder meeting (web conference)
July 23, 2015	Stakeholder Comments Due
September 17-18, 2015	Board of Governors Meeting

Initiative background and objective for today's stakeholder call

Initiative background - consider potential enhancements to ISO's generator interconnection process and agreements

Objective - review changes from the issue paper/straw proposal

Eleven topics

No.	Topic	ISO SME
1	Affected Systems	Debi Le Vine
2	Time-In-Queue Limitations	Raeann Quadro
3	Negotiation of Generator Interconnection Agreements	Daune Kirrene
4	Deposits Interconnection Request Study Deposits Limited Operation Study Deposits Modification Deposits Repowering Deposits	Debi Le Vine
5	Stand-Alone Network Upgrades and Self Build Option	Bob Emmert
6	Allowable Modifications Between Phase I and Phase II Study Results	Linda Wright
7	Conditions for Issuance of Study Reports	Songzhe Zhu
8	Generator Interconnection Agreement Insurance	Brij Basho
9	Interconnection Financial Security Process Clarifications Posting Clarifications Transmission Plan Deliverability Affidavit Impacts	Jeff Evans/ Linda Wright
10	Forfeiture of Funds for Withdrawal During Downsizing Process	Phelim Tavares
11	Transmission Plan Deliverability Option B Clarifications	Leslie Feusi

Topics that have not changed

Topic 4 – Deposits

Topic 9 – Interconnection Financial Security

Topics that have been clarified

Topic 6 -Allowable Modifications Between Phase I and Phase II Study Results

- Changes in Point of Interconnection must meet the requirements detailed in Appendix DD Section 6.7.2.1
- Standardized terminology

Topic 7 – Conditions for Issuance of Study Reports

- Customer-initiated changes to scope or schedule can result in changes to maximum cost responsibility

Topic 8 – Generator Interconnection Agreement Insurance

- Participating TO and CAISO additional insured only with respect to the LGIA
- Insurance is due 30 calendar days prior to start of construction

Topics that have been revised

Topic 1 – Affected Systems

Topic 2 – Time-in-Queue Limitations

Topic 3 – Negotiation of GIAs

Topic 5 – Stand-Alone Network Upgrades and Self-Build Option

Topic 10 – Forfeiture of Funds for Withdrawal during
Downsizing Process

Topic 11 – TP Deliverability Option B Clarifications

Proposed Revisions

Topic 1 – Affected Systems

Revised straw proposal

- Modified the time for Affected Systems to identify themselves to 60 calendar days versus 30

Straw proposal comments

- Reciprocity and process improvements
- Affected System legal rights

Topic 2 –Time-In-Queue Limitations

Revised straw proposal

- Limited exception to commercial viability criteria for projects with a longest-lead Network Upgrade beyond the 7-year threshold in Phase II results
 - Exception applies only to Cluster 7 and beyond
 - Only within 6 months of Phase II results
 - Excludes report addendums and revisions resulting from customer-initiated modifications

Topic 2 –Time-In-Queue Limitations (continued)

Comparison to TP Deliverability

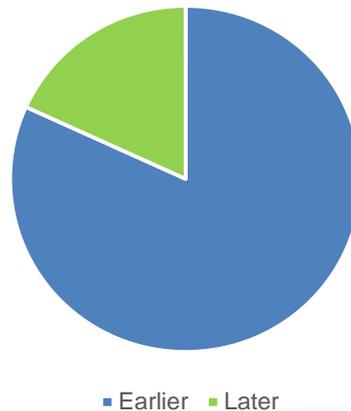
Minimum Criteria	TPD Allocation	Δ	TPD Retention	Δ	Proposal for those wishing to go beyond the 7/10
Permits	Applied	=	Applied or better	↑	Data adequate or better
Financing	Short list or balance sheet	↑	Regulator approved PPA, executed (but not yet regulator approved), or balance sheet	=	Regulator approved PPA, executed (but not yet regulator approved), or balance sheet
GIA		↑	Executed and in good standing	=	Executed and in good standing
Site Exclusivity	Demonstration for 50% or deposit	=	Demonstration for 50% or deposit	↑	Demonstration for 100%

Topic 3– Negotiation of Generator Interconnection Agreements

Revised straw proposal – GIA tendering

- Modified to enable the Interconnection Customer to request an earlier tender that is after the issuance of the Phase II Study report

GIA Tender
proposed vs current



Topic 3– Negotiation of Generator Interconnection Agreements (continued)

Revised straw proposal – GIA negotiation

- Modified to return the existing tariff language that explains what happens if the Interconnection Customer declares an impasse but takes no further action
- Modified to limit the CAISO and Participating TO's ability to declare an impasse only after the 120-day negotiation period
- Modified to return the existing tariff language that explains what happens after the 120-day negotiation period

Topic 5 – Stand-Alone Network Upgrades & Self-Build Option

Revised straw proposal modifications

- IC must post for SANU at second posting
- IC may request to build the SANU in the GIA negotiations
- Second posting will be reduced if the Participating TO and the CAISO agree to IC self-build option
- Second posting amount will not be revised until the GIA documenting the SANU has been fully executed

Topic 10 – Forfeiture of Funds for Withdrawal during Downsizing Process

Revised straw proposal

- Partial recovery of the Interconnection Financial Security will be based on the pre-downsized capacity even if the project has completed the downsizing study

Topic 11 – Transmission Plan Deliverability Option B Clarifications

Revised straw proposal

- Eliminated limiting Option (B) choice to only projects assigned ADNUs in their Phase I study reports
- Eliminated providing Option (B) customers the same choices that Option (A) customers have if no allocation is received
- Allow Option (B) projects *with no ADNUs in Phase II and no TP Deliverability allocation* to choose Energy Only deliverability, but not to park

Next Steps

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- Please use the comments template provided
- Please include “2015 IPE” in the subject line
- Submit written comments to initiativecomments@caiso.com by close of business Monday, June 1