

## **Appendix KK**

### **Resource Interconnection Standards (RIS)**

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## **Section 1 Objectives And Applicability**

### **1.1 Objectives and Applicability**

The objective of these Resource Interconnection Standards (RIS) is to implement the requirements for both Small and Large Generating Facility interconnections to the CAISO Controlled Grid and to provide a process for allocating Transmission Plan Deliverability for Interconnection Requests starting with Queue Cluster 15 and for subsequent Queue Clusters. This RIS applies to Interconnection Requests that are either assigned to Queue Cluster 15 and subsequent Queue Clusters, or submitted for the Fast Track Process after the RIS is effective. The exception to this rule of limited applicability is the annual reassessment process set forth in Section 7.4, which will apply to all CAISO Interconnection Customers in Queue Clusters.

### **1.2 Definitions**

Unless the context otherwise requires, any word or expression defined in the Master Definitions Supplement, Appendix A to the CAISO Tariff, will have the same meaning where used in this RIS. References to the RIS are to this Appendix KK.

### **1.3 Pre-Application**

**1.3.1** An Interconnection Customer with a proposed Small Generating Facility may submit a formal written request form along with a non-refundable fee of \$300 to the CAISO for a pre-application report on a proposed project at a specific site. The CAISO shall provide the pre-application data described in Section 1.3.2 to the Interconnection Customer within twenty (20) Business Days of receipt of the completed request form and payment of the \$300 fee. The CAISO shall coordinate with the Participating TO to complete the pre-application report. At the request of the CAISO, the Participating TO shall provide any readily available information necessary to complete the pre-application report. Readily available information shall mean information that the Participating TO currently has on hand. The Participating TO is not required to create new information but is required to compile, gather, and summarize information that it has on hand in a format that presents the information in a manner that informs the Interconnection Customer regarding issues related to its proposed Small Generating Facility. If providing any item in the pre-application report would require the Participating TO to perform a study or analysis beyond gathering and presenting existing information, then the information shall be deemed not readily available. The pre-application report produced by the CAISO is non-binding, does not confer any rights, and the Interconnection Customer must still successfully apply to interconnect to the CAISO's system. The written pre-application report request form shall include the information in Sections 1.3.1.1 through 1.3.1.8 below to clearly and sufficiently identify the location of the proposed Point of Interconnection that is under CAISO operational control.

**1.3.1.1** Project contact information, including name, address, phone number, and email address.

**1.3.1.2** Project location (street address with nearby cross streets and town).

**1.3.1.3** Single proposed Point of Interconnection that is either an existing substation or a transmission line under CAISO operational control.

**1.3.1.4** Generator Type (e.g., solar, wind, combined heat and power, etc.)

**1.3.1.5** Size (alternating current kW/MW)

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**1.3.1.6** Single or three phase generator configuration

**1.3.1.7** Stand-alone generator (no onsite load, not including station service – Yes or No?)

**1.3.1.8** Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW/MW (if available) and specify if the load is expected to change.

**1.3.2** Subject to Section 1.3.1, the pre-application report will include the following information:

**1.3.2.1** Electrical configuration of the substation, including information of transmission lines terminating in the substation, transformers, buses and other devices, if the proposed Point of Interconnection is a substation.

**1.3.2.2** Existing aggregate generation capacity (in MW) interconnected to a substation or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.

**1.3.2.3** Aggregate queued generation capacity (in MW) for a substation or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.

**1.3.2.4** Based on the proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit issues, instability issues, facility loading issues, or voltage issues.

**1.3.2.5** Available capacity on a substation or circuit likely to serve the proposed Point of Interconnection.

**1.3.3** The pre-application report need only include existing data. A pre-application report request does not obligate the CAISO to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If the CAISO cannot complete all or some of a pre-application report due to lack of available data, the CAISO shall provide the Interconnection Customer with a pre-application report that includes the data that is available. There are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this section, the CAISO shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.

## **Section 2 Scope and Application**

### **2.1 Application of Generator Interconnection Procedures**

This RIS applies to processing an Interconnection Request pertaining to a Generating Facility that is either: (i) assigned to Queue Clusters 15 and subsequent Queue Clusters, or (ii) included in the Fast Track Process, after the RIS is effective.

### **2.2 Comparability**

The CAISO shall receive, process, and analyze Interconnection Requests in a timely manner as set forth in this RIS. The CAISO will process and analyze Interconnection Requests from all Interconnection Customers as set forth in this RIS, regardless of whether the Generating Facilities are owned by a Participating TO, its subsidiaries, or Affiliates or others.

## **2.3 Interconnection Base Case Data**

For each Interconnection Study Cycle, the CAISO, in coordination with applicable Participating TO(s), shall maintain updated Interconnection Base Case Data, including, as applicable, separate Interconnection Base Case Data for each Cluster Study to reflect system conditions particular to the Cluster Study, to a secured section of the CAISO Website. Interconnection Base Case Data will represent the network model and underlying assumptions used during the most recent Interconnection Study and represent system conditions in the near term planning horizon. The CAISO will update and publish the Interconnection Base Case Data prior to the Cluster Study, after the Cluster Study, before the annual reassessment, and after the annual reassessment to reflect new and withdrawn Interconnection Requests and resulting changes to identified transmission upgrades as applicable.

Interconnection Base Case Data shall include information subject to the confidentiality provisions in Section 15.1.

The CAISO shall require current and former Interconnection Customers, Market Participants, and electric utility regulatory agencies within California to sign a CAISO confidentiality agreement and, where the current or former Interconnection Customer or Market Participant is not a member of WECC, or its successor, an appropriate form of agreement with WECC, or its successor, as necessary. All other entities or persons seeking Interconnection Base Case Data must satisfy the foregoing requirements as well as all requirements under 18 C.F.R. Section 388.113 for obtaining the release of Critical Energy Infrastructure Information (as that term is defined by FERC). The CAISO will maintain a link on OASIS to the secured section of the CAISO website with the Interconnection Base Case Data.

## **2.4 Interconnection Service and Studies**

### **2.4.1 No Applicability to Transmission Service.**

Nothing in this RIS shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

### **2.4.2 The Product.**

Interconnection Service allows the Interconnection Customer to connect the Generating Facility to the CAISO Controlled Grid and be eligible to deliver the Generating Facility's output using the available capacity of the CAISO Controlled Grid. Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or point of delivery or rights to any specific MW of available capacity on the CAISO Controlled Grid.

### **2.4.3 The Interconnection Studies.**

For Interconnection Requests in Queue Cluster 15 and subsequent Queue Clusters, the Interconnection Studies consist of a Cluster Study, an annual reassessment, and an Interconnection Facilities Study, and any updates to reflect the results of a reassessment conducted after the TP Deliverability allocation process for the Queue Cluster.

#### **2.4.3.1 The Cluster Studies**

The Cluster Studies for Queue Cluster Generating Facilities will include, but not be limited to, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The Cluster Studies will identify direct Interconnection

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Facilities and required Reliability Network Upgrades necessary to interconnect the Generating Facility, mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service. The stability and steady state studies will identify necessary upgrades to allow full output of the proposed Generating Facility, except for Generating Facilities that include at least one electric storage resource that request to use operating assumptions pursuant to Section 3.1, unless the CAISO and Participating TO determine that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions, and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades. The Cluster Studies will also identify LDNUs that have selected Full Capacity, Partial and Capacity Deliverability Status, as applicable. Such Network Upgrades shall be identified in accordance with the Deliverability Assessments set forth in Section 6.3.2. The Cluster Studies will also provide cost estimates for ADNUs, as described in Section 6.3.2. The Cluster Study report shall include cost estimates for RNUs, LDNUs, and ADNUs.

#### **2.4.3.2 The Reassessment**

Before each Cluster Study, the CAISO will conduct a reassessment, as specified in Section 7.4, to conform the Base Case and Interconnection Base Case Data to account for later conditions since the CAISO performed the Cluster Study in the prior Interconnection Study Cycle.

#### **2.4.3.3 The Interconnection Facilities Study**

After the Cluster Study, the CAISO and Participating TO will conduct the Interconnection Facilities Study to determine a list of facilities (including the Participating TO's Interconnection Facilities and Network Upgrades as identified in the Cluster Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the CAISO Controlled Grid. The scope of the study is defined in Section 8 of this RIS.

#### **2.4.3.4 Update Following TP Deliverability Allocation Process**

Following the completion of Interconnection Facilities Studies for the Queue Cluster and provision by the CAISO of the results to Interconnection Customers in the Queue Cluster, the CAISO will perform the allocation of TP Deliverability to eligible Generating Facilities in accordance with Section 8.9. Based on the results of the allocation process and the responses to those results as reported by affected Interconnection Customers to the CAISO, the CAISO will provide updates where needed to the Interconnection Study reports of affected Interconnection Customers.

### **Section 3 Interconnection Requests**

#### **3.1 General**

Pursuant to CAISO Tariff Section 25.1, a duly authorized officer or agent of the Interconnection Customer will submit to the CAISO (1) an Interconnection Request consistent with Appendix 1 to this RIS, including (2) an executed Cluster Study Agreement consistent with Appendix 3 to this RIS. All forms may be submitted electronically as provided on the CAISO Website. Interconnection customers will submit Appendix B to the Cluster Study Agreement, the Interconnection Facilities Study Agreement, pursuant to Section 8 of this RIS. The CAISO will

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forward a copy of the Interconnection Request to the applicable Participating TO within five (5) Business Days of receipt.

The Interconnection Customer shall submit a separate Interconnection Request for each site. Where multiple Generating Units share a site, the Interconnection Customer(s) may submit separate Interconnection Requests or a single Interconnection Request. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At the Interconnection Customer's option, the CAISO, Participating TO, and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at a Scoping Meeting within the Customer Engagement Window to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. The Interconnection Customer will select the definitive Point of Interconnection to be studied no later than the execution of the end of the Customer Engagement Window. For purposes of clustering Interconnection Requests, the CAISO and Participating TO may propose changes to the requested Point of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Point(s) of Interconnection. The CAISO will notify Interconnection Customers in writing of any intended changes to the requested Point of Interconnection within the Customer Engagement Window, and the Point of Interconnection will only change upon mutual agreement.

Interconnection Customers may request Interconnection Service Capacity below the Generating Facility Capacity. The CAISO will study these requests for Interconnection Service at the level of Interconnection Service Capacity requested for purposes of Interconnection Studies, Network Upgrades, and associated costs. If the Generating Facility Capacity requires additional Network Upgrades beyond the Interconnection Service Capacity, the CAISO will provide a detailed explanation of why the additional Network Upgrades are necessary. Any Interconnection Facility and/or Network Upgrade cost required for safety and reliability will be assigned to the Interconnection Customer and eligible for reimbursement consistent with the treatment of Interconnection Facilities and Network Upgrade provided in this RIS. Interconnection Customers may be subject to additional control technologies, as well as testing and validation of those technologies consistent with Article 6 of the GIA and Article 2 of the SGIA. The necessary control technologies and protection systems shall be established in Appendix C of that executed, or requested to be filed unexecuted, GIA.

The CAISO will study Generating Units that include at least one electric storage resource using operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by the Interconnection Customer, unless the CAISO and Participating TO determine that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. If the CAISO and Participating TO find the Interconnection Customer's requested operating assumptions conflict with Good Utility Practice, they must provide the Interconnection Customer an explanation in writing of why the submitted operating assumptions are insufficient or inappropriate by no later than thirty (30) calendar days before the end of the Customer Engagement Window and allow the Interconnection Customer to revise and resubmit requested operating assumptions one time at least ten (10) calendar days prior to the end of the Customer Engagement Window. The CAISO and Participating TO will study these requests for Interconnection Service, with the study costs borne by the Interconnection Customer, using the submitted operating assumptions for purposes of Interconnection Facilities, Network Upgrades, and associated costs. These requests for Interconnection Service also may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the system, with the study costs borne by the Interconnection Customer. The Interconnection Customer's Generating Facility may be subject to additional control technologies as well as testing and validation of such additional control technologies consistent with Article 6 of the LGIA. The necessary control technologies and protection systems will be set forth in Appendix C of the

Interconnection Customer's LGIA.

### **3.2 Roles and Responsibilities**

- (a) Each Interconnection Request will be subject to the direction and oversight of the CAISO. The CAISO will conduct or cause to be performed the required Interconnection Studies and any additional studies the CAISO determines to be reasonably necessary, and will direct the applicable Participating TO to perform portions of studies where the Participating TO has specific and non-transferable expertise or data and can conduct the studies more efficiently and cost effectively than the CAISO. The CAISO will coordinate with Affected System Operators in accordance with Section 3.7.
- (b) The CAISO will complete or cause to be completed all studies as required within the timelines provided in this. Any portion of the studies performed at the direction of the CAISO by the Participating TOs or by a third party shall also be completed within timelines provided in this RIS.
- (c) The CAISO has established a pro forma Roles and Responsibilities Agreement, attached hereto as Appendix 4 and incorporated herein by reference, for execution by the CAISO and the applicable Participating TOs.
- (d) Each Interconnection Customer shall pay the actual costs of all Interconnection Studies, and any additional studies the CAISO determines to be reasonably necessary in response to the Interconnection Request. The CAISO shall reimburse the Participating TO for the actual cost of any portion of all Interconnection Studies that such Participating TO performs at the direction of the CAISO.

### **3.3 Timing for Submitting Interconnection Requests**

#### **3.3.1 Timing for Submitting Interconnection Requests for a Queue Cluster**

Except for Interconnection Customers requesting processing under the Fast Track Process, Interconnection Requests must be submitted during a Cluster Application Window.

The CAISO will accept Interconnection Requests during a fifteen (15) day period (the Cluster Application Window). Beginning in 2026, the initial Cluster Application Window for Interconnection Requests will open annually on October 1 and close on October 15. If any date set forth in this section is not a Business Day, then the applicable date shall be the next Business Day.

#### **3.3.2 Timing for Submitting Interconnection Requests for Fast Track Process**

Interconnection Customers may submit Interconnection Requests for processing under the Fast Track Process at any time during the year.

#### **3.3.3 Timing for Wholesale Distribution Transfers**

After the Cluster Application Window, the CAISO will accept Interconnection Requests from Utility Distribution Companies that accepted interconnection requests for wholesale participation the Interconnection Customer reasonably believed were to the distribution grid based on available information, but should have been to the CAISO Controlled Grid. The CAISO will only accept those Interconnection Requests it can include in the Cluster Study without delaying that Queue Cluster. The CAISO will not accept any Interconnection Request transfers after the commencement of the Cluster Study.

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After the Utility Distribution Company has transferred the Interconnection Request to the CAISO, the CAISO will notify the Interconnection Customer whether it can be included in the Cluster Study and request any data still required under Section 3.5.1.

### **3.4 Surplus Interconnection Service**

The CAISO will allow an Interconnection Customer to utilize or transfer Surplus Interconnection Service once the Interconnection Customer has executed the GIA or requested that the GIA be filed unexecuted. The Interconnection Customer will notify the CAISO that it has transferred its Surplus Interconnection Service to another entity. The total Interconnection Service Capacity of the original Interconnection Customer and the assignee of the Surplus Interconnection Capacity may not exceed the original Interconnection Customer's constructed Generating Facility Capacity, regardless of the Interconnection Service Capacity it requested in its Interconnection Request or memorialized in its GIA. The Generating Facility of the assignee must interconnect at the same Point of Interconnection as the original Interconnection Customer. The CAISO and Participating TO will study Surplus Interconnection Service requests for a Generating Facility that includes at least one electric storage resource using operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by the Interconnection Customer, unless the CAISO and Participating TO determine that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

If the assignee's Generating Facility would not require a new Interconnection Request pursuant to Section 25.1.1 of the CAISO Tariff, the original Interconnection Customer may transfer Surplus Interconnection Service, and the CAISO will study the transfer, as a modification under Section 6.7.2. Otherwise, the assignee of the Surplus Interconnection Service will submit an Interconnection Request pursuant to Section 3.3 of this RIS. The Cluster Study process will identify any additional Interconnection Facilities and/or Network Upgrades necessary. Reimbursement for additional Reliability Network Upgrades will be capped pursuant to Section 14.3.2 of this RIS. The CAISO will use the constructed Generating Facility Capacity of the original Interconnection Customer for the MW value of the RNU reimbursement cap, and will subtract the costs of the original Interconnection Customer's Reliability Network Upgrades to determine any remaining eligible reimbursement under the cap for the assignee's Reliability Network Upgrades, if any.

Notwithstanding any other provision in this RIS, if the original Interconnection Customer has Full or Partial Capacity Deliverability Status, it will notify the CAISO whether its transfer of Surplus Interconnection Service includes any Deliverability currently associated with the constructed Generating Facility capacity. The transfer amount of Deliverability may not exceed the transfer amount of Surplus Interconnection Service. The transfer amount of Surplus Interconnection Service will not operate as a basis to increase the Net Qualifying Capacity of the Generating Facility (including the expansion) that pre-existed the transfer. In all cases, the original Generating Facility and the behind-the-meter capacity expansion will be metered separately from one another and be assigned separate Resource IDs. If the original Interconnection Customer's Generating Facility permanently retires, or ceases operation for three (3) years without having begun active construction of a repowered Generating Facility, both the original Interconnection Customer and the assignee of the Surplus Interconnection Service will be converted to Energy Only. At any point, the assignee may seek its own TP Deliverability allocation pursuant to Section 8.9 of this RIS. If the assignee receives its own TP Deliverability allocation, it will exist completely independent of the original Interconnection Customer and will not be converted to Energy Only due to the retirement or inoperability of the original Interconnection Customer, notwithstanding any other provision herein.

The CAISO, Participating TO, and original Interconnection Customer will work in good faith to amend the original Interconnection Customer's GIA to reflect the transfer of Surplus Interconnection Service before the execution of the assignee's GIA.

### 3.5 Processing of Interconnection Requests

#### 3.5.1 Initiating an Interconnection Request.

An Interconnection Customer seeking to join a Queue Cluster will submit its Interconnection Request to the CAISO within, and no later than the close of, the Cluster Application Window. Interconnection Requests submitted outside of the Cluster Application Window will not be considered. To initiate an Interconnection Request except as set forth for the Fast Track Process in Section 5, and have the Interconnection Request considered for validation under Section 3.5.2, the Interconnection Customer must submit all of the following during the Cluster Application Window:

- (i) Applicable Interconnection Study Deposit amount, pursuant to Section 3.5.1.1 of this RIS.
- (ii) A completed application in the form of Appendix 1, including requested Deliverability statuses, requested study process (either Queue Cluster or Fast Track Study Process), preferred Point of Interconnection and voltage level, and all other required technical data, including all data requested in Attachment A to Appendix 1 in Excel format.
- (iii) Demonstration of no less than ninety percent (90%) Site Control; or (1) a signed affidavit from an officer of the company indicating that Site Control is unobtainable due to regulatory limitations as defined in the Business Practice Manuals; (2) documentation sufficiently describing and explaining the source and effects of such regulatory limitations, including a description of any conditions that must be met to satisfy the regulatory limitations and the anticipated time by which the Interconnection Customer expects to satisfy the regulatory requirements; and (3) a deposit in lieu of Site Control of \$10,000 per MW, subject to a minimum of \$500,000 and a maximum of \$2,000,000. Interconnection Requests from multiple Interconnection Customers for multiple Generating Facilities that share a site must include a contract or other agreement that allows for shared land use.
- (iv) A load flow model.
- (v) A dynamic data file.
- (vi) A reactive power capability document.
- (vii) A site drawing.
- (viii) A single-line diagram.
- (ix) A flat run plot and a bump test plot from the positive sequence transient stability simulation application.
- (x) A plot showing the requested MW at the Point of Interconnection from the positive sequence load flow application.
- (xi) A Commercial Readiness Deposit equal to two times the study deposit described in Section 3.5.1.1 of this RIS in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to the CAISO under Section 11.1 of this RIS. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 3.8 of this RIS.

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- (xii) If applicable, (a) the requested operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) to be used by the CAISO and Participating TO that reflect the proposed charging behavior of the Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to the operating assumptions submitted by the Interconnection Customer.

The CAISO requires the foregoing information to be complete and specific to the Interconnection Request. The CAISO will first determine whether a submitted Interconnection Request is complete. The CAISO will not initiate any review of an Interconnection Request for completeness until the Interconnection Study Deposit is received by the CAISO. Consistent with Section 3.5.3, the CAISO will review each Interconnection Request and notify the Interconnection Customer whether it is complete or contains omissions within five (5) Business Days of submission. Any Interconnection Customer that has not submitted a complete Interconnection Request by October 15 (or the next Business Day if October 15 is not a Business Day) will be deemed incomplete with no opportunity to cure or otherwise be included in that year's Queue Cluster.

The CAISO requires Interconnection Study Deposits to review and validate the Interconnection Request. Notwithstanding Section 3.5.2 of this RIS or any other provision regarding validation or the ability to cure deficiencies, the CAISO will not review, process, or validate an Interconnection Request absent the Interconnection Study Deposit. Any interconnection Customer that has not submitted a complete Interconnection Study Deposit by October 15 (or the next Business Day if October 15 is not a Business Day) will be deemed invalid with no opportunity to cure or otherwise be included in that year's Queue Cluster.

#### **3.5.1.1 Interconnection Study Deposit.**

The Interconnection Customer will submit to the CAISO, during a Cluster Application Window, an Interconnection Request in the form of Appendix 1 to this RIS, a non-refundable application fee of \$5,000, and a refundable study deposit:

- a. \$35,000 plus \$1,000 per MW for Interconnection Requests < 80 MW, or;
- b. \$150,000 for Interconnection Requests  $\geq$  80 MW < 200 MW; or
- c. \$250,000 for Interconnection Requests  $\geq$  200 MW.

The CAISO will apply the study deposit toward the cost of the Cluster Study Process.

The CAISO shall deposit all Interconnection Study Deposits in an interest bearing account at a bank or financial institution designated by the CAISO. The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the CAISO, the Participating TOs, or third parties at the direction of the CAISO or Participating TOs, as applicable, to perform and administer the Interconnection Studies and to meet and otherwise communicate with Interconnection Customers with respect to their Interconnection Requests.

#### **3.5.1.2 Obligation for Study Costs.**

In the event an Interconnection Customer withdraws its Interconnection Request

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prior to the commencement of the Cluster Study, Interconnection Customer must pay the CAISO the actual costs of processing its Interconnection Request.

In the event an Interconnection Customer withdraws after the commencement of the Cluster Study, the CAISO shall charge and the Interconnection Customer(s) shall pay the actual costs of the Interconnection Studies. The costs of any Interconnection Study conducted on a clustered basis will be allocated among each Interconnection Customer within the Cluster as follows:

Fifty percent (50%) of the study costs will be allocated to each Interconnection Request in a cluster on a per capita basis.

Fifty percent (50%) of the study costs will be allocated to each Interconnection Request in a cluster on a pro rata basis.

Following offsets from Withdrawal Penalties assessed pursuant to Section 7.6, the actual costs of each reassessment, as set forth in Section 7.4, will be allocated among each Interconnection Customer in the same manner as above.

Any difference between the study deposit and the actual cost of the Interconnection Studies will be paid by or refunded, except as otherwise provided herein, to Interconnection Customers. Any invoices for Interconnection Studies will include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customers will pay any such undisputed costs within thirty (30) days of receipt of an invoice therefor. If an Interconnection Customer fails to pay such undisputed costs within the time allotted, its Interconnection Request will be deemed withdrawn from the Cluster Study Process and will be subject to Withdrawal Penalties pursuant to Section 3.8 of this RIS.

The Participating TO and any third parties performing work on the Interconnection Customer's behalf shall invoice the CAISO for such work, and the CAISO shall issue invoices for Interconnection Studies that shall include a detailed and itemized accounting of the cost of each Interconnection Study. The CAISO shall draw from the Study Deposit any undisputed costs within thirty (30) calendar days of issuance of an invoice. Whenever the actual cost of performing the Interconnection Studies exceeds the Interconnection Study Deposit, the Interconnection Customer shall pay the undisputed difference in accordance with the CAISO issued invoice within thirty (30) calendar days. The CAISO shall not be obligated to continue to have any studies conducted unless the Interconnection Customer has paid all undisputed amounts in compliance herewith. In the event an Interconnection Study, or portions thereof, is performed by the CAISO, the Interconnection Customer shall pay only the costs of those activities performed by the Participating TO to adequately review or validate that Interconnection Study or portions thereof.

#### **3.5.1.3 Site Control and Site Control Deposit.**

Interconnection Customer shall promptly inform the CAISO of any material change to Interconnection Customer's demonstration of Site Control under Section 3.5.1(iii) of this RIS. If the CAISO determines, based on the Interconnection Customer's information, that the Interconnection Customer no longer satisfies the Site Control requirement, the CAISO shall give the Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement subject to the CAISO's approval. Absent such, the CAISO shall deem the Interconnection Request withdrawn pursuant to

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Section 3.8 of this RIS.

An Interconnection Customer that submits a deposit in lieu of Site Control due to demonstrated regulatory limitations must demonstrate that it is taking identifiable steps to secure the necessary regulatory approvals from the applicable federal, state, and/or tribal entities before the end of the Customer Engagement Window. Such deposit will be held by the CAISO until the Interconnection Customer provides the required Site Control demonstration for its point in the Cluster Study Process. An Interconnection Customer facing qualifying regulatory limitations must demonstrate one-hundred percent (100%) Site Control within one hundred eighty (180) days of the effective date of the GIA.

The CAISO shall deposit all Site Control Deposits in an interest bearing account at a bank or financial institution designated by the CAISO. The Site Control Deposit and all interest shall be refundable to the Interconnection Customer at any time upon demonstration of Site Control.

**3.5.1.4 Proposed Commercial Operation Date.**

In the initial Interconnection Request, the proposed Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall not exceed seven (7) years from the date the Interconnection Request is received by the CAISO, unless the Interconnection Customer demonstrates, and the applicable Participating TO(s) and the CAISO agree, such agreement not to be unreasonably withheld, that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the seven (7) year period. The CAISO's agreement to an extension of the proposed Commercial Operation Date does not relieve the Interconnection Customer from compliance with the requirements of any of the criteria in Section 8.9.3 for retention of TP Deliverability.

Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Generating Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing. For purposes of this section, the Commercial Operation Date reflected in the initial Interconnection Request will be used to calculate the permissible extension prior to Interconnection Customer executing a GIA or requesting that the GIA be filed unexecuted. After a GIA is executed or requested to be filed unexecuted, the Commercial Operation Date reflected in the GIA will be used to calculate the permissible extension. Such cumulative extensions may not exceed three (3) years including both extensions requested after execution of the GIA by Interconnection Customer or the filing of an unexecuted GIA by the CAISO and those requested prior to execution of the GIA by Interconnection Customer or the filing of an unexecuted GIA by the CAISO.

**3.5.1.5 Third-party Interconnection Facilities.**

Interconnection Customers proposing to use third-party Interconnection Facilities must provide documentation to the CAISO demonstrating they are negotiating or have secured rights on those Interconnection Facilities to be deemed valid pursuant to Section 3.5.2. Within twenty (20) days after the Cluster Study Report Meeting, such Interconnection Customers must provide documentation to the CAISO demonstrating they have secured rights on those Interconnection Facilities through their Commercial Operation Date.

### **3.5.2 Customer Engagement Window.**

Upon the close of each Cluster Application Window, the CAISO will open a ninety (90) calendar day period (Customer Engagement Window). During the Customer Engagement Window, the CAISO will hold a Scoping Meeting with all interested Interconnection Customers. Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, the CAISO may shorten the Customer Engagement Window and begin the Cluster Study. Within ten (10) Business Days of the opening of the Customer Engagement Window, the CAISO will post on its Website a list of Interconnection Requests for that Cluster. The list will identify, for each anonymized Interconnection Request: (1) the requested amount of Interconnection Service; (2) the location by county and state; (3) the station or transmission line or lines where the interconnection will be made; (4) the projected In-Service Date; (5) the Deliverability Status requested; and (6) the type of Generating Facility or Facilities to be constructed, including fuel types, such as coal, natural gas, solar, or wind. The CAISO must ensure that project information is anonymized and does not reveal the identity or commercial information of interconnection customers with submitted requests. During the Customer Engagement Window, the CAISO will provide to Interconnection Customer a non-binding updated good faith estimate of the cost and timeframe for completing the Cluster Study. Interconnection Customers can access and execute the Cluster Study Agreement through the CAISO Website. Interconnection Customers must execute the Cluster Study Agreement prior to the close of the Customer Engagement Window.

At the end of the Customer Engagement Window, all Interconnection Requests deemed valid that have executed a Cluster Study Agreement in the form of Appendix 3 to this RIS will be included in the Cluster Study. Any Interconnection Requests not deemed valid at the close of the Customer Engagement Window will be deemed withdrawn (without the cure period provided under Section 3.8 of this RIS by the CAISO, the application fee will be forfeited to the CAISO, and the CAISO will return the Interconnection Study Deposit and Commercial Readiness Deposit to the Interconnection Customer. Immediately following the Customer Engagement Window, the CAISO will initiate the Cluster Study described in Section 6 of this RIS.

For each Interconnection Request that is deemed complete pursuant to Section 3.5.1, the CAISO and Participating TO will determine whether the Interconnection Request is valid. An Interconnection Request will be deemed valid if it does not contain deficiencies that would prevent its inclusion in the Cluster Study. Deficiencies include but are not limited to modeling errors, inaccurate data, and unusable files.

The Interconnection Customer will provide the CAISO the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice but no later than the end of the Customer Engagement Window. At any time, if the CAISO finds that the technical data provided by Interconnection Customer is incomplete or contains errors, the Interconnection Customer, Participating TO, and the CAISO will work expeditiously and in good faith to remedy such issues. In the event that the Interconnection Customer fails to comply with this Section, the CAISO will deem the Interconnection Request withdrawn (without the cure period provided under Section 3.8 of this RIS, the application fee is forfeited to the CAISO, and the Interconnection Study and Commercial Readiness Deposit will be returned to Interconnection Customer.

#### **3.5.2.1 Validation Process.**

The CAISO and Participating TO will notify the Interconnection Customer whether its Interconnection Request is valid or contains deficiencies within ten (10) Business Days of October 15 or when the Interconnection Request is deemed complete, whichever is later. All Interconnection Requests must be

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deemed valid by the end of the Customer Engagement Window to be included in that year's Queue Cluster.

**3.5.2.2 Deficiencies in Interconnection Request.**

If an Interconnection Request has deficiencies, the CAISO shall include in its notification to the Interconnection Customer that the Interconnection Request does not constitute a valid request and explain the deficiencies. The Interconnection Customer shall provide the CAISO the corrected requested information needed to constitute a valid request. Consistent with Section 3.5, whenever corrected requested information is provided by the Interconnection Customer, the CAISO shall notify the Interconnection Customer within five (5) Business Days of receipt of the corrected requested information whether the Interconnection Request is valid. If the Interconnection Request continues to provide deficient information, the CAISO shall include in its notification to the Interconnection Customer the reasons for such failure. If an Interconnection Request is not deemed valid, the Interconnection Customer must cure all deficiencies no later than the close of the Customer Engagement Window. Interconnection Requests with deficiencies after that date will be deemed invalid and will not be included in an Interconnection Study Cycle or otherwise studied.

Interconnection Requests deemed invalid under this Section 3.5.2.2 are not subject to Section 3.8. Interconnection Customers with invalid Interconnection Request under this Section 3.5.2.2 may seek relief under Section 15.5 by so notifying the CAISO within two (2) Business Days of the notice of invalidity.

**3.5.3 Day-for-day Extensions**

To the extent the CAISO and Participating TO cannot meet any deadline in this Section 3.5.2, the Interconnection Customer will receive a day-for-day extension on all remaining deadlines requiring its response.

**3.6 Internet Posting**

The CAISO will maintain on the CAISO Website a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the most recent projected Commercial Operation Date; (v) the status of the Interconnection Request, including whether it is active or withdrawn; (vi) the availability of any studies related to the Interconnection Request; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (e.g., combined cycle, combustion turbine, wind turbine, and fuel type); (ix) requested Deliverability statuses, and (x) project name.

Except in the case of an Affiliate, the list will not disclose the identity of the Interconnection Customer until the Interconnection Customer executes a GIA or requests that the applicable Participating TO(s) and the CAISO file an unexecuted GIA with FERC. The CAISO shall post on the CAISO Website an advance notice whenever a Scoping Meeting will be held with an Affiliate of a Participating TO.

The CAISO shall maintain on the CAISO Website: (1) an interactive visual representation of the estimated incremental injection capacity (in megawatts) available at each Point of Interconnection in the CAISO's footprint under N-1 conditions, and (2) a table of metrics concerning the estimated impact of a potential Generating Facility on the CAISO's transmission system based on a user-specified addition of a particular number of megawatts at a particular voltage level at a particular Point of Interconnection. At a minimum, for each transmission facility impacted by the user-specified megawatt addition, the following information will be provided in the table: (1) the

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distribution factor; (2) the megawatt impact (based on the megawatt values of the proposed Generating Facility and the distribution factor); (3) the percentage impact on each impacted transmission facility (based on the megawatt values of the proposed Generating Facility and the facility rating); (4) the percentage of power flow on each impacted transmission facility before the injection of the proposed project; and (5) the percentage power flow on each impacted transmission facility after the injection of the proposed Generating Facility. These metrics must be calculated based on the power flow model of the transmission system with the transfer simulated from each Point of Interconnection to the whole CAISO footprint, and with the incremental capacity at each Point of Interconnection decremented by the existing and queued Generating Facilities (based on the existing or requested Interconnection Service limit of the generation). These metrics will be updated within thirty (30) days after the completion of each Cluster Study and Cluster Restudy. This information will be publicly posted, without a password or a fee on the CAISO Website. The CAISO Website will define all underlying assumptions, including the name of the most recent Cluster Study or Restudy used in the Base Case.

The CAISO shall post to the CAISO Website any deviations from the study timelines set forth herein. The CAISO shall further post to the secure CAISO Website portions of the Cluster Study that do not contain customer-specific information following the final Results Meeting and portions of the Interconnection Facilities Study that do not contain customer-specific information no later than publication of the final Transmission Plan under CAISO Tariff Section 24.2.5.2 (such posted information to be placed on the secure CAISO Website to protect any Critical Energy Infrastructure Information contained therein). The CAISO shall post to the secure CAISO Website any documents or other materials posted pursuant to this or a Business Practice Manual that contain Critical Energy Infrastructure Information.

### **3.6.1 Interconnection Studies Statistics**

The CAISO will maintain on its Website summary statistics related to processing Interconnection Studies pursuant to Interconnection Requests, updated quarterly. The CAISO will maintain a link on OASIS to the CAISO Website with the interconnection statistics. These statistics will include:

#### **3.6.1.1 Cluster Studies**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Cluster Studies completed during the reporting quarter;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Cluster Studies completed beyond the one hundred fifty (150) Calendar Days after the close of the Customer Engagement Window;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Cluster Studies where such Interconnection Requests had executed a Cluster Study agreement received by the CAISO more than one hundred fifty (150) days before the reporting quarter end;
- (D) The mean time (in days) of Cluster Studies completed within the CAISO's coordinated region during the reporting quarter, from the date when the CAISO notifies the Interconnection Customers in the Cluster that a Cluster Restudy is required pursuant to Section 7.4.1 of this RIS to the date the CAISO provided the completed Cluster Study Report to the Interconnection Customer;
- (E) Mean time (in days), Cluster Studies completed within the CAISO's coordinated region during the reporting quarter, from the close of the Cluster Application Window to the date when the CAISO provided the completed Cluster Study Report to the Interconnection Customer;

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- (F) The percentage of Cluster Studies exceeding the one hundred fifty (150) days to complete this reporting quarter, calculated as the sum of Section 3.6.1.1(B) plus Section 3.6.1.1(C), divided by the sum of Section 3.6.1.1(A) plus Section 3.6.1.1(C).

**3.6.1.2 Cluster Restudies**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Cluster Restudies completed;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Cluster Restudies completed beyond the one hundred fifty (150) Calendar Days after the close of the Customer Engagement Window;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Cluster Restudies where such Interconnection Requests had executed a Cluster Study agreement received by the CAISO more than one hundred fifty (150) days before the reporting quarter end;
- (D) The mean time (in days) of Cluster Restudies completed within the CAISO's coordinated region during the reporting quarter, from the date when the CAISO notifies the Interconnection Customers in the Cluster that a Cluster Restudy is required pursuant to Section 7.4.1 of this RIS to the date the CAISO provided the completed Cluster Restudy Report to the Interconnection Customer;
- (E) The mean time (in days) of Cluster Restudies completed within the CAISO's coordinated region during the reporting quarter, from the close of the Cluster Application Window to the date when the CAISO provided the completed Cluster Restudy Report to the Interconnection Customer;
- (F) The percentage of Cluster Restudies exceeding the one hundred fifty (150) days to complete this reporting quarter, calculated as the sum of Section 3.6.1.2(B) plus Section 3.6.1.2(C), divided by the sum of Section 3.6.1.2(A) plus Section 3.6.1.2(C).

**3.6.1.3 Interconnection Facilities Studies Processing Time**

- (A) The number of Interconnection Requests to the CAISO Controlled Grid that had Interconnection Facilities Studies completed;
- (B) The number of Interconnection Requests to the CAISO Controlled Grid that had Interconnection Facilities Studies completed beyond the one hundred twenty (120) days planned for the Interconnection Facilities Study pursuant to Section 8.5 of this RIS;
- (C) The number of active, valid Interconnection Requests with ongoing incomplete Interconnection Facilities Studies that have exceeded the one hundred twenty (120) days planned for the Interconnection Study pursuant to Section 8.5 of this RIS;
- (D) The mean time (in days) of Interconnection Facilities Studies completed from the date when the CAISO began the annual Interconnection Facilities Study pursuant to Section 8.5 of this RIS to the date the CAISO provided the completed

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Interconnection Facilities Study to the Interconnection Customer;

- (E) The mean time (in days) of Interconnection Facilities Studies completed within the CAISO's coordinated region during the reporting quarter, from the close of the Cluster Application Window to the date when the CAISO provided the completed Interconnection Facilities Study to Interconnection Customer;
- (F) Percentage of delayed Interconnection Facilities Studies this reporting quarter, calculated as the sum of Section 3.6.1.3(B) plus Section 3.6.1.3(C) divided by the sum of Section 3.6.1.3(A) plus Section 3.6.1.3(C) of this RIS.

**3.6.1.4 Interconnection Requests Withdrawn**

- (A) The number of Interconnection Requests withdrawn;
- (B) The number of Interconnection Requests withdrawn before completion of any Interconnection Studies;
- (C) The number of Interconnection Requests withdrawn before completion of their Interconnection Facilities Study;
- (D) The number of Interconnection Requests withdrawn after completion of an Interconnection Facilities Study but before execution of a GIA or before the Interconnection Customer requests filing an unexecuted, new GIA;
- (E) Number of Interconnection Requests withdrawn from the CAISO's interconnection queue after completion of an Interconnection Facilities Study but before execution of a GIA or Interconnection Customer requests the filing of an unexecuted, new GIA;
- (F) Number of Interconnection Requests withdrawn from the CAISO's queue after execution of a GIA or Interconnection Customer requests the filing of an unexecuted, new GIA;
- (G) Mean time (in days), for all withdrawals, from the date when the request was determined to be valid to when the CAISO received the request to withdraw from the queue.

**3.6.2 Retention**

The CAISO will keep the quarterly interconnection studies statistics on the CAISO Website for three (3) calendar years.

**3.6.3 FERC Reporting**

In the event that any of the percentages calculated in any subparagraph E of Section 3.6.1.1 and 3.6.1.2 exceeds twenty five (25) percent for two (2) consecutive quarters, the CAISO will, for the next four (4) quarters and until those percentages fall below twenty five (25) percent for two (2) consecutive quarters:

- (i) submit a report to FERC describing the reason for each study or group of clustered studies pursuant to an Interconnection Request that exceeded its deadline for completion. The CAISO will describe the reasons for each study delay and any steps taken to remedy these specific issues and, if applicable, prevent such delays in the future. The CAISO will file the report with FERC within forty five (45) days of the end of

the calendar quarter.

- (ii) aggregate and publish on the CAISO Website the total number of employee-hours and third party consultant hours expended towards its Interconnection Studies. The CAISO will publish these figures within thirty (30) days of the end of the calendar quarter.

### **3.7 Coordination with Affected Systems**

Pursuant to Section 3.7.1, the CAISO will notify the Affected System Operators that are potentially affected by the Interconnection Customer's Interconnection Request or Cluster Study within which the Interconnection Customer's Interconnection Request will be studied. The CAISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators, to the extent possible, and, if possible, the CAISO will include those results (if available) in its applicable Interconnection Study within the time frame specified in this RIS. The CAISO will include Affected System Operators in all meetings held with the Interconnection Customer as required by this RIS.

The Interconnection Customer will cooperate with the CAISO and Affected System Operator in all matters related to the conduct of studies and the determination of modifications to Affected Systems, including providing consent to CAISO's identification of Interconnection Customer's name, Generating Facility project name, and release of information that the Interconnection Customer provided as part of its Interconnection Request to the Affected System, and participating in any coordinating activities and communications undertaken by the Affected System or CAISO. If required by an Identified Affected System, the Interconnection Customer will sign separate study agreements with the Identified Affected System and pay for necessary studies. Identified Affected Systems will cooperate with the CAISO in all matters related to the Identified Affected System Operators' determination of modifications to Identified Affected Systems.

#### **3.7.1 Timing for Identification of Identified Affected Systems**

The CAISO will provide notice to the Affected System Operators that are potentially affected by the Interconnection Customer's Interconnection Request or Cluster Study within ten (10) Business Days after determining which projects in each study cluster have posted their additional Commercial Readiness Deposit to bring the total to five percent (5%) of the Interconnection Customer's Network Upgrade cost, pursuant to Section 7.4 of this RIS.

The CAISO may later notify Affected Systems if (i) the CAISO failed to identify the Affected System initially; (ii) the Interconnection Customer modifies its project such that an electric system becomes a potentially Affected System; or (iii) the Interconnection Customer converts from a Wholesale Distribution Access Tariff to the CAISO Tariff and the same Affected Systems were not notified previously or the conversion was due to a system change. In such cases, the CAISO will coordinate with the Interconnection Customer and the potentially Affected System Operator to develop an expedited timeline to determine whether the Affected System is an Identified Affected System. The CAISO will then notify the Interconnection Customer as soon as practical of the new Identified Affected System.

Within sixty (60) calendar days of notification from the CAISO, the Affected System Operator will advise the CAISO in writing that either: (i) the CAISO should consider the electric system to be an Identified Affected System; or (ii) the electric system should not be considered an Identified Affected System. If the Affected System Operator fails to advise the CAISO within (60) calendar days of notification, the CAISO will assume that the electric system is not an Affected System.

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If an electric system operator advises the CAISO that it is an Identified Affected System after the 60-day notification period, the CAISO will not delay the synchronization or Commercial Operation of the Generating Facility for mitigation required by the Affected System unless the Affected System identifies, and the CAISO confirms, a legitimate reliability issue. Where legitimate reliability issues are present, the CAISO will work with the Affected System and the Interconnection Customer to establish temporary mitigations, if possible, for the identified reliability issue. An Affected System's mitigation remedies that may be available outside the CAISO Tariff are unaffected by these provisions.

### **3.8 Withdrawal**

The Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the CAISO, and the CAISO will notify the applicable Participating TO(s) and Affected System Operators, if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by the CAISO of a valid Interconnection Request under Section 3.5.2, if the Interconnection Customer fails to adhere to all requirements of this RIS, except as provided in Section 15.5 (Disputes), the CAISO shall deem the Interconnection Request to be withdrawn and shall provide written notice to the Interconnection Customer within five (5) Business Days of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have five (5) Business Days in which to respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous and notifies the CAISO of its intent to pursue Dispute Resolution.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study Cycle. If an Interconnection Customer disputes the withdrawal and removal from the Interconnection Study Cycle and has elected to pursue Dispute Resolution, the Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

If the Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn by the CAISO under Section 3.8 of this RIS, the CAISO will (i) update the OASIS Queue Position posting; (ii) impose the Withdrawal Penalty described in Section 3.8.1 of this RIS; and (iii) refund to the Interconnection Customer any portion of the refundable portion of Interconnection Customer's study deposit that exceeds the costs that the CAISO has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. The CAISO will also refund any portion of the Commercial Readiness Deposit not applied to the Withdrawal Penalty and, if applicable, the deposit in lieu of site control.

In the event of such withdrawal, the CAISO, subject to the provisions of Sections 15.1 and 3.5.1.1, shall provide, at the Interconnection Customer's request, all information that the CAISO developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

#### **3.8.1 Withdrawal Penalty**

The Interconnection Customer will be subject to a Withdrawal Penalty if it withdraws its Interconnection Request or is deemed withdrawn, or the Generating Facility does not otherwise reach Commercial Operation unless: (1) the withdrawal does not have a material impact on the cost or timing of any Interconnection Request in the same Cluster; (2) Interconnection Customer withdraws after receiving Interconnection Customer's most recent Cluster Restudy Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than twenty-five percent (25%) compared to costs identified in Interconnection Customer's preceding Cluster Study Report or Cluster Restudy Report; or (3) Interconnection Customer withdraws after receiving Interconnection Customer's Interconnection Facilities Study

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Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than one hundred percent (100%) compared to costs identified in the Cluster Study Report or Cluster Restudy Report.

**3.8.1.1 Calculation of the Withdrawal Penalty**

If the Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn prior to the commencement of the initial Cluster Study, Interconnection Customer will not be subject to a Withdrawal Penalty. If Interconnection Customer withdraws, is deemed withdrawn, or otherwise does not reach Commercial Operation at any point after the commencement of the initial Cluster Study, that Interconnection Customer's Withdrawal Penalty will be the greater of: (1) the Interconnection Customer's study deposit required under Section 3.5.1.1 of this RIS; or (2) as follows in (a)–(d):

- (a) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Study or after receipt of a Cluster Study Report, but prior to commencement of the Cluster Restudy or Interconnection Facilities Study if no Cluster Restudy is required, Interconnection Customer will be charged two (2) times its actual allocated cost of all studies performed for Interconnection Customers in the Cluster.
- (b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports issued pursuant to Section 7.4 of this RIS, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer will be charged five percent (5%) of its estimated Network Upgrade costs.
- (c) If Interconnection Customer withdraws or is deemed withdrawn during the Interconnection Facilities Study, after receipt of the Interconnection Facilities Study Report issued pursuant to Section 8.5 of this RIS, or after receipt of the draft GIA but before Interconnection Customer has executed a GIA or has requested that its GIA be filed unexecuted, and has satisfied the other requirements described in Section 13.3 of this RIS (i.e., Site Control demonstration, GIA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility), Interconnection Customer will be charged ten percent (10%) of its estimated Network Upgrade costs.
- (d) If Interconnection Customer has executed a GIA or has requested that its GIA be filed unexecuted and has satisfied the other requirements described in Section 13.3 of this RIS (i.e., Site Control demonstration, GIA Deposit, reasonable evidence of one or more milestones in the development of the Generating Facility) and subsequently withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not reach Commercial Operation, that Interconnection Customer's Withdrawal Penalty will be twenty percent (20%) of its estimated Network Upgrade costs.

**3.8.2 Notification to CAISO and Accounting by Applicable Participating TO(s).**

The applicable Participating TO(s) shall notify the CAISO within one (1) Business Day of liquidating any deposit. Within twenty (20) calendar days of any liquidating event, the applicable Participating TO(s) shall provide the CAISO and Interconnection Customer with an accounting of the disposition of the proceeds of the liquidated deposit and remit to the CAISO all proceeds not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed by the applicable Participating TO(s) on behalf of the Interconnection Customer in accordance with this Section.

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All Withdrawal Penalties remitted to the CAISO in accordance with this Section, and funds that are received by the CAISO from a Participating TO pursuant to a requirement in the Participating TO's wholesale distribution tariff for such funds to be distributed by the CAISO, shall be treated in accordance with Section 7.6.

### **3.9 Transferability of Interconnection Request**

An Interconnection Customer may transfer its Interconnection Request to another entity only if such entity acquires the specific Generating Facility identified in the Interconnection Request and the Point of Interconnection does not change.

### **3.10 Emergency Interconnection Process**

The CAISO and Participating TO(s) may conduct expedited studies to approve emergency interconnections when all of the following conditions are satisfied:

- (a) The State of California Governor declared an emergency that requires capacity on an expedited basis;
- (b) The CPUC, the CEC, or a California agency specifically identified the interconnection as needed to respond to the State of California Governor's emergency declaration;
- (c) The interconnection would not have a negative impact on the cost or timing of any existing Interconnection Request unless the impacted Interconnection Request belongs to the same developer and the developer consents to the impact;
- (d) The interconnection does not require Network Upgrades above \$1 million. The CAISO will publish an annual inflation factor and adjusted amount for this figure with the per unit cost publication on the CAISO Website pursuant to Section 6.4 of this RIS;
- (e) The Reliability Network Upgrades required will be constructed in fewer than six (6) months;
- (f) The GIA or amendment for the emergency interconnection will expressly terminate the interconnection for the emergency capacity within three (3) years of the Commercial Operation Date of the emergency capacity. The Interconnection Customer may obtain standard Interconnection Service for the emergency capacity by submitting a subsequent Interconnection Request pursuant to Sections 3.5 or 5.1 of this RIS and supplanting the emergency GIA or amendment;
- (g) The emergency interconnection will be ineligible for Delivery Network Upgrades or TP Deliverability except Interim Deliverability consistent with Section 4.6 of this RIS, or until it can obtain TP Deliverability by submitting a subsequent Interconnection Request pursuant to Sections 3.5 or 5.1 of this RIS;
- (h) The emergency interconnection will not impact Affected Systems; and
- (i) The expedited studies confirm the interconnection may mitigate the emergency.

The Interconnection Customer will provide the CAISO a \$50,000 deposit and all necessary technical information to assess the interconnection. The Interconnection Customer will be responsible for the actual costs incurred by the CAISO and applicable Participating TO(s) in conducting the assessment. If the actual costs of the assessment are less than the deposit provided by the Interconnection Customer, the Interconnection Customer will be refunded the

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balance. If the actual costs of the assessment are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer shall pay the balance within 30 days of being invoiced. The CAISO shall coordinate the assessment with the Participating TO(s). The Participating TO(s) shall invoice the CAISO for any assessment work within seventy-five (75) calendar days of completion of the assessment, and, within thirty (30) days thereafter, the CAISO shall issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the assessment.

The CAISO and Participating TO(s) will conduct all necessary studies, publish study results, and tender a draft GIA or amendment to the Interconnection Customer.

Notwithstanding any other provision, all refunds pursuant to this section will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

### **3.11 Penalties for Failure to Meet Study Deadlines**

(1) The interconnecting Participating TO will be subject to a penalty if it fails to complete a Cluster Study, Cluster Restudy, Interconnection Facilities Study, or Affected Systems Study by the applicable deadline set forth in this RIS. The Participating TO must pay the penalty for each late Cluster Study, Cluster Restudy, and Interconnection Facilities Study on a *pro rata* basis per Interconnection Request to all Interconnection Customer(s) included in the relevant study that did not withdraw, or were not deemed withdrawn, from the CAISO's interconnection queue before the missed study deadline. The Participating TO must pay the penalty for a late Affected Systems Study on a *pro rata* basis per interconnection request to all Affected System Interconnection Customer(s) included in the relevant Affected System Study that did not withdraw, or were not deemed withdrawn, from the host transmission provider's interconnection queue before the missed study deadline. The study delay penalty for each late study will be distributed no later than forty-five (45) calendar days after the late study has been completed.

(2) For penalties assessed in accordance with this Section, the penalty amount will be equal to: \$1,000 per Business Day for delays of Cluster Studies beyond the applicable deadline set forth in this RIS; \$2,000 per Business Day for delays of the Cluster Restudy beyond the applicable deadline set forth in this RIS; \$2,000 per Business Day for delays of Affected System Studies beyond the applicable deadline set forth in this RIS; and \$2,500 per Business Day for delays of Interconnection Facilities Studies beyond the applicable deadline set forth in this RIS. The total amount of a penalty assessed under this Section will not exceed: (a) one hundred percent (100%) of the initial study deposit(s) received for all of the Interconnection Requests in the Cluster for Cluster Studies and Cluster Restudies; (b) one hundred percent (100%) of the initial study deposit received for the single Interconnection Request in the study for Facilities Studies; and (c) one hundred percent (100%) of the study deposit(s) that the CAISO collects for conducting the Affected System Study.

(3) The Participating TO may appeal to FERC any penalties imposed under this Section. Any such appeal must be filed no later than forty-five (45) calendar days after the late study has been completed. While an appeal to FERC is pending, the Participating TO will remain liable for the penalty, but need not distribute the penalty until forty-five (45) calendar days after (1) the deadline for filing a rehearing request has ended, if no requests for rehearing of the appeal have been filed, or (2) the date that any requests for rehearing of FERC's decision on the appeal are no longer pending before FERC. FERC may excuse the Participating TO from penalties under this Section for good cause.

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(4) No penalty will be assessed under this Section where a study is delayed by ten (10) Business Days or less. If the study is delayed by more than ten (10) Business Days, the penalty amount will be calculated from the first Business Day the Participating TO misses the applicable study deadline.

(5) If (a) the CAISO and Participating TO need to extend the deadline for a particular study subject to penalties under this Section and (b) all Interconnection Customers or Affected System Interconnection Customers included in the relevant study mutually agree to such an extension, the deadline for that study will be extended thirty (30) Business Days from the original deadline. In such a scenario, no penalty will be assessed for the Participating TO missing the original deadline.

(6) No penalties will be assessed until the third Cluster Study cycle after the FERC-approved effective date of the CAISO's filing made in compliance with the Final Rule in Docket No. RM22-14-000.

(7) The CAISO must maintain on its Website summary statistics related to penalties assessed under this Section, updated quarterly. For each calendar quarter, the CAISO must calculate and post (1) the total amount of penalties assessed under this Section during the previous reporting quarter and (2) the highest penalty assessed under this Section paid to a single Interconnection Customer or Affected System Interconnection Customer during the previous reporting quarter. The CAISO must post on its Website these penalty amounts for each calendar quarter within thirty (30) calendar days of the end of the calendar quarter. The CAISO must maintain the quarterly measures posted on its Website for three (3) calendar years with the first required posting to be the third Cluster Study cycle under paragraph (6). Each Participating TO will notify the CAISO of its penalties to enable the CAISO to comply with this paragraph (7).

#### **Section 4 [Not Used]**

#### **Section 5 Fast Track Process**

##### **5.1 Applicability and Initiation of Fast Track Process Request**

Applicability to a proposed Generating Facility. An Interconnection Customer may request interconnection of a proposed Generating Facility to the CAISO Controlled Grid under the Fast Track Process if the Generating Facility is no larger than 5 MW and is requesting Energy-Only Deliverability Status and if the Interconnection Customer's proposed Generating Facility meets the codes, standards, and certification requirements of Appendices 9 and 10 of this RIS, or if the applicable Participating TO notifies the CAISO that it has reviewed the design for or tested the proposed Small Generating Facility and has determined that the proposed Generating Facility may interconnect consistent with Reliability Criteria and Good Utility Practice.

Applicability to an existing Generating Facility. If the Interconnection of an existing Generating Facility meets the qualifications for Interconnection under CAISO Tariff Section 25.1(d) or (e) but, at the same time, the Interconnection Customer also seeks to repower or reconfigure the existing Generating Facility in a manner that increases the gross generating capacity by not more than 5 MW, then the Interconnection Customer may request that the Fast Track Process be applied with respect to the repowering or reconfiguration of the existing Generating Facility that results in the incremental increase in MW.

Initiating the Fast Track Interconnection Request. To initiate an Interconnection Request under the Fast Track Process, and have the Interconnection Request considered for validation the Interconnection Customer must provide the CAISO with:

- (i) a completed Interconnection Request as set forth in Appendix 1;

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- (ii) a non-refundable processing fee of \$500; and
- (iii) a demonstration of Site Control. For the Fast Track Process, such demonstration may include documentation reasonably demonstrating a right to locate the Generating Facility on real estate or real property improvements owned, leased, or otherwise legally held by another.

The CAISO shall review and validate the Fast Track Process Interconnection Request pursuant to Section 5.2.

In the event of a conflict between this Section 5 and another provision of this RIS, Section 5 shall govern.

## **5.2 Initial Review**

Within thirty (30) Calendar Days after the CAISO notifies the Interconnection Customer that the Interconnection Request is deemed complete, valid, and ready to be studied, the applicable Participating TO shall perform an initial review using the screens set forth in Section 5.2.1 below, and shall notify the Interconnection Customer of the results in a report that provides the details of and data underlying the Participating TO's determinations under the screens.

### **5.2.1 Screens**

**5.2.1.1** The proposed Generating Facility's Point of Interconnection must be on the CAISO Controlled Grid.

**5.2.1.2** For interconnection of a proposed Generating Facility to a radial transmission circuit on the CAISO controlled grid, the aggregated generation on the circuit, including the proposed Generating Facility, shall not exceed 15 percent of the line section annual peak load as most recently measured at the substation. For purposes of this Section 5.2.1.2, a line section shall be considered as that portion of a Participating TO's electric system connected to a customer bounded by automatic sectionalizing devices or the end of the transmission line.

This screen will not be required for a proposed interconnection of a Generating Facility to a radial transmission circuit with no load.

In cases where the circuit lacks the telemetry needed to provide the annual peak load measurement data, the CAISO shall use power flow cases from the latest completed Queue Cluster studies (either Phase I or Phase II) to perform this screen.

**5.2.1.3** [Not Used]

**5.2.1.4** The proposed Generating Facility, in aggregate with other Generating Facilities on the transmission circuit, shall not contribute more than 10 percent to the transmission circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

The CAISO shall use the short circuit study data from the latest completed Queue Cluster studies to test this screen.

**5.2.1.5** The proposed Generating Facility, in aggregate with other Generating Facilities on the transmission circuit, shall not cause any transmission protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts,

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and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 percent of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5 percent of the short circuit interrupting capability.

The CAISO shall use the short circuit study data from the most recently completed Queue Cluster studies to test this screen.

**5.2.1.6** A Generating Facility will fail this initial review, but will be eligible for a supplemental review, if it proposes to interconnect in an area where there are known transient stability, voltage, or thermal limitations identified in the most recently completed Queue Cluster studies or transmission planning process.

**5.2.1.7** No construction of facilities by a Participating TO on its own system shall be required to accommodate the proposed Generating Facility.

**5.2.2** If the proposed interconnection passes the screens, the Interconnection Request shall be approved. Within fifteen (15) Business Days thereafter, the Participating TO will provide the Interconnection Customer with a Small Generator Interconnection Agreement for execution.

**5.2.3** If the proposed interconnection fails the screens, but the CAISO and Participating TO determine that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards under these procedures, the Participating TO shall, within fifteen (15) Business Days, provide the Interconnection Customer with a Small Generator Interconnection Agreement for execution

**5.2.4** If the proposed interconnection fails the screens and the CAISO and Participating TO do not or cannot determine from the initial review that the Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider minor modifications or further study, the Participating TO shall provide the Interconnection Customer with the opportunity to attend a customer options meeting as described in Section 5.4.

**5.3 [Not Used]**

**5.4 Customer Options Meeting**

If the CAISO and Participating TO determine the Interconnection Request cannot be approved without (1) minor modifications at minimal cost; (2) a supplemental study or other additional studies or actions; or (3) incurring significant cost to address safety, reliability, or power quality problems, the CAISO and Participating TO shall notify the Interconnection Customer within five (5) Business Days of that determination and provide copies of all data and analyses underlying their conclusion. Within ten (10) Business Days of the CAISO and Participating TO's determination, the CAISO and Participating TO shall offer to convene a customer options meeting with the CAISO and Participating TO to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Generating Facility to be connected safely and reliably. At the time of notification of the CAISO and Participating TO's determination, or at the customer options meeting, the CAISO and Participating TO shall:

**5.4.1** Offer to perform facility modifications or modifications to the Participating TO's electric system (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Participating TO's

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electric system. If the Interconnection Customer agrees to pay for the modifications to the Participating TO's electric system, the Participating TO will provide the Interconnection Customer with an executable interconnection agreement within ten (10) Business Days of the customer options meeting; or

- 5.4.2** Offer to perform a supplemental review in accordance with Section 5.5 and provide a non-binding good faith estimate of the costs of such review; or
- 5.4.3** Offer to include the Interconnection Request in the next Queue Cluster Window, and the provision of the study deposit set forth in Section 3. Within fifteen (15) Business Days of the customer options meeting the Interconnection Customer shall provide the CAISO, in writing, with its election on how to proceed with its Interconnection Request. If the Interconnection Customer does not make an election within this time period, the CAISO will deem the Interconnection Request withdrawn.

## **5.5 Supplemental Review**

- 5.5.1** To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing and submit a deposit for the estimated costs of the supplemental review in the amount of the good faith estimate determined by the CAISO and Participating TO, both within fifteen (15) Business Days of the offer, or elect one of the options set forth in Section 5.4.3.
- 5.5.2** The Interconnection Customer may specify the order in which the CAISO and Participating TO will complete the screens in Section 5.5.4.
- 5.5.3** The Interconnection Customer shall be responsible for the CAISO and Participating TO's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within twenty (20) Business Days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the CAISO and Participating TO will return such excess, without interest, within twenty (20) Business Days of the invoice.
- 5.5.4** Within thirty (30) Business Days following receipt of the deposit for a supplemental review, or some longer period agreed to by the Interconnection Customer, CAISO, and Participating TO, the CAISO and Participating TO shall (1) perform a supplemental review using the screens set forth below; (2) notify in writing the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying the CAISO and Participating TO's determinations under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the CAISO and Participating TO shall notify the Interconnection Customer following the failure of any of the screens, or if they are unable to perform the screen in Section 5.5.4.1, within two (2) Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 5.5.4; (2) terminate the supplemental review and offer the Interconnection Customer the options set forth in Section 5.4.3; or (3) terminate the supplemental review upon withdrawal of the Interconnection Request by the Interconnection Customer.

In conducting these screens, the CAISO and Participating TO will use power flow or short circuit study data from the most recently completed Queue Cluster studies (either Phase I or Phase II).

- 5.5.4.1** Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Generating Facility) are available, can be calculated, can be estimated from

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existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100 percent of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the CAISO and Participating TO shall include the reason(s) that they are unable to calculate, estimate or determine minimum load in their supplemental review results notification under Section 5.5.4.

**5.5.4.1.1** The type of generation used by the proposed Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen 5.5.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e. 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.

**5.5.4.1.2** When this screen is being applied to a Generating Facility that serves some station service load, only the net injection into the Participating TO's electric system will be considered as part of the aggregate generation.

**5.5.4.1.3** The CAISO and Participating TO will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

**5.5.4.2** Voltage and Power Quality Screen: In aggregate with existing generation on the line section, the proposed Generating Facility shall not cause the violation of voltage standards, as set forth in the CAISO's Planning Standards, on any part of the CAISO Controlled Grid.

**5.5.4.3** Safety and Reliability Screen: The location of the proposed Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without studying the Generating Facility in either the Queue Cluster or Independent Study processes. The CAISO and Participating TO shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.

**5.5.4.3.1** Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).

**5.5.4.3.2** Whether the loading along the line section uniform or even.

**5.5.4.3.3** Whether the proposed Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity. For purposes of this screen, a Mainline is the three-phase backbone of a circuit and will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

**5.5.4.3.4** Whether the proposed Generating Facility incorporates a time delay

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function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.

**5.5.4.3.5** Whether operational flexibility is reduced by the proposed Generating Facility, such that transfer of the line section(s) of the Generating Facility to a neighboring circuit/substation may trigger overloads or voltage issues.

**5.5.4.3.6** Whether the proposed Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.

**5.5.5** If the proposed interconnection passes the supplemental screens in Sections 5.5.4.1, 5.5.4.2, and 5.5.4.3 above, the Interconnection Request shall be approved and the Participating TO will provide the Interconnection Customer with an executable interconnection agreement within the timeframes established in Sections 5.5.5.1 and 5.5.5.2 below. If the proposed interconnection fails any of the supplemental review screens and the Interconnection Customer does not withdraw its Interconnection Request, it shall be treated in accordance with Section 5.5.5.3 below.

**5.5.5.1** If the proposed interconnection passes the supplemental screens in Sections 5.5.4.1, 5.5.4.2, and 5.5.4.3 above and does not require construction of facilities by the Participating TO on its own system, the interconnection agreement shall be provided within ten (10) Business Days after the notification of the supplemental review results.

**5.5.5.2** If interconnection facilities or minor modifications to the Participating TO's system are required for the proposed interconnection to pass the supplemental screens in Sections 5.5.4.1, 5.5.4.2, and 5.5.4.3 above, and the Interconnection Customer agrees to pay for the modifications to the Participating TO's electric system, the interconnection agreement, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to the Interconnection Customer within fifteen (15) Business Days after receiving written notification of the supplemental review results.

**5.5.5.3** If the proposed interconnection would require more than interconnection facilities or minor modifications to the Participating TO's system to pass the supplemental screens in Sections 5.5.4.1, 5.5.4.2, and 5.5.4.3 above, the CAISO and Participating TO shall notify the Interconnection Customer, at the same time they notify the Interconnection Customer with the supplemental review results, and offer the options set forth in Section 5.4.3 above. If the Interconnection Customer does not make an election within fifteen (15) Business Days, the CAISO will deem the Interconnection Request withdrawn.

## **Section 6 Cluster Study Process**

### **6.1 Initial Activities Following the Close of the Cluster Application Window**

#### **6.1.1 [Intentionally Omitted]**

#### **6.1.2 Scoping Meeting**

During the Customer Engagement Window, the CAISO will hold a Scoping Meeting with

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all Interconnection Customers whose valid Interconnection Requests were received in that Cluster Application Window.

The purpose of the Cluster Study Scoping Meeting will be to discuss alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would reasonably be expected to impact such interconnection options, to discuss the Cluster Study materials posted to the CAISO Website pursuant to Section 3.5 and 3.6 of this RIS, if applicable, and to analyze such information. The CAISO and the Interconnection Customer(s) will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. The CAISO and the Interconnection Customer(s) also will bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, the Interconnection Customer(s) will designate its Point of Interconnection. The duration of the meeting will be sufficient to accomplish its purpose. All Interconnection Customers must execute the non-disclosure agreement under Section 2.3 of this RIS prior to a group Cluster Study Scoping Meeting, which provides for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

### **6.1.3 Grouping Interconnection Requests**

The CAISO will assign a Queue Position as follows: the Queue Position within the queue will be assigned based upon the date and time of receipt of all items required pursuant to the provisions of Section 3.5 of this RIS. All Interconnection Requests submitted and validated in a single Cluster Application Window will be considered equally queued.

A higher Queue Position assigned to an Interconnection Request is one that has been placed “earlier” in the queue in relation to another Interconnection Request that is assigned a lower Queue Position. All requests studied in a single Cluster will be considered equally queued. Interconnection Customers that are part of Clusters initiated earlier in time than an instant queue will be considered to have a higher Queue Position than Interconnection Customers that are part of Clusters initiated later than an instant queue.

Interconnection Studies performed within the Cluster Study Process will be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the transmission system’s capabilities at the time of each study and consistent with Good Utility Practice.

At the CAISO’s option, and in coordination with the applicable Participating TO(s), Interconnection Requests received during the Cluster Application Window for a particular year may be studied in subgroups for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study within an Interconnection Study Cycle, the CAISO may develop one or more subgroups. A subgroup will include, at the CAISO’s sole judgment after coordination with the applicable Participating TO(s), Interconnection Requests that electrically affect one another with respect to the analysis being performed and the annual Transmission Plan, without regard to the nature of the underlying Interconnection Service. The CAISO may also, in its sole judgment after coordination with the applicable Participating TO(s), conduct an Interconnection Study for an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed

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Generating Facility from other Generating Facilities with Interconnection Requests in the Cluster Application Window for a particular year. In all instances in which the CAISO elects to use subgroups in the Cluster Study Process, the CAISO must publish the criteria used to define and determine the subgroups on the CAISO Website.

An Interconnection Request's inclusion in a subgroup will not relieve the CAISO or Participating TO(s) from meeting the timelines for conducting the Cluster Study provided in the RIS. Subgroups will be studied in such a manner to ensure the efficient implementation of the annual CAISO Transmission Plan in light of the transmission system's capabilities at the time of each study.

## **6.2. Scope and Purpose of Cluster Study**

The Cluster Study will:

- (i) evaluate the impact of all Interconnection Requests received during the Cluster Application Window for a particular year on the CAISO Controlled Grid;
- (ii) identify all LDNUs and RNUs needed to address the impacts on the CAISO Controlled Grid of the Interconnection Requests, as Assigned Network Upgrades or Conditionally Assigned Network Upgrades;
- (iii) preliminarily identify for each Interconnection Request required Interconnection Facilities;
- (iv) assess the Point of Interconnection selected by each Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall transmission upgrades costs;
- (v) establish the estimated, non-binding Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure for each Interconnection Request, until the issuance of the Interconnection Facilities Study report;
- (vi) provide a cost estimate of ADNUs for each Generating Facility in a Queue Cluster Study;
- (vii) identify controls required for each Interconnection Request where the Interconnection Customer requested Interconnection Service Capacity lower than the Generating Facility Capacity;
- (viii) identify any Precursor Network Upgrades; and
- (ix) identify RNUs as GRNUs or IRNUs.

The Cluster Study will consist of a short circuit analysis, a stability analysis to the extent the CAISO and applicable Participating TO(s) reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, and an On-Peak Deliverability Assessment, for the purpose of identifying LDNUs and estimating the cost of ADNUs, as applicable.

The Cluster Study will state for each subgroup or Interconnection Request studied individually (i) the assumptions upon which it is based, (ii) the results of the analyses, and (iii) the requirements or potential impediments to providing the requested Interconnection Service to all Interconnection Requests in a subgroup or to the Interconnection Request studied individually.

The Cluster Study will provide, without regard to the requested Commercial Operation Dates of the Interconnection Requests, a list of RNUs, and LDNUs to the CAISO Controlled Grid that are preliminarily identified as Assigned Network Upgrades or Conditionally Assigned Network

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Upgrades required as a result of the Interconnection Requests in a subgroup or as a result of any Interconnection Request studied individually and Participating TO's Interconnection Facilities associated with each Interconnection Request, the estimated costs of ADNUs, if applicable, and an estimate of any other financial impacts (i.e., on Local Furnishing Bonds). For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study will consider the level of Interconnection Service Capacity requested by the Interconnection Customer, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study will use operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of a Generating Facility that includes at least one electric storage resource as requested by the Interconnection Customer, unless the CAISO determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. The CAISO may require the inclusion of control technologies sufficient to limit the operation of the Generating Facility per the operating assumptions as set forth in the Interconnection Request and to respond to dispatch instructions by the CAISO. As determined by the CAISO, the Interconnection Customer may be subject to testing and validation of those control technologies consistent with Article 6 of the LGIA and Article 2 of the SGIA.

The Cluster Study will evaluate the use of static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters, advanced conductors, and tower lifting. The CAISO and Participating TO will evaluate each identified alternative transmission technology and determine whether the above technologies should be used, consistent with Good Utility Practice, and Applicable Laws and Regulations. The CAISO and Participating TO will include an explanation of the results of the evaluation for each technology in the Cluster Study Report.

### **6.3 Identification of and Cost Allocation for Network Upgrades**

#### **6.3.1 Reliability Network Upgrades (RNUs).**

The CAISO, in coordination with the applicable Participating TO(s), will perform short circuit and stability analyses for each Interconnection Request either individually or as part of a subgroup to preliminarily identify the RNUs needed to interconnect the Generating Facilities to the CAISO Controlled Grid. The CAISO, in coordination with the applicable Participating TO(s), shall also perform power flow analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a subgroup to identify Reliability Criteria violations, including applicable thermal overloads, that must be mitigated by RNUs.

The cost of all RNUs identified in the Cluster Study shall be estimated in accordance with Section 6.4. The estimated costs of short circuit related GRNUs identified through a subgroup shall be assigned to all Interconnection Requests in that subgroup pro rata on the basis of the short circuit duty contribution of each Generating Facility. The estimated costs of all other GRNUs identified through a subgroup shall be assigned to all Interconnection Requests in that subgroup pro rata on the basis of the maximum megawatt electrical output of each proposed new Generating Facility or the amount of megawatt increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request. The estimated costs of RNUs identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request.

Interconnection Customers assigned IRNUs in their Cluster Study will be allocated the full cost of the IRNUs in their Maximum Cost Responsibility. The Maximum Cost Exposure

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will include the full costs of conditionally assigned IRNUs. The Current Cost Responsibility will include their allocated share of IRNU costs.

### **6.3.2 Delivery Network Upgrades.**

#### **6.3.2.1 The On-Peak Deliverability Assessment.**

The CAISO, in coordination with the applicable Participating TO(s), shall perform On-Peak Deliverability Assessments for Interconnection Customers selecting Full Capacity or Partial Capacity Deliverability Status in their Interconnection Requests. The On-Peak Deliverability Assessment shall determine the Interconnection Customer's Generating Facility's ability to deliver its Energy to the CAISO Controlled Grid under peak load conditions, and identify preliminary Delivery Network Upgrades required to provide the Generating Facility with Full Capacity or Partial Capacity Deliverability Status, accounting for Generating Facilities that include at least one electric storage resource that request to use, and for which the CAISO approves, operating assumptions pursuant to Section 3.1. The Deliverability Assessment will consist of two rounds, the first of which will identify any transmission constraints that limit the Deliverability of the Generating Facilities in the Cluster Study and will identify LDNUs to relieve the local constraints, and second of which will determine ADNUs to relieve the area constraints. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point, nor guarantee any level of deliverability, or transmission capacity, or avoided curtailment.

##### **6.3.2.1.1 Local Delivery Network Upgrades**

The On-Peak Deliverability Assessment will be used to establish the Maximum Cost Responsibility and Maximum Cost Exposure for LDNUs for each Interconnection Customer selecting Full Capacity or Partial Capacity Deliverability Status. Deliverability of a new Generating Facility will be assessed on the same basis as all existing resources interconnected to the CAISO Controlled Grid.

The methodology for the On-Peak Deliverability Assessment will be published on the CAISO Website or, when effective, included in a CAISO Business Practice Manual. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or Delivery Point.

The cost of LDNUs identified in the On-Peak Deliverability Assessment as part of a Cluster Study shall be estimated in accordance with Section 6.4. The estimated costs of Delivery Network Upgrades identified in the On-Peak Deliverability Assessment shall be assigned to all Interconnection Requests selecting Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on the Delivery Network Upgrades as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

##### **6.3.2.1.2 Area Delivery Network Upgrades**

The On-Peak Deliverability Assessment will be used in the

Cluster Study to identify those facilities necessary to provide the incremental Deliverability between the level of TP Deliverability and such additional amount of Deliverability as is necessary for the MW capacity amount of generation targeted in the Cluster Study. Based on such facility cost estimates, the CAISO will calculate a rate for ADNU costs equal to the facility cost estimate divided by the additional amount of Deliverability targeted in the study. The Cluster Study will provide a cost estimate for each Interconnection Customer which equals the rate multiplied by the requested deliverable MW capacity of the Generating Facility in the Interconnection Request.

**6.3.2.1.3 [Intentionally Omitted]**

**6.3.2.2 [Not Used]**

**6.3.2.3 [Not Used]**

**6.3.3 Interconnection Facilities**

The costs of any needed Interconnection Facilities identified in the Cluster Study Process will be directly assigned to the Interconnection Customer(s) using such facilities. Where Interconnection Customers in the Cluster agree to share Interconnection Facilities, the cost of such Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing use of such Interconnection Facilities on a per capita basis (i.e., on a per Generating Facility basis), unless Parties mutually agree to a different cost sharing arrangement.

**6.4 Use of Per Unit Costs to Estimate Network Upgrade and PTO Interconnection Facilities Costs**

Each Participating TO, under the direction of the CAISO, shall publish per unit costs for facilities generally required to interconnect Generation to their respective systems.

These per unit costs shall reflect the anticipated cost of procuring and installing such facilities during the current Interconnection Study Cycle, and may vary among Participating TOs and within a Participating TO Service Territory based on geographic and other cost input differences, and should include an annual adjustment for the following ten (10) years to account for the anticipated timing of procurement to accommodate a potential range of Commercial Operation Dates of Interconnection Requests in the Interconnection Study Cycle. The per unit costs will be used to develop the cost of Network Upgrades and Participating TO's Interconnection Facilities. Deviations from a Participating TO's benchmark per unit costs will be permitted if a reasonable explanation for the deviation is provided and there is no undue discrimination.

Prior to adoption and publication of final per unit costs for use in the Interconnection Study Cycle, the CAISO shall publish to the CAISO Website draft per unit costs, including non-confidential information regarding the bases therefore, hold a stakeholder meeting to address the draft per unit costs, and permit stakeholders to provide comments on the draft per unit costs. A schedule for the release and review of per unit costs is set forth in Appendix 5.

**6.5 Assigned and Contingent Facilities**

The CAISO and Participating TO will provide, upon request of the Interconnection Customer, its estimated Interconnection Facility and/or Network Upgrade costs and estimated in-service completion time of each Assigned Network Upgrade, Conditionally Assigned Network Upgrade, or Precursor Network Upgrade when this information is readily available and not commercially sensitive.

## **6.6 Cluster Study Procedures**

The CAISO shall coordinate the Cluster Study with applicable Participating TO(s) pursuant to Section 3.2 and any Affected System that is affected by the Interconnection Request pursuant to Section 3.7. Existing studies shall be used to the extent practicable when conducting the Cluster Study. The CAISO will coordinate Base Case development with the applicable Participating TOs to ensure the Base Cases are accurately developed. The CAISO will complete and issue to Interconnection Customers the Cluster Study report within one hundred and fifty (150) days after the commencement of the Cluster Study; however, the Cluster Study may be completed prior to this maximum time where practicable based on factors, including, but not limited to, the number of Interconnection Requests in the Cluster Application Window, study complexity, and reasonable availability of subcontractors as provided under Section 15.2. The CAISO will share applicable study results with the applicable Participating TO(s) for review and comment and will incorporate comments into the study report. The CAISO will issue a final Cluster Study report to the Interconnection Customer.

At any time the CAISO determines that it will not meet the required time frame for completing the Cluster Study due to the large number of Interconnection Requests in the associated Cluster Application Window, study complexity, or unavailability of subcontractors on a reasonable basis to perform the study in the required time frame, the CAISO shall notify the Interconnection Customers as to the schedule status of the Cluster Study and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, the CAISO shall provide the Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Cluster Study, subject to confidentiality arrangements consistent with Section 15.1.

## **6.7 Cluster Study Report Meeting**

Within ten (10) Business Days of simultaneously furnishing a Cluster Study Report to each Interconnection Customer within the Cluster and posting such report on the CAISO Website, the CAISO will convene a Cluster Study Report Meeting.

### **6.7.1 [Not Used]**

### **6.7.2 Modifications.**

**6.7.2.1** At any time during the course of the Interconnection Studies, the Interconnection Customer, the applicable Participating TO(s), or the CAISO may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request while retaining its Queue Position. Notwithstanding the above, during the course of the Interconnection Studies, the Interconnection Customer, Participating TO, or the CAISO may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the CAISO, the Participating TO, and the Interconnection Customer, such acceptance not to be unreasonably withheld, the CAISO will modify the Point of Interconnection prior to the end of the Customer Engagement Window.

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**6.7.2.2** Prior to the end of the Customer Engagement Window, modifications permitted under this Section shall include specifically:

- (a) a decrease in the electrical output (MW) of the proposed project; through either (1) a decrease in Generating Facility Capacity or (2) a decrease in Interconnection Service Capacity (consistent with the process described in Section 3.1) accomplished by CAISO-approved limiting equipment;
- (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics;
- (c) modifying the interconnection configuration;
- (d) modifying the In-Service Date, Initial Synchronization Date, Trial Operation Date, and/or Commercial Operation Date that meets the criteria set forth in Section 3.5.1.4 and is acceptable to the applicable Participating TO(s) and the CAISO, such acceptance not to be unreasonably withheld;
- (e) change in Point of Interconnection as set forth in Section 6.7.2.1;
- (f) change in Deliverability Status to Energy Only Deliverability Status, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status; and
- (g) Permissible Technological Advancements consistent with Section 6.7.2.4.

For plant increases, the incremental increase in plant output will go in the next Cluster Application Window for the purposes of cost allocation and study analysis. For any modification other than these, the Interconnection Customer must first request that the CAISO evaluate whether such modification is a Material Modification. The CAISO and Participating TO will study the addition of a Generating Facility that includes at least one electric storage resource using operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by the Interconnection Customer, unless the CAISO and Participating TO determine that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. In response to the Interconnection Customer's request, the CAISO, in coordination with the affected Participating TO(s) and, if applicable, any Affected System Operator, shall evaluate the proposed modifications prior to making them and the CAISO shall inform the Interconnection Customer in writing of whether the modifications would constitute a Material Modification. The CAISO may engage the services of the applicable Participating TO to assess the modification. Costs incurred by the Participating TO and CAISO (if any) shall be borne by the party making the request under Section 6.7.2, and such costs shall be included in any CAISO invoice for modification assessment activities. Any change to the Point of Interconnection, except for that specified by the CAISO in an Interconnection Study or otherwise allowed under this Section, shall constitute a Material Modification. The Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

Prior to the return of the executed Interconnection Facilities Study Agreement to  
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the CAISO, the modifications permitted under this Section will include specifically:

- (a) additional fifteen percent (15%) decrease of electrical output of the proposed project through either (1) a decrease in plant size (MW) or (2) a decrease in Interconnection Service level (consistent with the process described in Section 3.1) accomplished by applying the CAISO-approved injection-limiting equipment;
- (b) Generating Facility technical parameters associated with modifications to Generating Facility technology and transformer impedances; provided, however, the incremental costs associated with those modifications are the responsibility of the requesting Interconnection Customer; and
- (c) a Permissible Technological Advancement for the Generating Facility after the submission of the Interconnection Request. Section 6.7.2.4 specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether the Interconnection Customer's proposed technological advancement under Section 6.7.2.2(c) is a Material Modification. Appendix A to the CAISO Tariff contains a definition of Permissible Technological Advancement.

If any Interconnection Customer requested modification after the Cluster Study report would change the scope, schedule, or cost of the Interconnection Facilities or Network Upgrades, the CAISO will issue a report to the Interconnection Customer. Potential adjustments to the Maximum Cost Responsibility or Maximum Cost Exposure for Network Upgrades for the Interconnection Customer will be determined in accordance with Section 7.4.3.

**6.7.2.3** The Interconnection Customer shall provide the CAISO a \$10,000 deposit for the modification assessment at the time the request is submitted. Except as provided below, any modification assessment will be concluded, and a response provided to the Interconnection Customer in writing, within forty-five (45) calendar days from the date the CAISO receives all of the following: the Interconnection Customer's written notice to modify the project, technical data required to assess the request, and payment of the \$10,000 deposit. Any request for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment A to Appendix 1 of this RIS. If the modification request results in a change to the Interconnection Facilities or Network Upgrades the modification assessment could take up to ninety (90) total calendar days. If the modification assessment cannot be completed within that time period, the CAISO shall notify the Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required.

The Interconnection Customer will be responsible for the actual costs incurred by the CAISO and applicable Participating TO(s) in conducting the modification assessment. If the actual costs of the modification assessment are less than the deposit provided by the Interconnection Customer, the Interconnection Customer will be refunded the balance. If the actual costs of the modification assessment are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer shall pay the balance within 30 days of being invoiced. The CAISO shall coordinate the modification request with the Participating TO(s). The Participating TO(s) shall invoice the CAISO for any assessment work within seventy-five (75) calendar days of completion of the assessment, and, within

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thirty (30) days thereafter, the CAISO shall issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the assessment.

The CAISO will publish cost data regarding modification assessments in accordance with the terms set forth in a Business Practice Manual.

Notwithstanding any other provision, all refunds pursuant to this Appendix KK will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

**6.7.2.4** Interconnection Customers may request Permissible Technological Advancements. Permissible Technological Advancements may include, for example, removing equipment; aligning the Commercial Operation Date with an executed power purchase agreement; adding less than 5 MW of energy storage once without increasing the net output at the Point of Interconnection; and other changes that have little or no potential to affect other Interconnection Customers or Affected Systems, require a new Interconnection Request, or otherwise require a re-study or evaluation. The CAISO will update its Business Practice Manual to list any additional Permissible Technological Advancement approved but not specifically enumerated here when identified. The Interconnection Customer's written request to evaluate technological advancements must include the technical data required to assess the request.

For all Permissible Technological Advancement requests not expressly enumerated in this Section or the Business Practice Manual, the CAISO and Participating TO will determine whether such change would constitute a Material Modification. Such evaluation will include an analysis of the short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability, and impact on other Interconnection Customers. The CAISO will determine whether a Permissible Technological Advancement request is a Material Modification within thirty (30) calendar days of receipt of the request. Interconnection Customers requesting Permissible Technological Advancements must pay a non-refundable fee of \$2,500.

**6.7.2.5** Notwithstanding any other provisions in this RIS or the Interconnection Customer's GIA, the Interconnection Customer may not modify its fuel type, including through the addition or replacement of Generating Units, by more than the greater of five percent (5%) of its capacity or 10 MW (but by no more than twenty-five percent (25%) of its capacity), where:

- (a) the Interconnection Customer has exceeded seven (7) years from the date the CAISO received its Interconnection Request without achieving its Commercial Operation Date;
- (b) the Interconnection Customer's current Commercial Operation Date exceeds seven (7) years from the date the CAISO received its Interconnection Request; or
- (c) the change in fuel type will require the Interconnection Customer's Commercial Operation Date to exceed seven (7) years from the date the

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CAISO received its Interconnection Request.

The CAISO will not consider the addition of energy storage; changes to the type, number, or manufacturer of inverters; or insubstantial changes to the Generating Facility as fuel-type modifications. Interconnection Customers may request such modifications pursuant to this RIS.

**6.7.2.6** In addition to the options provided in this RIS, an Interconnection Customer may convert to Energy Only, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status after the completion of its Interconnection Facilities Study. This conversion will become effective through the reassessment process described in Section 7.4. Except (i) as provided in Section 8.9.3.2 (ii) due to not receiving the requested TP Deliverability allocation, or (iii) due to declining a TP Deliverability allocation, Interconnection Customers that become Energy Only after their Interconnection Facilities Study may not reduce their cost responsibility for any assigned Delivery Network Upgrades as a result of converting to Energy Only unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

**6.7.2.7** Interconnection Customers may request to downsize their Interconnection Service Capacity pursuant to Section 6.7.2.3. Interconnection Customers with Network Upgrades requesting to downsize will not see the impacts to their Network Upgrades or cost responsibility until the CAISO publishes the reassessment results that include the downsized capacity pursuant to Section 7.4 unless the CAISO can determine the impacts prior to the reassessment. Interconnection Customers with Network Upgrades must submit downsizing requests, including the \$10,000 deposit, by May 30 to be included in the following annual reassessment. Once the CAISO publishes the reassessment results, the Participating TO will tender a draft amendment to the Interconnection Customer's Generator Interconnection Agreement to incorporate any required changes. If an Interconnection withdraws or is deemed withdrawn, any partial recovery of deposits or penalties will be calculated based on the Generating Facility's most recent MW capacity prior to its downsizing request.

A downsizing generator will continue to be obligated to finance the costs of (1) Network Upgrades that its Generating Facility previously triggered, and (2) Network Upgrades that are alternatives to the previously triggered Network Upgrades, if such previously triggered Network Upgrades or alternative Network Upgrades are needed by Interconnection Customers in the same Queue Cluster or later-queued Interconnection Customers, up to the Maximum Cost Exposure of the downsizing generator as determined by the CAISO Tariff interconnection study procedures applicable to the downsizing generator. For determining any changes to a downsizing generator's Network Upgrade cost responsibilities as a result of a reassessment process conducted pursuant to Section 7.4, the CAISO will reallocate the costs of Network Upgrades that are still needed based on the downsizing generator's pre-downsizing share of the original cost allocation.

**6.7.2.8 Additional Generation**

The Interconnection Customer may request, and the CAISO and Participating TO will evaluate, the addition to the Interconnection Request of a Generating Unit with the same Point of Interconnection indicated in the initial Interconnection Request, if the addition of the Generating Unit does not increase the requested Interconnection Service level. The CAISO and Participating TO must evaluate such modifications prior to deeming them a Material Modification, but only if the

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Interconnection Customer submits them prior to the return of the executed Interconnection Facilities Study Agreement by the Interconnection Customer to the CAISO. Interconnection Customers requesting that such a modification be evaluated must demonstrate the required Site Control at the time such request is made.

**6.7.3 [Not Used]**

**6.7.4 Commercial Viability Criteria for Retention of Deliverability beyond Seven Years in Queue**

The CAISO's agreement to modifications requested by the Interconnection Customer pursuant to Section 6.7.2.3 for a Generating Facility with a Commercial Operation Date that has exceeded or will exceed seven (7) years from the date the Interconnection Request is received by the CAISO with retention of TP Deliverability will be predicated upon the Interconnection Customer's ability to meet and maintain the following commercial viability criteria:

- a) Providing proof of having, at a minimum, applied for the necessary governmental permits or authorizations, and that the permitting authority has deemed such documentation as data adequate for the authority to initiate its review process;
- b) Providing proof of having an executed power purchase agreement. Power purchase agreements must have the Point of Interconnection, capacity, fuel type, technology, and site location in common with the Interconnection Customer and GIA;
- c) Demonstrating Site Control for 100% of the property necessary to construct the facility through the Commercial Operation Date requested in the modification request. A Site Control Deposit does not satisfy this criterion;
- d) Having an executed Generator Interconnection Agreement ("GIA"); and
- e) Being in good standing with the GIA such that neither the Participating TO nor the CAISO has provided a Notice of Breach that has not been cured and the Interconnection Customer has not commenced sufficient curative actions.

The CAISO's agreement to an extension of the proposed Commercial Operation Date does not relieve the Interconnection Customer from compliance with the requirements of any of the criteria in Section 8.9.3 to retain TP Deliverability. The CAISO will not consider the addition of energy storage; changes to the type, number, or manufacturer of inverters; or insubstantial changes to the Generating Facility as modifications under this Section. Interconnection Customers may request such modifications pursuant to this RIS.

If the Interconnection Customer fails to meet all of the commercial viability criteria but informs the CAISO that it intends to proceed with the modified Commercial Operation Date, the Generating Facility's Deliverability Status will become Energy Only Deliverability Status. Interconnection Customers that become Energy Only for failure to meet these criteria may not reduce their cost responsibility or Commercial Readiness Deposit or GIA Deposit for any assigned Delivery Network Upgrades as a result of converting to Energy Only unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

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If an Interconnection Customer satisfies all the commercial viability criteria except criterion (b), the CAISO will postpone converting the Generating Facility to Energy-Only Deliverability Status for one year from the day the Interconnection Customer submits the modification request, or eight years after the CAISO received the Interconnection Request, whichever occurs later. Interconnection Customers exercising this provision must continue to meet all other commercial viability criteria.

If an Interconnection Customer has declared Commercial Operation for a portion of a Generating Facility, or one or more Phases of a Phased Generating Facility, the CAISO will not convert to Energy-Only the portion of the Generating Facility that is in service and operating in the CAISO markets. Instead, the portion of the Generating Facility that has not been developed will be converted to Energy-Only Deliverability Status, resulting in Partial Capacity Deliverability Status for the Generating Facility. However, where the Generating Facility has multiple Resource IDs for the Generating Facility, each Resource ID will have its own Deliverability Status independent from the Generating Facility. Any individual Resource ID may have Full Capacity Deliverability Status where the Generating Facility as a whole would have Partial Capacity Deliverability Status. If the Generating Facility downsizes to the amount in service and operating in the CAISO markets, it will revert to Full Capacity Deliverability Status.

Interconnection Customers in Queue Cluster 7 and beyond whose Cluster Study reports require a timeline beyond the seven-year threshold are exempt from the commercial viability criteria in this section provided that they modify their Commercial Operation Dates within six (6) months of the CAISO's publishing the Interconnection Study report. This exemption is inapplicable to report addenda or revisions required by a request from an Interconnection Customer for any reason.

#### **6.7.4.1 Annual Review**

For Interconnection Customers extending their Commercial Operation Date beyond the seven-year threshold and retaining their TP Deliverability pursuant to Section 6.7.4, the CAISO will perform an annual review of commercial viability. If any Interconnection Customer fails to maintain its level of commercial viability, the Deliverability Status of the Generating Facility corresponding to the Interconnection Request will convert to Energy-Only Deliverability Status.

#### **6.7.5 Alignment with Power Purchase Agreements**

An Interconnection Customer with an executed GIA and an executed power purchase agreement may request to automatically extend the GIA Commercial Operation Date to align with its power purchase agreement for that Generating Facility, including any extension or amendment. Interconnection Customers requesting alignment must (1) provide a copy of the power purchase agreement, and (2) confirm the power purchase agreement's standing and details in the annual TP Deliverability affidavit process. Requests to align the Commercial Operation Date with power purchase agreements are not exempt from the commercial viability criteria provisions in Section 6.7.4, where applicable.

### **6.8 Revisions and Addenda to Final Interconnection Study Reports**

#### **6.8.1 Substantial Error or Omissions; Revised Study Report**

Should the CAISO discover, through written comments submitted by an Interconnection Customer or otherwise, that a final Interconnection Study Report (which can mean a final Cluster Study report or Interconnection Facilities Study report) contains a substantial

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error or omission, the CAISO will cause a revised final report to be issued to the Interconnection Customer.

A substantial error or omission shall mean an error or omission that results in one or more of the following:

- (i) understatement or overstatement of the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, Maximum Cost Exposure, and Participating TO Interconnection Facilities, as set by the Interconnection Facilities Study, by more than five (5) percent or one million dollars (\$1,000,000), whichever is greater;
- (ii) delay of the Commercial Operation Date, In-Service Date, or requested Deliverability Status by more than one year; or
- (iii) termination of the Interconnection Customer's power purchase agreement.

The CAISO will include examples of how Interconnection Customers can demonstrate power purchase agreement terminations in the Business Practice Manual. The CAISO will confirm power purchase agreement terminations with the Interconnection Customer's counterparty.

A dispute over the plan of service by an Interconnection Customer shall not be considered a substantial error or omission unless the Interconnection Customer demonstrates that the plan of service was based on an invalid or erroneous study assumption that meets the criteria set forth above. Changes to Interconnection Studies resulting from Interconnection Customer requests, including without limitation, modifications, suspensions, or failures to meet GIA milestones, are not considered errors or omissions.

#### **6.8.2 Other Errors or Omissions; Addendum**

If an error or omission in an Interconnection Study report is not a substantial error or omission, the CAISO shall not issue a revised final Interconnection Study report. Rather, the CAISO shall document such error or omission and make any appropriate correction by issuing an addendum to the final report.

The CAISO and applicable Participating TO shall also incorporate, as needed, any corrected information pertinent to the terms or conditions of the GIA in the draft GIA provided to an Interconnection Customer pursuant to Section 13.

#### **6.8.3 Only Substantial Errors or Omissions Adjust Posting Dates**

For Clusters 14 and previous: Only substantial errors and omissions related to the Interconnection Study reports can result in adjustments to Interconnection Financial Security posting due dates. Once the initial and second Interconnection Financial Security posting due dates as described in this section have passed, the error or omission provisions described in this Section 6.8 no longer apply. Any error or omission found after the second Interconnecting Financial Security posting will not impact the Interconnection Customer's Assigned Cost Responsibility, Maximum Cost Responsibility, or Maximum Cost Exposure.

Unless the error or omission is substantial, resulting in the issuance of a revised final Interconnection Study report, the correction of an error or omission will not delay any deadline for posting Interconnection Financial Security. In the case of a substantial error

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or omission resulting in the issuance of a revised final report, the deadline for posting Interconnection Financial Security shall be extended as set forth in Section 11. In addition to issuing a revised final report, the CAISO will promptly notify the Interconnection Customer of any revised posting amount and extended due date occasioned by a substantial error or omission.

An Interconnection Customer's dispute of a CAISO determination that an error or omission in a final Study Report does not constitute substantial error shall not operate to change the amount of Interconnection Financial Security that the Interconnection Customer must post or to postpone the applicable deadline for the Interconnection Customer to post Interconnection Financial Security. In case of such a dispute, the Interconnection Customer shall post the amount of Interconnection Financial Security in accordance with this RIS, subject to refund in the event that the Interconnection Customer prevails in the dispute.

#### **6.8.4 Substantial Errors or Omissions Allowing Refunds**

Notwithstanding Section 3.5.1, after the Interconnection Customer has posted its second Commercial Readiness Deposit, it is eligible for a one-hundred percent (100%) refund of its remaining, unspent Commercial Readiness Deposit and all remaining, unspent Study Deposit funds if:

- (i) it receives a substantial error or omission; and
- (ii) it withdraws its Interconnection Request within sixty (60) days of the publication of the revised Study Report or the termination of its power purchase agreement resulting from the substantial error or omission, as applicable.

### **Section 7 Annual Reassessment, Cluster Restudy, and Activities in Preparation for the Interconnection Facilities Study**

#### **7.1 [Not Used]**

#### **7.2 Full/Partial Capacity Deliverability Options for Interconnection Customers**

This section applies to Interconnection Requests for which the Generating Facility Deliverability Status is either Full Capacity or Partial Capacity.

Within Appendix B, the Interconnection Facilities Study Agreement, the Interconnection Customer must select one of two options with respect to its Generating Facility:

Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to Commercial Operation. If the Interconnection Customer selects Option (A), then the Interconnection Customer shall be required to make a Commercial Readiness Deposit and GIA Deposit for the cost responsibility assigned to it in the Cluster Study for RNUs and LDNUs; or,

Option (B), which means that the Interconnection Customer will assume cost responsibility for Delivery Network Upgrades (both ADNUs and LDNUs, to the extent applicable) without cash repayment under Section 14.2.1 to the extent that sufficient TP Deliverability is not allocated to the Generating Facility to provide its requested Deliverability Status. If the Interconnection Customer selects Option (B) then the Interconnection Customer shall be required to make a Commercial Readiness Deposit and GIA Deposit for the cost responsibility assigned to it in the Cluster Study for RNUs, LDNUs, and ADNUs. To qualify to receive any allocation of TP Deliverability, Interconnection Customers selecting Option (B) must still meet the minimum criteria identified in Section 8.9.2.

### **7.3 [Not Used]**

### **7.4 Reassessment Process**

The CAISO will perform a reassessment of the Base Case after each Cluster Study. The reassessment will evaluate the impacts on those Network Upgrades identified in previous interconnection studies and assumed in the Cluster Study of:

- (a) Interconnection Request withdrawals occurring after the completion of the Interconnection Studies for the immediately preceding Queue Cluster;
- (b) downsizing requests from Interconnection Customers pursuant to Section 6.7.2.3;
- (c) the performance of earlier queued Interconnection Customers with executed GIAs with respect to required milestones and other obligations;
- (d) changes in TP Deliverability allocations or Deliverability Status;
- (e) the results of the TP Deliverability allocation from the prior Interconnection Study cycle; and,
- (f) transmission additions and upgrades approved or removed in the most recent TPP cycle.

The CAISO will complete the annual reassessment, including the Cluster Restudy, within one hundred eighty (180) days of the Cluster Study Report Meeting.

#### **7.4.1 Cluster Study Restudy**

The CAISO will conduct the Cluster Study Restudy as part of the annual reassessment of the Base Case pursuant to Section 7.4.

- (1) Within twenty (20) days after the Cluster Study Report Meeting, the Interconnection Customer must provide the following:
  - (a) Demonstration of continued Site Control pursuant to Section 3.5.1 of this RIS; and
  - (b) An additional deposit that brings the total Commercial Readiness Deposit submitted to the PTO to five percent (5%) of the Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study in the form of an irrevocable letter of credit or cash. The CAISO will refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 3.8 of this RIS.

The Interconnection Customer will promptly inform the CAISO of any material change to its demonstration of Site Control under Section 3.5.1 of this RIS. Upon the CAISO determining that Interconnection Customer no longer satisfies the Site Control requirement, the CAISO will notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to the CAISO's approval, not to be unreasonably withheld. Absent such demonstration, the CAISO will deem the subject Interconnection Request withdrawn pursuant to Section 3.8 of this RIS.

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- (2) If no Interconnection Customer withdraws from the Cluster after completion of the Cluster Study or Cluster Restudy or is deemed withdrawn pursuant to Section 3.8 of this RIS after completion of the Cluster Study or Cluster Restudy, the CAISO will notify Interconnection Customers in the Cluster that a Cluster Restudy is not required.
- (3) If one or more Interconnection Customers withdraw from the Cluster or are deemed withdrawn pursuant to Section 3.8 of this RIS, the CAISO will conduct a Cluster Restudy as part of the annual reassessment. If the CAISO determines a Cluster Restudy is not necessary, the CAISO will notify Interconnection Customers in the Cluster that a Cluster Restudy is not required and the CAISO will provide an updated Cluster Study Report within thirty (30) days of such determination.
- (4) If one or more Interconnection Customers withdraws from the Cluster or is deemed withdrawn pursuant to Section 3.8 of this RIS, the CAISO will notify Interconnection Customers in the Cluster and post on the CAISO Website that a Cluster Restudy is required within thirty (30) days after the Cluster Study Report Meeting. The CAISO will continue with such restudies until the CAISO determines that no further restudies are required. If a Cluster Restudy is required due to a higher queued project withdrawing from the queue, or a modification of a higher or equally queued project, the CAISO will so notify affected Interconnection Customers in writing.
- (5) The scope of any Cluster Restudy will be consistent with the scope of an initial Cluster Study pursuant to Section 6.2 of this RIS. The results of the Cluster Restudy will be combined into a single report (Cluster Restudy Report). The CAISO will hold a meeting with the Interconnection Customers in the Cluster (Cluster Restudy Report Meeting) within ten (10) Business Days of simultaneously furnishing the Cluster Restudy Report to each Interconnection Customer in the Cluster Restudy and publishing the Cluster Restudy Report on the CAISO Website.

If additional restudies are required, Interconnection Customer and the CAISO will follow the procedures of this Section 7.4 of this RIS until such time that the CAISO determines that no further restudies are required. The CAISO will notify each Interconnection Customer within the Cluster when no further restudies are required.

**7.4.2** Where, as a consequence of the reassessment, the CAISO determines that changes to the previously identified Network Upgrades in Queue Clusters earlier than the current Interconnection Study Cycle will cause changes to plans of service set out in executed GIAs, such changes will serve as a basis for amendments to GIAs.

**7.4.3** Such changes to plans of service in Queue Clusters earlier than the current Interconnection Study Cycle will also serve as the basis for potential adjustments to the Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure, as applicable, for Network Upgrades for Interconnection Customers in such earlier Queue Clusters, as follows:

- (i) An Interconnection Customer shall be eligible for an adjustment to its Maximum Cost Responsibility for Network Upgrades if a reassessment undertaken pursuant to this Section 7.4 reduces its estimated cost responsibility for Network Upgrades by at least twenty (20) percent and \$1 million, as compared to its current Maximum Cost Responsibility for Network Upgrades based on its Interconnection Studies or a previous reassessment.

The Maximum Cost Responsibility for an Interconnection Customer who meets this eligibility criterion will be the lesser of (a) its current Maximum Cost

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Responsibility and (b) 100 percent of the costs of all remaining Assigned Network Upgrades included in the Interconnection Customer's plan of service.

- (ii) If an Interconnection Customer's Maximum Cost Responsibility for Network Upgrades is adjusted downward pursuant to (i) above, and a subsequent reassessment identifies a change on the CAISO's system that occurs after the completion of the Interconnection Customer's Interconnection Studies and requires additional or expanded Network Upgrades, resulting in an increase in the Interconnection Customer's estimated cost responsibility for Network Upgrades above the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, then the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades will be the estimated cost responsibility determined in the subsequent reassessment, so long as this amount does not exceed the Maximum Cost Exposure established by the Interconnection Customer's Interconnection Facilities Study. In such cases, where the Current Cost Responsibility determined in the subsequent reassessment exceeds the Maximum Cost Responsibility as adjusted based on the results of a prior reassessment, the Interconnection Customer's Maximum Cost Responsibility for Network Upgrades shall not exceed the Maximum Cost Exposure established by its Interconnection Facilities Study. For Interconnection Customers with complete Phase II Interconnection Studies or Interconnection Facilities Studies, the CAISO will publish advisory, non-binding updates to those studies in the reassessment, and binding updates in the following Interconnection Facilities Study.
- (iii) To the extent the CAISO determines that previously identified Conditionally Assigned Network Upgrades become Precursor Network Upgrades pursuant to Section 14.2.2, or are otherwise removed, the CAISO will adjust the Interconnection Customer's Maximum Cost Exposure, as applicable.
- (iv) To the extent the CAISO determines that a Conditionally Assigned Network Upgrade becomes an Assigned Network Upgrade, the CAISO will adjust the Interconnection Customer's Current Cost Responsibility and Maximum Cost Responsibility, as applicable.

## 7.5 Option (B) Customers

The annual reassessment will identify ADNUs for Interconnection Customers who have selected Option (B). The Base Case for the reassessment will include Option (A) Generating Facilities in the current Interconnection Study Cycle and earlier queued Generating Facilities that will utilize TP Deliverability in a total amount that fully utilizes but does not exceed the available TP Deliverability.

If the MW capacity of the Option (A) Generating Facilities and earlier queued Generating Facilities utilizing TP Deliverability in an area is less than or equal to the total TP Deliverability in any electrical area, the Base Case will include all Option (A) and earlier queued Generating Facilities in the electrical area.

If the MW capacity of the Option (A) Generating Facilities and earlier queued Generating Facilities utilizing TP Deliverability in an area exceeds the TP Deliverability in any electrical area, the Base Case will include a representative subset of Generating Facilities that fully utilizes but does not exceed the TP Deliverability.

After the CAISO has modeled the Option (A) Generating Facilities, as described above, the CAISO will add Option (B) Generating Facilities to the Base Case. ADNUs that are identified as

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needed for each electrical area shall be assigned to Option (B) Generating Facilities based upon their flow impacts.

The cost responsibility for Area Delivery Network Upgrades identified in the reassessment will be assigned to Interconnection Customers who have selected Option (B) Full Capacity or Partial Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Area Delivery Network Upgrade as determined by the Generation distribution factor methodology set forth in the On-Peak Deliverability Assessment methodology.

## **7.6 Application of Withdrawal Penalties and Non-Refundable Amounts**

In conjunction with each reassessment, the CAISO will calculate and disburse withdrawal penalties and non-refundable deposits from Interconnection Requests subject to this RIS as follows:

(a) Withdrawal Period

The CAISO shall calculate Withdrawal Penalties based on the period during which the interconnection customer withdrew its interconnection request or terminated its generator interconnection agreement, pursuant to Section 3.8.1.

For each withdrawal period, the CAISO shall calculate and disburse available Withdrawal Penalties in conjunction with the annual reassessment performed during the year that the withdrawal period ends.

(b) Disbursement of Withdrawal Penalties Assessed Prior to Cluster Study Results

For any Withdrawal Penalties assessed pursuant to 3.8.1.1(a) and for an Interconnection Customer that withdraws or is deemed withdrawn during the Cluster Study but before the receipt of a Cluster Study Report, the CAISO will use such funds to offset the costs of the Cluster Restudy on an equal basis for all Interconnection Customers studied in the restudy.

(c) Calculation and Disbursement of Withdrawal Penalties for Still-Needed Network Upgrades At or Above \$100,000 Threshold

For each interconnection customer that withdrew its interconnection request or terminated its generator interconnection agreement after the Cluster Study results, the CAISO shall calculate the proportion of the Withdrawal Penalty that is attributable to Network Upgrades that the CAISO determines will still be needed by remaining Interconnection Customers. For each such still-needed Network Upgrade, the CAISO will divide the Interconnection Customer's Current Cost Responsibility for the Network Upgrade by the Interconnection Customer's total Current Cost Responsibility for all Network Upgrades and multiply this result by the Interconnection Customer's total amount of Withdrawal Penalty.

If the amount of Withdrawal Penalty attributable to a still-needed Network Upgrade, for all Interconnection Customers that withdrew during the same withdrawal period, is equal to or greater than \$100,000, then the portion of such amount held or received by the CAISO prior to the stage of the applicable annual reassessment in which the CAISO reallocates cost responsibility for remaining Network Upgrades shall: (a) be disbursed to the applicable Participating TO(s) as a contribution in aid of construction of the still-needed Network Upgrade, and (b) be reflected as a reduction in the cost of this Network Upgrade for purposes of reallocating the cost responsibility for this Network Upgrade. Any portions of such amounts that the CAISO receives after reallocating cost responsibility for remaining Network Upgrades during the applicable annual reassessment shall be

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disbursed by the CAISO in the same manner in a subsequent reassessment, based on the date of collection, unless the applicable Network Upgrade is no longer needed, in which case such amounts will be disbursed pursuant to Section 7.6(d).

If a Network Upgrade for which the CAISO disburses funds as a contribution in aid of construction under this Section 7.6(b) is determined, in a subsequent reassessment, to be no longer needed, such funds will be promptly returned to the CAISO by the applicable Participating TO and re-disbursed by the CAISO pursuant to Section 7.6(d).

(d) Calculation and Disbursement of Other Non-Refundable Security and Study Deposits

For each Interconnection Customer that withdrew its Interconnection Request or terminated its Generator Interconnection Agreement during a withdrawal period, any Withdrawal Penalty, as well as any non-refundable deposit not disbursed pursuant to subsection (b) above, shall be applied to offset Regional Transmission Revenue Requirements, as recovered through the CAISO's Transmission Access Charge, and to offset Local Transmission Revenue Requirements

This offset shall be performed by first allocating these Withdrawal Penalties and non-refundable deposit amounts to the following three categories in proportion to the Interconnection Customer's most recent Current Cost Responsibility, prior to withdrawal or termination, for Network Upgrades whose costs would be recovered through each of the following categories: (1) a Regional Transmission Revenue Requirement, (2) the Local Transmission Revenue Requirement of the Participating TO to which the interconnection customer had proposed to interconnect, and (3) the Local Transmission Revenue Requirement of any other Participating TO on whose system the interconnection customer was responsible for funding Network Upgrades recovered through a Local Transmission Revenue Requirement.

Each year, prior to the cutoff date for including annual regional TRBA adjustments in Regional Transmission Revenue Requirements, the CAISO will disburse to each Participating TO's Transmission Revenue Balancing Account: (a) a share of the total funds held or received by the CAISO from category (1) above in proportion to the ratio of each Participating TO's most recent Regional Transmission Revenue Requirement to the total of all Participating TOs' most recent Regional Transmission Revenue Requirements, and (b) all funds held or received by the CAISO in categories (2) and (3) applicable to that Participating TO.

(e) Disbursement of Funds by CAISO; Participating TO Responsibility for Collection

The CAISO shall disburse, in accordance with the rules set forth in this Section 7.6, only those amounts that it holds or has received. The applicable Participating TO shall have the exclusive obligation to administer the collection of any Withdrawal Penalty where the applicable Participating TO is a beneficiary. The applicable Participating TO has the responsibility to manage the financial security and to transmit to the CAISO the non-refundable amounts in cash or equivalent within 75 days of the CAISO's submission to the Participating TO of the financial security liquidation form. This deadline can be modified by mutual agreement of the CAISO and applicable Participating TO.

## **Section 8 Interconnection Facilities Study and TP Deliverability Allocation Processes**

### **8.1 Interconnection Facilities Study**

#### **8.1.1 Interconnection Facilities Study Agreement**

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Within five (5) Business Days following the CAISO's notifying each Interconnection Customer within the Cluster that no further Cluster Restudy is required (per Section 7.4), the CAISO will provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix B to this RIS. The Interconnection Customer will compensate the CAISO and Participating TO for the actual cost of the Interconnection Facilities Study. Within five (5) Business Days following the Cluster Report Meeting or Cluster Restudy Report Meeting if applicable, the CAISO will provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study.

The Interconnection Customer will execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to the CAISO within thirty (30) days after its receipt, together with:

- (1) any required technical data;
- (2) Demonstration of one hundred percent (100%) Site Control or demonstration of a regulatory limitation and applicable deposit in lieu of Site Control provided to the CAISO in accordance with Section 3.5.1.3 of this RIS; and
- (3) An additional deposit that brings the total Commercial Readiness Deposit submitted to the PTO to ten percent (10%) of the Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study or Cluster Restudy, if applicable, in the form of an irrevocable letter of credit or cash. The CAISO will refund the deposit to Interconnection Customer upon withdrawal in accordance with Section 3.8 of this RIS.

The Interconnection Customer will promptly inform the CAISO of any material change to Interconnection Customer's demonstration of Site Control under Section 3.5.1(iii) of this RIS. Upon the CAISO determining separately that Interconnection Customer no longer satisfies the Site Control requirement, the CAISO will notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to the CAISO's approval, not to be unreasonably withheld. Absent such demonstration, the CAISO will deem the subject Interconnection Request withdrawn pursuant to Section 3.8 of this RIS.

#### **8.1.2 Scope of the Interconnection Facilities Study**

The Interconnection Facilities Study will be performed on a clustered basis. The Interconnection Facilities Study will specify and provide Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure to each Interconnection Customer to implement the conclusions of the Cluster Study Report (and any associated reassessment) in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facilities to the Transmission System. The Interconnection Facilities Study will also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any the Participating TO's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The Interconnection Facilities Study will also identify any potential control equipment for (1) requests for Interconnection Service that are lower than the Generating Facility Capacity, and/or (2) requests to study a Generating Facility that includes at least one electric storage resource using operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) that reflect its proposed charging behavior, as requested by Interconnection Customer, unless the CAISO determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

**8.1.3 [Not Used]**

**8.1.4 [Not Used]**

**8.1.5 [Not Used]**

**8.2 [Not Used]**

**8.3 [Not Used]**

**8.4 [Not Used]**

**8.5 Interconnection Facilities Study Procedures**

The CAISO will coordinate the Interconnection Facilities Study with the Participating TO and any Affected System pursuant to Section 3.7 of this RIS. The CAISO and Participating TO will utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. The CAISO and Participating TO will complete the study and issue a draft Interconnection Facilities Study Report to the Interconnection Customer within one hundred twenty (120) days after receipt of an executed Interconnection Facilities Study Agreement.

At the request of the Interconnection Customer or at any time the CAISO determines that it will not meet the required time frame for completing the Interconnection Facilities Study, the CAISO will notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If the CAISO is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study Report within the time required, it will notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Interconnection Customer may, within thirty (30) days after receipt of the draft Interconnection Facilities Study Report, provide written comments to the CAISO, which the CAISO will include in completing the final Interconnection Facilities Study Report. The CAISO will issue the final Interconnection Facilities Study Report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. The CAISO may reasonably extend such fifteen (15) Business Day period upon notice to Interconnection Customer if Interconnection Customer's comments require the CAISO and Participating TO to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study Report. Upon request, the CAISO and Participating TO will provide the Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 15.1 of this RIS.

**8.6 Interconnection Facilities Restudy**

If restudy of the Interconnection Facilities Study is required due to a higher or equally queued project withdrawing from the queue or a modification of a higher or equally queued project

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pursuant to Section 6.7.2 of this RIS, the CAISO will update the Interconnection Facilities Study results via the annual reassessment described in Section 7.4. Any cost of restudy will be borne by the Interconnection Customer being restudied.

**8.7 Results Meeting With the CAISO and Applicable PTO(s)**

Within thirty (30) calendar days of providing the final Phase II Interconnection Study report to the Interconnection Customer, the applicable Participating TO(s), the CAISO and the Interconnection Customer shall meet to discuss the results of the Phase II Interconnection Study, including selection of the final Commercial Operation Date.

**8.8 [Intentionally Omitted]**

**8.9 Allocation Process for TP Deliverability**

After the Interconnection Facilities Study reports are issued, the CAISO will perform the allocation of the TP Deliverability to Option (A) and Option (B) Generating Facilities that meet the eligibility criteria set forth in Section 8.9.2. The TP Deliverability available for allocation will be determined from the most recent Transmission Plan. Once a Generating Facility is allocated TP Deliverability, the facility will be required to comply with retention criteria specific in Section 8.9.3 in order to retain the allocation.

Allocation of TP Deliverability shall not provide any Interconnection Customer or Generating Facility with any right to a specific MW of capacity on the CAISO Controlled Grid or any other rights (such as title, ownership, rights to lease, transfer or encumber).

The CAISO will issue a market notice to inform interested parties as to the timeline for commencement of allocation activities, for Interconnection Customer submittal of eligibility status and retention information, and anticipated release of allocation results to Interconnection Customers. There are two components to the allocation process.

**8.9.1 First Component: Representing TP Deliverability Used by Prior Commitments**

The CAISO will identify the following commitments that will utilize MW quantities of TP Deliverability:

- (a) The proposed Generating Facilities corresponding to earlier queued Interconnection Requests meeting the criteria set forth below:
  - (i) proposed Generating Facilities in Queue Cluster 4 or earlier that have executed PPAs with Load-Serving Entities and have GIAs that are in good standing.
  - (ii) proposed Generating Facilities in Queue Cluster 5 and subsequent Queue Clusters that were previously allocated TP Deliverability and have met the criteria to retain the allocation set forth in Section 8.9.3.
- (b) any Maximum Import Capability included as a planning objective in the Transmission Plan and a Subscriber Participating TO that is a non-contiguous portion of the CAISO BAA can use Maximum Import Capability made available by Participating Generators and System Resources if such allocation is made available in accordance with Section 40.4.6.2.1 (Step 13) of the CAISO Tariff; the available Maximum Import Capability made available by the Load Serving Entities that have access to Subscriber Rights until the Load Serving Entity(ies)

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cease using this Maximum Import Capability allocation or Delivery Network Upgrade(s) pursuant to Section 4.3A4.2(b) of the CAISO Tariff is completed to support the Subscriber Rights and then the TP Deliverability will be awarded to such Subscriber consistent with Section 8.9.1(c) of this GIDAP;

- (c) any other commitments having a basis in the Transmission Plan, including any commitments established due to a Subscriber's exercise of its first option to acquire Deliverability made possible by Delivery Network Upgrades pursuant to Section 4.3A.4.2(a) of the CAISO Tariff, provided this first option has been exercised before the Subscriber is no longer eligible to apply for TP Deliverability allocation under Section 8.9 of this GIDAP. Generating Units possessing Subscriber Rights seeking to receive TP Deliverability must submit a request and will be subject to Sections 8.9.2 and 8.9.3 of this GIDAP. For each Subscriber that submits a TP Deliverability request, the CAISO will provide the Subscriber with a Queue Position.

This first component is performed for the purpose of determining the amount of TP Deliverability available for allocation to the current queue cluster in accordance with section 8.9.2, and shall not affect the rights and obligations of proposed Generating Facilities in Queue Cluster 4 or earlier with respect to the construction and funding of Network Upgrades identified for such Generating Facilities, or their requested Deliverability Status. Such rights and obligations will continue to be determined pursuant to the GIP and the Generating Facility's GIA.

#### **8.9.2 Second Component: Allocating TP Deliverability**

Following the process set forth in Section 8.9.1, the CAISO will allocate any remaining TP Deliverability in the following order.

The CAISO shall allocate available TP Deliverability to all or a portion of the full MW capacity of the Generating Facility as specified in the Interconnection Request. Where a criterion is met by a portion of the full MW generating capacity of the Generating Facility, the eligibility score associated with that criterion shall apply to the portion that meets the criterion. The demonstration must relate to the same proposed Generating Facility as described in the Interconnection Request.

- (A) To Interconnection Customers that have executed power purchase agreements, and to Interconnection Customers in the current Queue Cluster that are Load Serving Entities serving their own Load.
- (B) To Interconnection Customers that are actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement.
- (C) To Interconnection Customers that have achieved Commercial Operation for the capacity seeking TP Deliverability.
- (D) To Interconnection Customers electing to be subject to Section 8.9.2.3.

Energy Only capacity seeking TP Deliverability may not trigger the construction of Delivery Network Upgrades pursuant to Section 6.3.2. This includes, without limitation, capacity expansions effected through modification requests and capacity converted to Energy Only after failing to receive or retain a TP Deliverability allocation. The CAISO will allocate TP Deliverability to Energy Only Interconnection Customers requesting Deliverability after FCDS and PCDS Interconnection Customers within its allocation group and solely based on TP Deliverability available from existing transmission facilities,

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from already planned upgrades in the CAISO Transmission Planning Process, or upgrades assigned to an interconnection project that has an executed GIA and currently has a TP Deliverability allocation.

Interconnection Customers requesting Deliverability for Energy Only capacity must submit to the CAISO a \$60,000 study deposit for each Interconnection Request seeking TP Deliverability. The CAISO will deposit these funds in an interest-bearing account at a bank or financial institution designated by the CAISO. The funds will be applied to pay for prudent costs incurred by the CAISO, the Participating TO(s), and/or third parties at the direction of the CAISO or applicable Participating TO(s), as applicable, to perform and administer the TP Deliverability studies for the Energy Only Interconnection Customers. Any and all costs of the Energy Only TP Deliverability study will be borne by the Interconnection Customer. The CAISO will coordinate the study with the Participating TO(s). The Participating TO(s) will invoice the CAISO for any work within seventy-five (75) calendar days of completion of the study, and, within thirty (30) days thereafter, the CAISO will issue an invoice or refund to the Interconnection Customer, as applicable, based upon such submitted Participating TO invoices and the CAISO's own costs for the study. If the actual costs of the study are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer will pay the balance within thirty (30) days of being invoiced.

For an Interconnection Customer seeking to receive or retain TP Deliverability to represent that it has, is negotiating, or is shortlisted for a power purchase agreement under this RIS, the agreement must meet the following criteria:

- (1) the agreement has a term of no less than five (5) years. Interconnection Customers with multiple, short-term agreements for the same capacity may meet this criterion where the combined terms are five (5) years or more; and
- (2) the counterparty must:
  - (a) be a Load Serving Entity procuring the capacity to meet its own Resource Adequacy obligation; or
  - (b) demonstrate it has a contract to provide the capacity for at least one (1) year to a Load Serving Entity for a Resource Adequacy obligation.

Interconnection Customers may seek or retain a TP Deliverability allocation if they meet all tariff criteria except the counterparty criterion (2); however, within thirty (30) days of receiving a TP Deliverability allocation, they must demonstrate they meet the counterparty criterion or provide a deposit of \$10,000 per MW of allocated TP Deliverability, but in no case less than \$500,000. The CAISO will deposit these funds in an interest-bearing account at a bank or financial institution designated by the CAISO. The CAISO will refund the deposit when the Generating Facility begins Commercial Operation or meets the counterparty criterion, whichever is earlier. To the extent the Interconnection Customer withdraws, is deemed withdrawn, converts to Energy Only, or otherwise downsizes or eliminates the capacity allocated TP Deliverability, the deposit or commensurate portion thereof will be non-refundable, and the CAISO will process it and any accrued interest pursuant to Section 7.6.

For all TP Deliverability allocations based upon having, negotiating, or being shortlisted for power purchase agreements, the CAISO will allocate TP Deliverability up to the amount of deliverable MW capacity procured by the power purchase agreement. All Load Serving Entities building Generating Facilities to serve their own Load must be

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doing so to fulfill a regulatory requirement that warrants Deliverability. Load Serving Entities acting as Interconnection Customers are otherwise eligible for all other attestations.

Notwithstanding any other provision, all refunds pursuant to this Appendix KK will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

**8.9.2.1 Deliverability Affidavits**

To determine TP Deliverability allocation order, Interconnection Customers will be assigned a numerical score reflecting the its demonstration of having met the criteria below under the methodology set forth in the Business Practice Manual.

- (1) Permitting status. An Interconnection Customer's Generating Facility must meet at least one of the following:
  - a. The Interconnection Customer has received its final governmental permit or authorization allowing the Generating Facility to commence construction.
  - b. The Interconnection Customer has received a draft environmental report document (or equivalent environmental permitting document) indicating likely approval of the requested permit and/or which indicates that the permitting authority has not found an environmental impact which would likely prevent the permit approval.
  - c. The Interconnection Customer has applied for the necessary governmental permits or authorizations and the authority has deemed such documentation as data adequate for the authority to initiate its review process.
  - d. The Interconnection Customer has applied for the necessary governmental permit or authorization for the construction.
- (2) Project financing status. An Interconnection Customer's Generating Facility must meet at least one of the following criteria:
  - a. The Interconnection Customer has an executed and regulator-approved power purchase agreement.
  - b. The Interconnection Customer has an executed power purchase agreement but such agreement has not yet received regulatory approval.
  - c. The Interconnection Customer is on an active short list or other commercially recognized method of preferential ranking of power providers by a prospective purchaser Load Serving Entity or procuring entity, or is currently negotiating a power purchase agreement.
  - d. The Interconnection Customer is a Load Serving Entity constructing its project to serve its own Load pursuant to a regulatory requirement.

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(3) Land acquisition

- a. The Interconnection Customer demonstrates a present legal right to begin construction of the Generation Facility on one hundred percent (100%) of the real property footprint necessary for the entire Generating facility.
- b. The Interconnection Customer demonstrates Site Exclusivity.

In allocating TP Deliverability under this section, in a situation where the TP Deliverability cannot accommodate all of the Interconnection Customers in a qualifying group, the CAISO will allocate TP Deliverability based on the highest numerical score. In a situation where the available amount of TP Deliverability can accommodate all Interconnection Customers with equal scores, the CAISO will allocate the TP Deliverability to the Interconnection Customers with the lowest LDNU cost estimates. For all TP Deliverability allocations based upon having, negotiating, or being shortlisted for power purchase agreements, the CAISO will allocate TP Deliverability up to the amount of deliverable MW capacity procured by the power purchase agreement.

All power purchase agreements must require Deliverability above zero for the Interconnection Customer to represent that it has, is negotiating, or is shortlisted for a power purchase agreement. All Load Serving Entities building Generating Facilities to serve their own Load must be doing so to fulfill a regulatory requirement that warrants Deliverability.

**8.9.2.2 [Not Used]**

**8.9.2.3 TP Deliverability Group D**

This section applies to any Interconnection Customer that seeks a TP Deliverability allocation under group D, regardless of whether the Interconnection Customer receives an allocation from group D or later converts to Energy Only. For the entire Generating Facility, including Energy Only portions, the Interconnection Customer may not request suspension under its GIA, delay providing its notice to proceed as specified in its GIA, or delay its Commercial Operation Date beyond the date established in its Interconnection Request when it requested TP Deliverability. Extensions due to Participating TO construction delays will extend these deadlines equally. Interconnection Customers that fail to proceed toward their Commercial Operation Dates under these requirements and as specified in their GIAs will be withdrawn.

If an Interconnection Customer demonstrates it has received a power purchase agreement, the portion of the Generating Facility procured by the power purchase agreement is not subject to this Section. Notwithstanding Section 8.9.4, if an Interconnection Customer receives a TP Deliverability allocation in the amount it requested, it must accept the allocation or withdraw.

Interconnection Customers may not seek TP Deliverability through this group D for any capacity that is Energy Only. This includes, without limitation, capacity expansions effected through modification requests and capacity converted to Energy Only after failing to receive or retain a TP Deliverability allocation.

For Interconnection Customers in Cluster 13 or earlier, this Section 8.9.2.3 does not apply to their Generating Facility except for any portion of the Generating Facility that seeks TP Deliverability from Group D.

### **8.9.3 Retaining TP Deliverability Allocation**

Interconnecting Customers that received TP Deliverability must provide documentation demonstrating they meet the following requirements by the annual due date established via market notice pursuant to Section 8.9:

- (1) Interconnection Customers that received TP Deliverability on the basis of negotiating or being shortlisted for a power purchase agreement must execute the agreement.
- (2) Interconnection Customers that received TP Deliverability from group D, must demonstrate that they executed a power purchase agreement, are actively negotiating a power purchase agreement, or on an active short list to receive a power purchase agreement. Interconnection Customers that retain TP Deliverability by demonstrating they are actively negotiating or shortlisted for a power purchase agreement must demonstrate they executed the power purchase agreement in the following year.

Failure to meet the requirements of this Section by the annual due date established via market notice will result in conversion to Energy Only. To the extent TP Deliverability has been allocated, lost, or relinquished only for a portion of the Interconnection Customer's project, this section 8.9.3 will apply to that portion of the project only. An Interconnection Customer's failure to retain its TP Deliverability will not be considered a Breach of its GIA. Except as provided in Section 8.9.3.2, Interconnection Customers that become Energy Only for failure to retain their TP Deliverability allocation may not reduce their Maximum Cost Responsibility or Current Cost Responsibility for any assigned Delivery Network Upgrades unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

#### **8.9.3.1 [Not Used]**

#### **8.9.3.2 Loss of Power Purchase Agreement or Short List Status**

Notwithstanding any provision of this RIS, if an Interconnection Customer receives or retains TP Deliverability for all or a portion of its project by attesting that:

- (a) it had a power purchase agreement, and the Load Serving Entity or procuring entity unilaterally terminates that power purchase agreement through no fault of the Interconnection Customer; or
- (b) it was actively negotiating a power purchase agreement or on an active short list to receive a power purchase agreement, and then did not finalize a power purchase agreement.

The Interconnection Customer may park its Interconnection Request, and re-seek TP Deliverability with its Queue Cluster. Alternatively, if such an Interconnection Customer's Queue Cluster is no longer eligible to park and has already completed the TP Deliverability allocation cycle after its parking opportunities, the Interconnection Customer will be converted to Energy Only but will not retain cost responsibility for its assigned Delivery Network Upgrades. Such an Interconnection Customers may elect to reduce its Commercial Readiness Deposit as a result.

### **8.9.4 Parking for Option (A) Generating Facilities**

For an Option (A) Generating Facility in the current Interconnection Study Cycle that

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either was allocated less TP Deliverability than requested or does not desire to accept the amount allocated the Interconnection Customer shall select one of the following options:

- (1) Withdraw its Interconnection Request
- (2) Enter into a GIA, in which case the Interconnection Request shall automatically convert to Energy Only Deliverability Status. In such circumstances, upon execution of the GIA, any Commercial Readiness Deposit will be adjusted to remove the obligation pertaining to LDNUs
- (3) Park the Interconnection Request; in which case the Interconnection Request may remain in the Interconnection queue until the next allocation of TP Deliverability in which it may participate in accordance with the requirements of Section 8.9.2. Parking an Interconnection Request does not confer a preference with respect to any other Interconnection Request with respect to allocation of TP Deliverability.

An Interconnection Customer that selects option (2) or (3) above may, at the time it selects the option, elect to reduce the generating capacity of its Generating Facility. Parked Interconnection Customers may not submit modification requests except for the following modifications:

- (1) reducing the Interconnection Service Capacity;
- (2) changing fuel type or technology;
- (3) Permissible Technological Advancements; or
- (4) changing the Point of Interconnection.

Parked Interconnection Customers must post their Commercial Readiness Deposit prior to submitting any of these modification requests, and submit a modification request pursuant to Section 6.7.2.3 of this RIS.

#### **8.9.4.1 Extended Parking for Option (A) Generating Facilities**

An Option (A) Generating Facility that parked its Interconnection Request and participated in a second allocation of TP Deliverability may remain parked for one final (third) allocation of TP Deliverability where: (a) the most recent TP Deliverability allocation shows that TP Deliverability will still be available to the Generating Facility; and (b) the Generating Facility has not been assigned Network Upgrades identified as needed by other Interconnection Customers in the Generating Facility's cluster study group or later cluster study groups. Criterion (b) will not apply where the Generating Facility has been assigned Network Upgrades identified as needed only by other Interconnection Customers in the Generating Facility's own cluster study group and all of those active Interconnection Customers also elect to remain parked.

#### **8.9.5 Partial Allocations of Transmission Based Deliverability to Option (A) and Option (B) Generating Facilities**

If a Generating Facility is allocated TP Deliverability in the current Interconnection Study Cycle in an amount less than the amount of Deliverability requested, then the Interconnection Customer must choose one of the following options:

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- (i) Accept the allocated amount of TP Deliverability and reduce the MW generating capacity of the proposed Generating Facility such that the allocated amount of TP Deliverability will provide Full Capacity Deliverability Status to the reduced generating capacity;
- (ii) Accept the allocated amount of TP Deliverability and adjust the Deliverability status of the proposed Generating Facility to achieve Partial Capacity Deliverability corresponding to the allocated TP Deliverability;
- (iii) For Option (A) Generating Facilities, accept the allocated amount of TP Deliverability and seek additional TP Deliverability for the remainder of the requested Deliverability of the Interconnection Request in the next allocation cycle. In such instance, the Interconnection Customer shall execute a GIA for the entire Generating Facility having Partial Capacity Deliverability corresponding to the allocated amount of TP Deliverability. Following the next cycle of TP Deliverability allocation, the GIA shall be amended as needed to adjust its Deliverability status to reflect any additional allocation of TP Deliverability. At this time the Interconnection Customer may also adopt options (i) or (ii) above based on the final amount of TP Deliverability allocated to the Generating Facility. There will be no further opportunity for this Generating Facility to participate in any subsequent cycle of TP Deliverability allocation; or
- (iv) Decline the allocated amount of TP Deliverability and either withdraw the Interconnection Request or convert to Energy Only Deliverability Status. An Interconnection Customer having an Option (A) Generating Facility that has not previously parked may decline the allocation of TP Deliverability and park until the next cycle of TP Deliverability allocation in the next Interconnection Study Cycle.

An Interconnection Customer that selects option (iii) or (iv) above may, at the time it selects the option, elect to reduce the generating capacity of its Generating Facility.

Interconnection Customers accepting a partial allocation of TP Deliverability may pursue additional deliverability as described in Section 8.9.2.

#### **8.9.6 Declining TP Deliverability Allocation**

An Interconnection Customer having an Option (A) Generating Facility and allocated the entire amount of requested TP Deliverability may decline all or a portion of the TP Deliverability allocation and park the Generating Facility Request as described in Section 8.9.4(3). An Interconnection Customer that selects this option may, at the time it selects the option, elect to reduce the generating capacity of its Generating Facility.

#### **8.9.7 Interim Deliverability**

If the Generating Facility (or increase in capacity of an existing Generating Facility) achieves its Commercial Operation Date before the Deliverability Assessment is completed or before any necessary Delivery Network Upgrades are in service, the CAISO will determine whether Interim Deliverability is available, and will award it to the Generating Facility. The CAISO will make this determination as soon as practical, but no later than the calendar month before the Generating Facility or capacity increase achieves its Commercial Operation Date. The Generating Facility will maintain any Interim Deliverability until (1) the Interconnection Customer to which that Deliverability was originally allocated achieves its Commercial Operation Date; or (2) the CAISO completes the next scheduled Deliverability Assessment and the Generating Facility's Delivery Network Upgrades are complete, enabling Partial Capacity or Full Capacity

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Deliverability Status. If the CAISO determines Interim Deliverability is not available, the Generating Facility or capacity increase will be Energy Only until the CAISO completes the next scheduled Deliverability Assessment and the Generating Facility's Delivery Network Upgrades are complete.

#### **8.9.8 Updates to Interconnection Study Results**

Upon completion of the allocation of TP Deliverability in accordance with Section 8.9.2, the CAISO will provide the allocation results to the Interconnection Customers for eligible Generating Facilities in the current Queue Cluster and eligible parked Generating Facilities. Each of these Interconnection Customers will then have seven (7) days to inform the CAISO of its decisions in accordance with Sections 8.9.4, 8.9.5, and 8.9.6. Following the CAISO's receipt of this information from all affected Interconnection Customers, the CAISO will provide updates where needed to the Interconnection Study reports for all Generating Facilities whose Network Upgrades have been affected.

#### **8.9.9 Deliverability Transfers**

Deliverability may not be assigned or otherwise transferred except as expressly provided by the CAISO Tariff. An Interconnection Customer may reallocate its Generating Facility's Deliverability among its own Generating Units or Resource IDs at the Generating Facility and to other Interconnection Customers interconnected at the same substation and at the same voltage level. The Generating Facility's aggregate output as evaluated in the Deliverability Assessment cannot increase as the result of any transfer, but may decrease based on the assignee's characteristics and capacity. The CAISO will inform the Interconnection Customer of each Generating Unit's Deliverability Status and associated capacity as the result of any transfer. The results will be based on the current Deliverability Assessment methodology.

An Interconnection Customer may request to reallocate its Deliverability among its Generating Units and to other Interconnection Customers interconnected at the same substation and at the same voltage level pursuant to Section 6.7.2.2 of this RIS, Article 5.19 of the LGIA, and Article 3.4.5 of the SGIA, as applicable. A repowering Interconnection Customer may transfer Deliverability as part of the repowering process pursuant to Section 25.1.2 of the CAISO Tariff. An Interconnection Customer expanding its capacity behind-the-meter as a modification request also may transfer Deliverability as part of that process, or subsequently under the other processes in this Section. The assignee of a Deliverability transfer does not need to submit a modification request to receive a transfer.

### **Section 9 Additional Deliverability Assessment Options**

#### **9.1 [Intentionally Omitted]**

#### **9.2 [Intentionally Omitted]**

#### **9.3 PTO Tariff Option for Full Capacity Deliverability Status**

To the extent that a Participating TO's tariff provides the option for customers taking interconnection service under the Participating TO's tariff to obtain Full Capacity Deliverability Status, the CAISO will, in coordination with the applicable Participating TO, perform the necessary Deliverability studies to determine the Deliverability of customers electing such option. The CAISO shall execute any necessary agreements for reimbursement of study costs it incurs and to assure cost attribution for any Network Upgrades relating to any Deliverability status conferred to such customers under the Participating TO's tariff.

#### 9.4 Deliverability from Non-Participating TOs

This process applies to Generating Facilities that interconnect to the transmission facilities of a Non-Participating TO located within the CAISO Balancing Authority Area that wish to obtain Full Capacity Deliverability Status or Partial Capacity Deliverability Status under the CAISO Tariff. Such Generating Facilities will be eligible to be studied by the CAISO for Full or Partial Capacity Deliverability Status pursuant to the following provisions:

- (a) The Generating Facility seeking Full or Partial Capacity Deliverability Status under the CAISO Tariff must submit a request to the CAISO to study it for such Status. Such study request will be in the form of the CAISO's pro forma Interconnection Request, must include the Generating Facility's intended Point of Delivery to the CAISO Controlled Grid, and must be submitted during a Cluster Application Window. The Generating Facility will be required to satisfy the same study deposit and Commercial Readiness Deposit posting requirements as an Interconnection Customer.
- (b) The Non-Participating TO that serves as the interconnection provider to the Generating Facility must treat the CAISO as an Affected System in the interconnection study process for the Generating Facility.
- (c) As part of the Non-Participating TO's interconnection study process, the CAISO, in its sole discretion and on a case-by-case basis, will determine the adequacy of transmission on the Non-Participating TO's system for the Generating Facility to be deemed fully deliverable to the elected Point of Delivery to the CAISO Controlled Grid. Only those proposed Generating Facilities (or proposed increases in Generating Facility capacity) for which the CAISO has determined there is adequate transmission capacity on the Non-Participating TO system to provide full Deliverability to the applicable Point of Delivery will be eligible to be assessed for Full or Partial Capacity Deliverability Status under the CAISO Tariff.
- (d) If the Generating Facility is eligible for study for Full or Partial Capacity Deliverability Status, the CAISO will include the Generating Facility in the Interconnection Study process for the Queue Cluster associated with the Cluster Application Window in which the Generating Facility has submitted its study request. The Point of Delivery with the CAISO will be treated as the Point of Interconnection for purposes of including the Generating Facility in a Cluster Study with any applicable CAISO Interconnection Customers in the relevant Queue Cluster. Pursuant to the Queue Cluster Interconnection Study process the Generating Facility will be allocated its cost responsibility share of any applicable LDNUs or ADNUs.

The Generating Facility shall be permitted to select an Option (A) or Option (B) Deliverability option under Section 7.2 (and will be treated as an Option (B) Generating Facility if a selection is not provided to the CAISO) and permitted to participate in TP Deliverability allocation under Section 8.

- (e) The CAISO, Participating TO, and Interconnection Customer will execute any necessary agreements for reimbursement of study costs incurred it to assure cost attribution for any Network Upgrades relating to any Deliverability status conferred to each such interconnection customer under the Non-Participating TO's tariff.
- (f) The Non-Participating TO's interconnection customer will receive repayment of funds expended for the construction of the LDNUs, and, as applicable, ADNUs, on the CAISO Controlled Grid in the same manner as CAISO Interconnection Customers, as specified in Section 14.3.2.

## **Section 10 Cost Responsibility for Interconnection Customers**

### **10.1 Interconnection Customers in a Queue Cluster.**

- (a) RNUs and LDNUs. The Interconnection Studies will establish Interconnection Customers' Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure consistent with the cost allocations described in Section 8. The CAISO will adjust Interconnection Customers' cost responsibilities as described in this RIS. Interconnection Customers will post Commercial Readiness Deposit and GIA Deposit based on their Current Cost Responsibility.
- (b) ADNUs. Interconnection Customers selecting Option (A) do not include ADNUs in the Commercial Readiness Deposit and GIA Deposit. The Current Cost Responsibility provided in the Cluster Studies establishes the basis for the initial Commercial Readiness Deposit. For Interconnection Customers selecting Option (B), the annual reassessment shall refresh the Current Cost Responsibility for ADNUs.

The ADNU cost estimates provided in any Interconnection Study report are estimates only and do not provide a maximum value for cost responsibility to an Interconnection Customer for ADNUs. However, subsequent to the Interconnection Customer's receipt of its Interconnection Facilities Study report, an Interconnection Customer having selected Option (B) may have its ADNUs adjusted in the reassessment process undertaken under Section 7.4. Accordingly, for such Interconnection Customers, the most recent annual reassessment undertaken under Section 7.4 shall provide the most recent cost estimates for the Interconnection Customer's ADNUs.

### **10.2 [Not Used]**

## **Section 11 Commercial Readiness Deposit and GIA Deposit**

### **11.1 Types of Commercial Readiness Deposit and GIA Deposit**

The Commercial Readiness Deposit and GIA Deposit posted by an Interconnection Customer may be any combination of the following types of Commercial Readiness Deposit or GIA Deposit:

- (a) an irrevocable and unconditional letter of credit issued by a bank or financial institution that has a credit rating of A or better by Standard and Poors or A2 or better by Moody's;
- (b) an irrevocable and unconditional surety bond issued by an insurance company that has a credit rating of A or better by Standard and Poors or A2 or better by Moody's;
- (c) an unconditional and irrevocable guaranty issued by a company has a credit rating of A or better by Standard and Poors or A2 or better by Moody's;
- (d) a cash deposit standing to the credit of the applicable Participating TO(s) in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to the applicable Participating TO(s);
- (e) a certificate of deposit in the name of the applicable Participating TO(s) issued by a bank or financial institution that has a credit rating of A or better by Standard and Poors or A2 or better by Moody's; or
- (f) a payment bond certificate in the name of the applicable Participating TO(s) issued by a bank or financial institution that has a credit rating of A or better by Standard and Poors

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or A2 or better by Moody's.

Commercial Readiness Deposit and GIA Deposit instruments as listed above shall be in such form as the CAISO and applicable Participating TO(s) may reasonably require from time to time by notice to Interconnection Customers or in such other form as has been evaluated and approved as reasonably acceptable by the CAISO and applicable Participating TO(s).

The CAISO shall publish and maintain standardized forms related to the types of deposits listed above which shall be accessible on the CAISO Website. The CAISO shall require the use of standardized forms of Commercial Readiness Deposit and GIA Deposit to the greatest extent possible. If at any time the guarantor of the Commercial Readiness Deposit or GIA Deposit fails to maintain the credit rating required by this Section, the Interconnection Customer shall provide to the applicable Participating TO(s) replacement Commercial Readiness Deposit or GIA Deposit meeting the requirements of this Section within five (5) Business Days of the change in credit rating.

The CAISO shall, upon receipt, deposit all Commercial Readiness Deposit, GIA Deposit, and other deposit amounts in an interest-bearing account at a bank or financial institution designated by the CAISO. Interest on a cash deposit standing to the credit of the applicable Participating TO(s) in an interest-bearing escrow account under subpart (d) of this Section will accrue to the Interconnection Customer's benefit and will be added to the Interconnection Customer's account on a monthly basis. Any interest earned on such amounts, based on the actual rate of the account, shall be allocated and disbursed in the same manner as the principal, in accordance with the methodology set forth in this Section 7.6

## **Section 12 Engineering & Procurement ("E&P") Agreement**

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and the applicable Participating TO(s) shall offer the Interconnection Customer, an E&P Agreement that authorizes the applicable Participating TO(s) to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the applicable Participating TO(s) shall not be obligated to offer an E&P Agreement if the Interconnection Customer is in Dispute Resolution as a result of an allegation that the Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the RIS. The E&P Agreement is an optional procedure. The E&P Agreement shall provide for the Interconnection Customer to pay the cost of all activities authorized by the Interconnection Customer and to make advance payments or provide other satisfactory security for such costs.

The Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If the Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, the Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, the applicable Participating TO(s) may elect: (i) to take title to the equipment, in which event the applicable Participating TO(s) shall refund the Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to the Interconnection Customer, in which event the Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

## **Section 13 Generator Interconnection Agreement (GIA)**

### **13.1 Tender**

### **13.1.1**

The Interconnection Customer will tender comments on the draft Interconnection Facilities Study Report within thirty (30) calendar days of receipt of the report. Within thirty (30) calendar days after the latter of (a) the comments are submitted, (b) the Interconnection Customer notifies the CAISO it will not provide comments, the Participating TO will tender a draft GIA, together with draft appendices. The draft GIA will be in the form of the CAISO's FERC-approved standard form GIA, which is in Appendix LL or MM, as applicable. The Interconnection Customer will execute and return the GIA and completed draft appendices within thirty (30) calendar days, unless (1) the sixty (60) calendar day negotiation period under Section 13.2 of this RIS has commenced, or (2) GIA execution, or filing unexecuted, has been delayed to await the Affected System Study Report pursuant to Section 13.2.1 of this RIS. The CAISO and Participating TO will suspend negotiations for an Option (A) Generating Facility that has been tendered a GIA and subsequently elects to park its Interconnection Request. The draft GIA will be in the form of the FERC-approved GIA set forth in CAISO Tariff Appendix EE or Appendix FF, as applicable.

**13.1.2** Consistent with Section 13.1.1, when the transmission system of a Participating TO, in which the Point of Interconnection is not located, is affected, such Participating TO shall tender a separate agreement, in the form of the GIA, as appropriately modified.

## **13.2 Negotiation**

Notwithstanding Section 13.1 of this RIS, at the request of Interconnection Customer, the CAISO and Participating TO will begin negotiations with the Interconnection Customer concerning the appendices to the GIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. The CAISO, Participating TO, and the Interconnection Customer will negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than sixty (60) calendar days after tender of the final Interconnection Facilities Study Report. If the Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 13.1 of this RIS and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 15.5 of this RIS. If the Interconnection Customer requests termination of the negotiations, but within sixty (60) calendar days thereafter fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it will be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if the Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 15.5 of this RIS within sixty (60) calendar days of tender of draft GIA, it will be deemed to have withdrawn its Interconnection Request. The Participating TO will provide to the Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

### **13.2.1 Delay in LGIA Execution, or Filing Unexecuted, to Await Affected System Study Report**

If the Interconnection Customer has not received its Affected System Study Report from an Identified Affected System prior to the date it would be required to execute its GIA (or request that its GIA be filed unexecuted) pursuant to Section 13.1 of this RIS, the CAISO will, upon request of the Interconnection Customer, extend this deadline to thirty (30) calendar days after the Interconnection Customer's receipt of the Affected System Study Report, or two hundred and ten (210) calendar days after the tendering of the GIA and appendices, whichever is earlier.

If the Interconnection Customer, after delaying GIA execution, or requesting unexecuted filing, to

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await Affected System Study Report, decides to proceed to GIA execution, or request unexecuted filing, without those results, it may notify the CAISO of its intent to proceed with GIA execution (or request that its GIA be filed unexecuted) pursuant to Section 13.1 of this RIS.

If the CAISO determines that further delay to the GIA execution date would cause a material impact on the cost or timing of an equal- or lower-queued Interconnection Customer, the CAISO must notify the Interconnection Customer of such impacts and set the deadline to execute the GIA (or request that the GIA be filed unexecuted) to thirty (30) calendar days after such notice is provided.

### **13.3 Execution and Filing**

The Interconnection Customer shall either: (i) execute the appropriate number of originals of the tendered GIA as specified in the directions provided by the CAISO and return them to the CAISO, as directed, for completion of the execution process; or (ii) request in writing that the applicable Participating TO(s) and CAISO file with FERC a GIA in unexecuted form. The GIA shall be considered executed as of the date that all three Parties have signed the GIA. As soon as practicable, but not later than ten (10) Business Days after receiving either the executed originals of the tendered GIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or the request to file an unexecuted GIA, the applicable Participating TO(s) and CAISO shall file the GIA with FERC, as necessary, together with an explanation of any matters as to which the Interconnection Customer and the applicable Participating TO(s) or CAISO disagree and support for the costs that the applicable Participating TO(s) propose to charge to the Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by the applicable Participating TO(s) and CAISO for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted GIA, they may proceed pending FERC action.

Simultaneously with submitting the executed GIA, or within ten (10) Business Days after the Interconnection Customer requests that the CAISO file the GIA unexecuted at FERC, the Interconnection Customer shall provide the CAISO with the following: (1) demonstration of continued Site Control pursuant to Section 8.1.1(2) of this RIS; and (2) the GIA Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the draft GIA minus the total amount of Commercial Readiness Deposits that Interconnection Customer has provided to the CAISO for its Interconnection Request. The CAISO shall use GIA Deposit as (or as a portion of) the Interconnection Customer's security required under GIA Article 11.5. The Interconnection Customer may not request to suspend its GIA under GIA Article 5.16 until Interconnection Customer has provided (1) and (2) to the CAISO. If the Interconnection Customer fails to provide (1) and (2) to the CAISO within the thirty (30) days allowed for returning the executed GIA and appendices under RIS Section 13.1.1, or within ten (10) Business Days after the Interconnection Customer requests that the CAISO file the GIA unexecuted at FERC as allowed in this Section 13.3 of this RIS, the Interconnection Request will be deemed withdrawn pursuant to Section 3.8 of this RIS.

### **13.4 Commencement of Interconnection Activities**

If the Interconnection Customer executes the final GIA, the applicable Participating TO(s), CAISO and the Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC. Upon submission of an unexecuted GIA, the Interconnection Customer, applicable Participating TO(s) and CAISO may proceed to comply with the unexecuted GIA, pending FERC action.

### **13.5 Interconnection Customer to Meet PTO Handbook Requirements**

The Interconnection Customer's Interconnection Facilities shall be designed, constructed,

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operated and maintained in accordance with the applicable Participating TO's Interconnection Handbook.

## **Section 14 Construction and Neighboring System Impacts**

### **14.1 Schedule**

The applicable Participating TO(s) and the Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of the applicable Participating TO's Interconnection Facilities and the Network Upgrades.

### **14.2 Construction Sequencing**

#### **14.2.1 General**

In general, the sequence of construction of Stand Alone Network Upgrades or other Network Upgrades for a single Interconnection Request, or Network Upgrades identified for the interconnection of Generating Facilities associated with multiple Interconnection Requests, shall be determined, to the maximum extent practical, in a manner that accommodates the proposed Commercial Operation Date set forth in the GIA of the Interconnection Customer(s) associated with the Stand Alone Network Upgrades or other Network Upgrades.

#### **14.2.2 Construction of Network Upgrades that are or were an Obligation of an Entity other than the Interconnection Customer**

The applicable Participating TO(s) shall be responsible for financing and constructing any Network Upgrades necessary to support the interconnection of the Generating Facility of an Interconnection Customer with a GIA whenever the Network Upgrades were included in the Interconnection Base Case Data for an Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its equivalent predecessor agreement) filed with FERC, and such GIA specifies that the Participating TO would construct the Network Upgrades, and either:

- (i) the Network Upgrades will not otherwise be completed because such GIA or equivalent predecessor agreement was subsequently terminated or the Interconnection Request has otherwise been withdrawn; or
- (ii) the Network Upgrades will not otherwise be completed in time to support the Interconnection Customer's In-Service Date because construction has not commenced in accordance with the terms of such GIA (or its equivalent predecessor agreement).

Where the Participating TO is constructing ADNUs for Option (B) Interconnection Customers and one of the two conditions above occurs, the Participating TO shall continue to construct such ADNUs with financing provided from the Commercial Readiness Deposit of those Option (B) Interconnection Customers' Interconnection referred to above, with any additional financing requirements to be reapportioned among those remaining Option (B) Interconnection Customers who still need the ADNUs.

The obligation under this Section arises only after the CAISO, in coordination with the applicable Participating TO(s), determines that the Network Upgrades remain needed to support the interconnection of the Interconnection Customer's Generating Facility notwithstanding, as applicable, the absence or delay of the Generating Facility that is

contractually, or was previously contractually, associated with the Network Upgrades.

Further, to the extent the timing of such Network Upgrades was not accounted for in determining a reasonable Commercial Operation Date among the CAISO, applicable Participating TO(s), and the Interconnection Customer as part of the Interconnection Study, the applicable Participating TO(s) will use Reasonable Efforts to ensure that the construction of such Network Upgrades can accommodate the Interconnection Customer's proposed Commercial Operation Date. If, despite Reasonable Efforts, it is anticipated that the Network Upgrades cannot be constructed in time to accommodate the Interconnection Customer's proposed Commercial Operation Date, the Interconnection Customer may commit to pay the applicable Participating TO(s) any costs associated with expediting construction of the Network Upgrades to meet the original proposed Commercial Operation Date. The expediting costs under Section shall be in addition to the Interconnection Customer's cost responsibility.

#### **14.2.3 Advancing Construction of Network Upgrades that are Part of the CAISO's Transmission Plan**

An Interconnection Customer with a GIA, in order to maintain its In-Service Date as specified in the GIA, may request that the CAISO and applicable Participating TO(s) advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an approved CAISO Transmission Plan covering the PTO Service Territory of the applicable Participating TO(s), in time to support such In-Service Date. Upon such request, the applicable Participating TO(s) will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that the Interconnection Customer commits to pay the applicable Participating TO(s) any associated expediting costs. The Interconnection Customer shall be entitled to refunds, if any, in accordance with the GIA, for any expediting costs paid.

#### **14.2.4 Limited Operation Study**

**14.2.4.1** Pursuant to Article 5.9 of the Large Generator Interconnection Agreement set forth in Appendices V, BB, CC, and EE, Generating Facilities may request a limited operation study. The Participating TO and/or the CAISO, as applicable, will, upon the request and at the expense of the Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Generating Unit and the Interconnection Customer's Interconnection Facilities may operate prior to the completion of the Participating TO's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice. The Participating TO and the CAISO will permit the Interconnection Customer to operate the Generating Unit and the Interconnection Customer's Interconnection Facilities in accordance with the results of such studies. To the extent study assumptions change, the CAISO and Participating TO will update study results as needed.

**14.2.4.2** The Generating Unit owner will provide the CAISO a \$10,000 deposit for the limited operation study with the request. Except as provided below, any limited operation study will be concluded, and a response provided to the Generating Unit owner in writing, within forty-five (45) calendar days from when the CAISO receives all of the following: the Generating Unit owner's written approval of the limited operation study plan, technical data required to assess the request, and the \$10,000 deposit. If the limited operation study cannot be completed within that time period, the CAISO will notify the Generating Unit owner and provide an estimated completion date and an explanation of the

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reasons why additional time is required.

Notwithstanding any other provision, all refunds pursuant to this Appendix KK will be processed in accordance with the CAISO's generally accepted accounting practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

- 14.2.4.3** The Generating Unit owner will be responsible for the actual costs incurred by the CAISO and the Participating TO(s) in conducting the modification assessment. If the actual costs of the limited operation study are less than the deposit provided by the Generating Unit owner, the Generating Unit owner will be refunded the balance. If the actual costs of the limited operation study are greater than the deposit provided by the Generating Unit owner, the Generating Unit owner shall pay the balance within thirty (30) days of being invoiced. The CAISO will coordinate the request with the Participating TO(s). The Participating TO(s) will invoice the CAISO for any limited operation study work within seventy-five (75) calendar days of completion of the study, and, within thirty (30) days of payment of the Participating TO(s) invoice, the CAISO will issue an invoice or refund to the Generating Unit owner, as applicable, based upon such submitted Participating TO invoices and the CAISO's costs for the assessment.

### **14.3 Network Upgrades**

With the exception of LDNUs and ADNUs for Option (B) Generating Facilities that were not allocated TP Deliverability, Network Upgrades will be constructed by the applicable Participating TO(s). Interconnection Customers may, at their discretion, select parties other than the applicable PTOs to construct certain LDNUs and ADNUs required by their Option (B) Generating Facilities that are not allocated TP Deliverability, if such LDNUs and ADNUs are eligible for construction by parties other than the applicable PTO pursuant to Section 24.5.2 of the CAISO Tariff. Such ADNUs and LDNUs will be incorporated into the CAISO Controlled Grid pursuant to the provisions for Merchant Transmission Facilities in CAISO Tariff Sections 24.4.6.1, and 36.11. Unless the Interconnection Customer elects construction by a party other than the applicable Participating TO, the applicable Participating TO(s) will be obligated to construct the LDNUs and ADNUs. This Section shall not apply to an Interconnection Customer's right to build Stand Alone Network Upgrade(s) in accordance with the LGIA.

#### **14.3.1 Initial Funding**

Assigned Network Upgrades shall be funded by the Interconnection Customer(s) either by means of drawing down the Commercial Readiness Deposit or GIA Deposit or by the provision of additional capital, at each Interconnection Customer's election, up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to each Interconnection Customer(s). Current Cost Responsibility may be adjusted consistent with this RIS and up to the Interconnection Customer's Maximum Cost Responsibility, but the applicable Participating TO(s) shall be responsible for funding any capital costs for the Assigned Network Upgrades that exceed the Current Cost Responsibility assigned to the Interconnection Customer(s).

- (a) Where the funding responsibility for any RNUs, and LDNUs has been assigned to a single Interconnection Customer, the applicable Participating TO(s) shall invoice the Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, up to a maximum amount no greater than that

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established by the Current Cost Responsibility assigned to each Interconnection Customer(s) for the RNUs or LDNUs, respectively.

- (b) Where the funding responsibility for an RNU or LDNU has been assigned to more than one Interconnection Customer in accordance with this RIS, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such Network Upgrades in accordance with their respective Current Cost Responsibilities. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the Current Cost Responsibility assigned to that Interconnection Customer.
- (c) Where the funding responsibility for an ADNU being constructed by one or more Participating TO has been assigned to more than one Option (B) Interconnection Customer, the applicable Participating TO(s) shall invoice each Interconnection Customer under LGIA Article 12.1 or SGIA Article 6.1, whichever is applicable, for such ADNUs based on their respective Current Cost Responsibilities.

Any permissible extension of the Commercial Operation Date of a Generating Facility will not alter the Interconnection Customer's obligation to finance its Assigned Network Upgrades where the Network Upgrades are required to meet the earlier Commercial Operation Date(s) of other Generating Facilities that have also been assigned cost responsibility for the Network Upgrades.

**14.3.2 Repayment of Amounts Advanced for Network Upgrades and Refund of Interconnection Financial Security**

**14.3.2.1 Repayment of Amounts Advanced Regarding Non-Phased Generating Facilities**

Interconnection Customers will be entitled to repayment for the Interconnection Customer's contribution to the cost of Network Upgrades placed in service on or before the Commercial Operation Date of its Generating Facility, commencing upon the Commercial Operation Date of the Generating Facility. Repayment for the Interconnection Customer's contribution to the cost of Network Upgrades placed into service after the Commercial Operation Date of its Generating Facility shall, for each of these Network Upgrades, commence no later than the later of: (i) the first month of the calendar year following the year in which the Network Upgrade is placed into service or (ii) 90 days after the Network Upgrade is placed into service.

An Interconnection Customer subject to this Section 14.3.2.1 shall be entitled to repayment for its contribution to the cost of Network Upgrades as follows:

- (1) For RNUs, in accordance with the Interconnection Customer's cost responsibility assigned up to a maximum of \$60,000 per MW of generating capacity as specified in the GIA. The CAISO will publish an annual inflation factor and adjusted amount for this figure with the per unit cost publication on the CAISO Website pursuant to Section 6.4 of this RIS. Interconnection Customers will be entitled to repayment subject to the figure corresponding to their Commercial Operation Date.
- (2) For LDNUs, except for LDNUs for Option (B) Generating Facilities that were not allocated TP Deliverability, in accordance with the Interconnection Customer's Current Cost Responsibility.

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- (3) Option (B) Generating Facilities that were not allocated TP Deliverability will not receive repayment for LDNUs or ADNUs.

Unless an Interconnection Customer has provided written notice to the CAISO that it is declining all or part of such repayment, such amounts shall include any tax gross-up or other tax-related payments associated with the Network Upgrades not refunded to the Interconnection Customer, and shall be paid to the Interconnection Customer by the applicable Participating TO(s) on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the applicable date as provided for in this Section 14.3.2.1; or (2) any alternative payment schedule that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the applicable commencement date.

For Network Upgrades the Interconnection Customer funded but did not receive repayment, the Interconnection Customer will be eligible to receive Merchant Transmission Congestion Revenue Rights (CRRs) in accordance with CAISO Tariff Section 36.11 associated with those Network Upgrades, or portions thereof that were funded by the Interconnection Customer. Such CRRs would take effect upon the Commercial Operation Date of the Generating Facility in accordance with the GIA.

**14.3.2.2 Repayment of Amounts Advanced Regarding Phased Generating Facilities**

Upon the Commercial Operation Date of each phase of a Phased Generating Facility, unless the Interconnection Customer has provided written notice to the CAISO that it is declining all or part of such repayment, the Interconnection Customer shall be entitled to a repayment for the Interconnection Customer's contribution to the cost of Network Upgrades for that completed phase in accordance with the Interconnection Customer's Current Cost Responsibility assigned for the phase and subject to the limitations specified in Section 14.3.2.1, if the following conditions are satisfied as described below:

- (a) The Generating Facility is capable of being constructed in phases;
- (b) The Generating Facility is specified in the GIA as being constructed in phases;
- (c) The completed phase corresponds to one of the phases specified in the GIA;
- (d) The phase has achieved Commercial Operation and the Interconnection Customer has tendered notice of the same pursuant to the GIA;
- (e) All parties to the GIA have confirmed that the completed phase meets the requirements set forth in the GIA and any other operating, metering, and interconnection requirements to permit generation output of the entire capacity of the completed phase as specified in the GIA;
- (f) The Network Upgrades necessary for the completed phase to meet the desired level of Deliverability are in service; and
- (g) The Interconnection Customer has posted one hundred (100) percent of the Interconnection Financial Security required for the Network Upgrades

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for all the phases of the Generating Facility (or if less than one hundred (100) percent has been posted, then all required Interconnection Financial Security instruments to the date of commencement of repayment).

Following satisfaction of these conditions (a) through (e) and (g), an Interconnection Customer will be entitled to receive a repayment of its financed cost responsibility for the Network Upgrades associated with the completed phase that have been placed in service. The Interconnection Customer shall be entitled to repayment in this manner for each completed phase until the entire Generating Facility is completed. With respect to any Network Upgrades necessary for a completed phase to meet its desired level of deliverability that are not in service by the time the phase achieves Commercial Operation, repayment for each such Network Upgrade will commence no later than the later of: (i) the first month of the calendar year following the year in which the Network Upgrade is placed into service or (ii) 90 days after the Network Upgrade is placed into service.

A reduction in the electrical output (MW capacity) of the Generating Facility pursuant to the CAISO Tariff shall not diminish the Interconnection Customer's right to repayment pursuant to this Section 14.3.2.2. If the GIA includes a partial termination provision and the partial termination right has been exercised with regard to a phase that has not been built, then the Interconnection Customer's eligibility for repayment under this Section 14.3.2.2 as to the remaining phases shall not be diminished. If the Interconnection Customer completes one or more phases and then defaults on the GIA, the Participating TO and the CAISO shall be entitled to offset any losses or damages resulting from the default against any repayments made for Network Upgrades related to the completed phases provided that the party seeking to exercise the offset has complied with any requirements which may be required to apply the stream of payments utilized to make the repayment to the Interconnection Customer as an offset.

Any repayment amount provided pursuant to this Section 14.3.2.2 shall include any tax gross-up or other tax-related payments associated with the Network Upgrades not refunded to the Interconnection Customer, and shall be paid to the Interconnection Customer by the applicable Participating TO(s) on a dollar-for-dollar basis either through (1) direct payments made on a levelized basis over the five-year period commencing on the applicable date as provided for in this Section 14.3.2.2 ; or (2) any alternative payment schedule that associates the completion of Network Upgrades with the completion of particular phases and that is mutually agreeable to the Interconnection Customer and Participating TO, provided that such amount is paid within five (5) years of the applicable commencement date.

#### **14.3.2.3 Interest Payments and Assignment Rights**

Any phased or non-phased repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment. The Interconnection Customer may assign such repayment rights to any person.

### **14.4 Special Provisions for Affected Systems, Other Affected PTOs**

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The Interconnection Customer shall enter into an agreement with the owner of the Affected System and/or other affected Participating TO(s), as applicable. The agreement shall specify the terms governing payments to be made by the Interconnection Customer to the owner of the Affected System and/or other affected Participating TO(s). If the affected entity is another Participating TO, the initial form of agreement will be the GIA, as appropriately modified.

**14.4.1 Cost Allocation, Commercial Readiness Deposit, GIA Deposit, and Reimbursement for Multiple Participating TOs**

Interconnection Studies will list separate cost estimates for facilities and Network Upgrades required on the interconnecting Participating TO and affected Participating TO's systems. These separate sums will produce a single, combined Maximum Cost Responsibility and a single, combined Maximum Cost Exposure for the Interconnection Customer. Current Cost Responsibilities for each Participating TO's facilities and Network Upgrades may be adjusted up to the Interconnection Customer's Maximum Cost Responsibility and Maximum Cost Exposure, as applicable.

The Interconnection Customer will post its Commercial Readiness Deposits and GIA Deposit to each Participating TO based on the separate Current Cost Responsibilities for facilities and Network Upgrades on their respective systems.

Each Participating TO will repay amounts received for Network Upgrades pursuant to this RIS. Reimbursement for Reliability Network Upgrades will be paid by each Participating TO but subject to a single, combined maximum based upon the Interconnection Customer's generating capacity, as described in Section 14.3.2. If the amount funded for the Reliability Network Upgrades exceeds this maximum, each Participating TO will repay the Interconnection Customer proportional to its share of the Interconnection Customer's Current Cost Responsibility for the Reliability Network Upgrades.

**14.5 CAISO as an Affected System**

The CAISO and Participating TOs whose system may be impacted by a proposed interconnection on another transmission provider's transmission system will cooperate with the transmission provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to the CAISO Controlled Grid.

**14.5.1 Applicability**

This Section 14.5 outlines the duties of the CAISO and affected Participating TO when the CAISO receives notification that an Affected System Interconnection Customer's proposed interconnection to its host transmission provider may impact the CAISO Controlled Grid. The interconnection customer will be eligible for repayment of amounts advanced for Network Upgrades consistent with Section 14.3.2.1.

**14.5.2 Response to Notifications**

When the CAISO receives notification that an Affected System Interconnection Customer's proposed interconnection to its host transmission provider may impact the CAISO Controlled Grid, the CAISO must respond in writing within twenty (20) Business Days whether the Participating TO intends to conduct an Affected System Study.

By fifteen (15) Business Days after the CAISO responds with its affirmative intent to conduct an Affected System Study, the Participating TO will share with Affected System Interconnection Customer(s) and the Affected System Interconnection Customer's host transmission provider a non-binding good faith estimate of the cost and the schedule to

complete the Affected System Study.

Within five (5) Business Days of receipt of notification of Cluster Restudy, the Participating TO will send written notification to Affected System Interconnection Customer(s) involved in the Cluster Restudy and the host transmission provider that the Participating TO intends to delay a planned or in-progress Affected System Study until after completion of the Cluster Restudy. If the Participating TO decides to delay the Affected System Study, it is not required to meet its obligations under Section 14 of this RIS until the time that it receives notification from the host transmission provider that the Cluster Restudy is complete. If the Participating TO decides to move forward with its Affected System Study despite the Cluster Restudy, then it must meet all requirements under Section 14.5 of this RIS.

#### **14.5.3 Affected System Queue Position**

The CAISO must assign an Affected System Queue Position to Affected System Interconnection Customer(s) that require(s) an Affected System Study. Such Affected System Queue Position will be assigned based upon the date of execution of the Affected System Study Agreement. Relative to the CAISO's Interconnection Customers, this Affected System Queue Position will be higher-queued than any Cluster that has not yet received its Cluster Study Report and will be lower-queued than any Cluster that has already received its Cluster Study Report. Consistent with Section 14.5.7 of this RIS, the CAISO and Participating TO(s) will study the Affected System Interconnection Customer(s) via Clustering, and all Affected System Interconnection Customers studied in the same Cluster under Section 14.5.7 of this RIS will be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position will have no bearing on the assignment of Affected System Network Upgrades identified in the applicable Affected System Study. The costs of the Affected System Network Upgrades will be allocated among the Affected System Interconnection Customers in accordance with Section 14.5.9 of this RIS.

#### **14.5.4 Affected System Study Agreement/Multiparty Affected System Study Agreement**

Unless otherwise agreed, the Participating TO will provide to Affected System Interconnection Customer(s) an Affected System Study Agreement/Multiparty Affected System Study Agreement, in the form of Appendix 11 or Appendix 12 to this RIS, as applicable, within ten (10) Business Days of the Participating TO sharing the schedule for the Affected System Study per Section 14.5.2 of this RIS.

Upon Affected System Interconnection Customer(s)' receipt of the Affected System Study Report, Affected System Interconnection Customer(s) will compensate the Participating TO for the actual cost of the Affected System Study. Any difference between the study deposit and the actual cost of the Affected System Study will be paid by or refunded to the Affected System Interconnection Customer(s). Any invoices for the Affected System Study will include a detailed and itemized accounting of the cost of the study. Affected System Interconnection Customer(s) will pay any excess costs beyond the already-paid Affected System Study deposit or be reimbursed for any costs collected over the actual cost of the Affected System Study within thirty (30) calendar days of receipt of an invoice thereof. If Affected System Interconnection Customer(s) fail to pay such undisputed costs within the time allotted, it will lose its Affected System Queue Position. The Participating TO will notify the CAISO and the Affected System Interconnection Customer's host transmission provider of such failure to pay.

#### **14.5.5 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement**

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The Affected System Interconnection Customer(s) will execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement to the Participating TO, and provide the Affected System Study deposit within ten (10) Business Days of receipt. If the Participating TO notifies Affected System Interconnection Customer(s) that it will delay the Affected System Study pursuant to Section 14.5.2 of this RIS, Affected System Interconnection Customer(s) are neither required to execute and return the previously tendered Affected System Study/Multiparty Affected System Study Agreement nor provide the Affected System Study deposit for the previously tendered Affected System Study/Multiparty Affected System Study Agreement.

If the Affected System Interconnection Customer does not provide all required technical data when it delivers the Affected System Study Agreement/Multiparty Affected System Study Agreement, the Participating TO will notify the deficient Affected System Interconnection Customer, the CAISO, and the host transmission provider with which Affected System Interconnection Customer seeks to interconnect, of the technical data deficiency within five (5) Business Days of the receipt of the executed Affected System Study Agreement/Multiparty Affected System Study Agreement and the deficient Affected System Interconnection Customer will cure the technical deficiency within ten (10) Business Days of receipt of the notice: provided, however, that such deficiency does not include failure to deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement or deposit for the Affected System Study Agreement/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not cure the technical data deficiency within the cure period or fails to execute the Affected System Study Agreement/Multiparty Affected System Study Agreement or provide the deposit, the Affected System Interconnection Customer will lose its Affected System Queue Position.

#### **14.5.6 Scope of Affected System Study**

The Affected System Study will evaluate the impact that any Affected System Interconnection Customer's proposed interconnection to another transmission provider's transmission system will have on the reliability of the CAISO Controlled Grid. The Affected System Study will consider the Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Affected System Network Upgrades associated with such higher-queued Interconnection Request) that, on the date the Affected System Study is commenced: (i) are directly interconnected to the CAISO Controlled Grid; (ii) are directly interconnected to another transmission provider's transmission system and may have an impact on Affected System Interconnection Customer's interconnection request; (iii) have a pending higher-queued Interconnection Request to interconnect to the CAISO Controlled Grid; and (iv) have no queue position but have executed a GIA or requested that an unexecuted GIA be filed with FERC. The CAISO and Participating TO have no obligation to study impacts of Affected System Interconnection Customers of which they are not notified.

The Affected System Study will consist of a power flow, stability, and short circuit analysis. The Affected System Study Report will: state the assumptions upon which it is based; state the results of the analyses; and provide the potential impediments to Affected System Interconnection Customer's receipt of interconnection service on its host transmission provider's transmission system, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. For purposes of determining necessary Affected System Network Upgrades, the Affected System Study will consider the level of interconnection service requested in megawatts by Affected System Interconnection Customer, unless otherwise required to study the full generating facility capacity due to safety or reliability concerns. The Affected System Study Report will provide a list of

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facilities that are required as a result of Affected System Interconnection Customer's proposed interconnection to another transmission provider's system, a non-binding good faith estimate of cost responsibility, and a non-binding good faith estimated time to construct. The Affected System Study may consist of a system impact study, a facilities study, or some combination thereof.

#### **14.5.7 Affected System Study Procedures**

The CAISO and Participating TOs will use Clustering in conducting the Affected System Study and will use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Cluster may cause the need for Affected System Network Upgrades. The Participating TO will complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s), the CAISO, and the host transmission provider with whom interconnection has been requested within one hundred fifty (150) calendar days after the receipt of the Affected System Study Agreement and deposit.

At the request of Affected System Interconnection Customer, the Participating TO will notify Affected System Interconnection Customer as to the status of the Affected System Study. If the Participating TO is unable to complete the Affected System Study within the requisite time period, it will notify Affected System Interconnection Customer(s), as well as the transmission provider with which Affected System Interconnection Customer seeks to interconnect, and will provide an estimated completion date with an explanation of the reasons why additional time is required. If the Participating TO does not meet the deadlines in this Section, the Participating TO will be subject to the financial penalties as described in Section 3.11 of this RIS. Upon request, the Participating TO will provide Affected System Interconnection Customer(s) with all supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Affected System Study, subject to confidentiality arrangements consistent with Section 15.1 of this RIS.

The Participating TO must study an Affected System Interconnection Customer as Energy Only, regardless of the level of interconnection service that the Affected System Interconnection Customer is seeking from the host transmission provider with whom it seeks to interconnect.

#### **14.5.8 Meeting with the CAISO and Participating TO**

Within ten (10) Business Days of providing the Affected System Study Report to Affected System Interconnection Customer(s), the Participating TO, the CAISO, and the Affected System Interconnection Customer(s) will meet to discuss the results of the Affected System Study.

#### **14.5.9 Affected System Cost Allocation**

The Participating TO will allocate Affected System Network Upgrade costs identified during the Affected System Study to Affected System Interconnection Customer(s) using a proportional impact method, consistent with Section 6.3.1 of this RIS.

#### **14.5.10 Tender of Affected Systems Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement**

The Participating TO will tender to Affected System Interconnection Customer(s) an Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, as applicable, in the form of Appendix 13 or 14 to this RIS, within thirty (30) calendar days of providing the Affected System Study Report. Within

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ten (10) Business Days of the receipt of the Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, the Affected System Interconnection Customer(s) must execute the agreement or request the agreement to be filed unexecuted with FERC. The Participating TO will execute the agreement or file the agreement unexecuted within five (5) Business Days after receiving direction from Affected System Interconnection Customer(s). The Affected System Interconnection Customer's failure to execute the Affected System Facilities Construction Agreement/Multiparty Affected System Facilities Construction Agreement, or failure to request the agreement to be filed unexecuted with FERC, will result in the loss of its Affected System Queue Position.

#### **14.5.11 Restudy**

If restudy of the Affected System Study is required, the Participating TO will notify Affected System Interconnection Customer(s) and the CAISO in writing within thirty (30) calendar days of discovery of the need for restudy. Such restudy will take no longer than sixty (60) calendar days from the date of notice. Any cost of restudy will be borne by the Affected System Interconnection Customer(s) being restudied.

### **Section 15 Miscellaneous**

#### **15.1 Confidentiality**

For the purposes of this Section 15.1, "Party" or "Parties" shall mean the CAISO, Participating TO(s), Interconnection Customer or any combination of the CAISO, Participating TO(s) or the Interconnection Customer.

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Parties receiving the information that the information is confidential.

If requested by any Party, the other Parties shall provide in writing, the basis for asserting that the information referred to in this Section warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

These confidentiality provisions are limited to information provided pursuant to this RIS.

##### **15.1.1 Scope**

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or breach of the GIA; or (6) is required, in accordance with Section 15.1.6 of this RIS, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by

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law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the RIS. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Parties that it no longer is confidential.

**15.1.2 Release of Confidential Information**

No Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, Affiliates (limited by FERC's Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. Part 358), or to Affected Systems, or to parties who may be or considering providing financing to or equity participation with the Interconnection Customer, or to potential purchasers or assignees of the Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section.

**15.1.3 Rights**

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Parties. The disclosure by each Party to the other Parties of Confidential Information shall not be deemed a waiver by a Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

**15.1.4 No Warranties**

By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

**15.1.5 Standard of Care**

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under these procedures or its regulatory requirements.

**15.1.6 Order of Disclosure**

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of these confidentiality provisions. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

#### **15.1.7 Remedies**

Monetary damages are inadequate to compensate a Party for another Party's breach of its obligations under this Section 15.1. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party breaches or threatens to breach its obligations under this Section 15.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the breach of this Section 15.1, but shall be in addition to all other remedies available at law or in equity. Further, the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 15.1.

#### **15.1.8 Disclosure to FERC, its Staff, or a State**

Notwithstanding anything in this Section 15.1 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other applicable Parties when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time any of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.

**15.1.9** Subject to the exception in Section 15.1.8, any Confidential Information shall not be disclosed by the other Parties to any person not employed or retained by the other Parties, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Parties, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this RIS or as a transmission service provider or a Balancing Authority including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Parties in writing of the information it claims is confidential. Prior to any disclosures of another Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

**15.1.10** This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision).

**15.1.11** The Participating TO or CAISO shall, at the Interconnection Customer's election,

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destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

**15.2 Delegation of Responsibility**

The CAISO and the Participating TOs may use the services of subcontractors as deemed appropriate to perform their obligations under this RIS. The applicable Participating TO or CAISO shall remain primarily liable to the Interconnection Customer for the performance of its respective subcontractors and compliance with its obligations of this RIS. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

**15.3 [Not Used]**

**15.4 [Not Used]**

**15.5 Disputes**

If an Interconnection Customer disputes withdrawal of its Interconnection Request under Section 3.8, the CAISO will forward any information regarding the disputed withdrawal received under Section 3.8 within one (1) Business Day to the GIDAP Executive Dispute Committee, consisting of the Vice President responsible for administration of this RIS, the CAISO Vice President responsible for customer affairs, and an additional Vice President. The GIDAP Executive Dispute Committee shall have five (5) Business Days to determine whether or not to restore the Interconnection Request. If the GIDAP Executive Dispute Committee concludes that the Interconnection Request should have been withdrawn, the Interconnection Customer may seek relief in accordance with the CAISO ADR Procedures.

All disputes, other than those arising from Section 3.8, arising out of or in connection with this RIS whereby relief is sought by or from the CAISO shall be settled in accordance with the CAISO ADR Procedures.

Disputes arising out of or in connection with this RIS not subject to the CAISO ADR Procedures shall be resolved as follows:

**15.5.1 Submission**

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the GIA, the RIS, or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) calendar days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of the GIA and RIS.

**15.5.2 External Arbitration Procedures**

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) calendar days of the submission of the dispute to arbitration,

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each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) calendar days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 15.5, the terms of this Section 15.5 shall prevail.

### **15.5.3 Arbitration Decisions**

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) calendar days of appointment and shall notify the Parties in writing of such decision and the reasons therefore. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the GIA and shall have no power to modify or change any provision of the GIA and in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Interconnection Facilities, or Network Upgrades.

### **15.5.4 Costs**

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

### **15.5.5 Non-binding Alternative Dispute Resolution**

If a Party has submitted a Notice of Dispute pursuant to Section 15.5.1, and the Parties are unable to resolve the claim or dispute through unassisted or assisted negotiations within the thirty (30) calendar days provided in that section, and the Parties cannot reach mutual agreement to pursue the Section 15.5 arbitration process, a Party may request that the CAISO engage in non-binding Alternative Dispute Resolution pursuant to this section by providing written notice to the CAISO. Conversely, either Party may file a request for non-binding Alternative Dispute Resolution pursuant to this section without first seeking mutual agreement to pursue the Section 15.5 arbitration process. The process in this Section 15.5.5 shall serve as an alternative to, and not a replacement of, the Section 15.5 arbitration process. Pursuant to this process, the CAISO must within thirty (30) calendar days of receipt of the request for non-binding Alternative Dispute Resolution appoint a neutral decision-maker that is an independent subcontractor that shall not have any current or past substantial business or financial relationships with either Party. Unless otherwise agreed by the Parties, the decision-maker shall render a decision within sixty (60) calendar days of appointment and shall notify the Parties in writing of such decision and reasons therefore. This decision-maker shall be authorized only to interpret and apply the provisions of the RIS and GIA and shall have no power to modify or change any provision of the RIS and GIA in any manner. The result reached in this process is not binding, but, unless otherwise agreed, the Parties may cite the record and decision in the non-binding dispute resolution process in future dispute resolution processes, including in a Section 15.5 arbitration, or in a Federal Power Act section 206

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complaint. Each Party shall be responsible for its own costs incurred during the process and the cost of the decision-maker shall be divided equally among each Party to the dispute.

## **15.6 Local Furnishing Bonds**

### **15.6.1 Participating TOs that Own Facilities Financed by Local Furnishing Bonds**

This provision is applicable only to a Participating TO that has financed facilities for the local furnishing of electric energy with Local Furnishing Bonds. Notwithstanding any other provisions of this , the Participating TO and the CAISO shall not be required to provide Interconnection Service to the Interconnection Customer pursuant to this and the GIA if the provision of such Interconnection Service would jeopardize the tax-exempt status of any Local Furnishing Bond(s) issued for the benefit of the Participating TO.

### **15.6.2 Alternative Procedures for Requesting Interconnection Service**

If a Participating TO determines that the provision of Interconnection Service requested by the Interconnection Customer would jeopardize the tax-exempt status of any Local Furnishing Bond(s) issued for the benefit of the Participating TO, it shall advise the Interconnection Customer and the CAISO within (30) calendar days of receipt of the Interconnection Request.

The Interconnection Customer thereafter may renew its request for the same interconnection Service by tendering an application under Section 211 of the Federal Power Act, in which case the Participating TO, within ten (10) calendar days of receiving a copy of the Section 211 application, will waive its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act, and the CAISO and Participating TO shall provide the requested Interconnection Service pursuant to the terms and conditions set forth in this and the GIA.

## **15.7 Change in CAISO Operational Control**

If the CAISO no longer has control of the portion of the CAISO Controlled Grid at the Point of Interconnection during the period when an Interconnection Request is pending, the CAISO shall transfer to the applicable former Participating TO or successor entity which has ownership of the Point of Interconnection any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net deposit amount and the costs that the former Participating TO or successor entity incurs to evaluate the request for interconnection shall be paid by or refunded to the Interconnection Customer, as appropriate. The CAISO shall coordinate with the applicable former Participating TO or successor entity which has ownership of the Point of Interconnection to complete any Interconnection Study, as appropriate, that the CAISO has begun but has not completed. If the Participating TO has tendered a draft GIA to the Interconnection Customer but the Interconnection Customer has neither executed the GIA nor requested the filing of an unexecuted GIA with FERC, unless otherwise provided, the Interconnection Customer must complete negotiations with the applicable former Participating TO or successor entity which has the ownership of the Point of Interconnection.

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**Appendix 1 Interconnection Request**  
**INTERCONNECTION REQUEST**

Provide one copy of this completed form pursuant to Section 7 of this Appendix 1 below.

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with the CAISO Controlled Grid pursuant to the CAISO Tariff (check one):  
☐ Fast Track Process.  
☐ Queue Cluster process.  
☐ Annual Deliverability Assessment pursuant to Section 9.
2. This Interconnection Request is for (check one):  
☐ A proposed new Generating Facility.  
☐ An increase in the generating capacity or a Material Modification to an existing Generating Facility.
3. Requested Deliverability Statuses are (check one):  
On-Peak (for purposes of Net Qualifying Capacity):  
☐ Full Capacity  
☐ Partial Deliverability for \_\_\_ MW of electrical output  
☐ Energy Only
4. The Interconnection Customer provides the following information:
  - a. Address or location, including the county, of the proposed new Generating Facility site or, in the case of an existing Generating Facility, the name and specific location, including the county, of the existing Generating Facility;  
  
Project Name: \_\_\_\_\_  
  
Project Location:  
Street Address: \_\_\_\_\_  
City, State: \_\_\_\_\_  
County: \_\_\_\_\_  
Zip Code: \_\_\_\_\_  
GPS Coordinates: \_\_\_\_\_
  - b. Maximum net megawatt electrical output (as defined by section 2.c of Attachment A to this appendix) of the proposed new Generating Facility or the amount of net megawatt increase in the generating capacity of an existing Generating Facility;  
  
Maximum net megawatt electrical output (MW): \_\_\_\_\_ or  
Net Megawatt increase (MW): \_\_\_\_\_
  - c. Type of project (i.e., gas turbine, hydro, wind, etc.) and general description of the equipment configuration (if more than one type is chosen include nameplate MW for each);

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<u>Technology</u>	<u>Nameplate</u>
___ Cogeneration	___ (MW)
___ Reciprocating Engine	___ (MW)
___ Biomass	___ (MW)
___ Steam Turbine	___ (MW)
___ Gas Turbine	___ (MW)
___ Wind	___ (MW)
___ Hydro	___ (MW)
___ Photovoltaic	___ (MW)
___ Combined Cycle	___ (MW)
___ Other (please describe):	

General description of the equipment configuration (e.g. number, size, type, etc):

- d. Proposed In-Service Date (first date transmission is needed to the facility), Trial Operation date and Commercial Operation Date by month, day, and year and term of service (dates must be sequential); \_\_\_\_\_

Proposed Trial Operation Date: \_\_\_\_\_

Proposed Commercial Operation Date: \_\_\_\_\_

Proposed Term of Service (years): \_\_\_\_\_

- e. Name, address, telephone number, and e-mail address of the Interconnection Customer's contact person (primary person who will be contacted);

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State: \_\_\_\_\_

Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

- f. Approximate location of the proposed Point of Interconnection (i.e., specify transmission facility interconnection point name, voltage level, and the location of interconnection);

\_\_\_\_\_

- g. Interconnection Customer data (set forth in Attachment A)

**The Interconnection Customer shall provide to the CAISO the technical data called for in Attachment A to this Interconnection Request. One (1) copy is required.**

- h. Requested Interconnection Service Capacity (in MW) (if lower than the Generating Facility Capacity; may not exceed Generating Facility Capacity);

\_\_\_\_\_

5. Applicable deposit amount made payable to California ISO. Send check to CAISO (see section 7 below for details) along with the:
- Interconnection Request for processing.
  - Attachment A (Interconnection Request Generating Facility Data).

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6. This Interconnection Request shall be submitted to the CAISO representative indicated below:

California ISO  
Attn: Grid Assets  
P.O. Box 639014  
Folsom, CA 95763-9014

Overnight address:  
California ISO  
Attn: Grid Assets  
250 Outcropping Way  
Folsom, CA 95630

7. Representative of the Interconnection Customer to contact:

[To be completed by the Interconnection Customer]

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City, State: \_\_\_\_\_  
Zip Code: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

8. This Interconnection Request is submitted by:

Legal name of the Interconnection Customer: \_\_\_\_\_

By (signature): \_\_\_\_\_

Name (type or print): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**Interconnection Request**

**Attachment A Generating Facility Data**

**GENERATING FACILITY DATA**

Provide one copy of this completed form.

**1. Provide one set of original prints (no larger than 11" x 17") or soft copy on cd/flashdrive of the following:**

- A. Site drawing to scale, showing generator location and Point of Interconnection with the CAISO Controlled Grid.
- B. Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required protection devices and circuit breakers. For wind and photovoltaic generator plants, the one line diagram should include the distribution lines connecting the various groups of generating units, the generator capacitor banks, the step up transformers, the distribution lines, and the substation transformers and capacitor banks at the Point of Interconnection with the CAISO Controlled Grid.

**2. Generating Facility Information**

- A. Total Generating Facility rated output (MW): \_\_\_\_\_
- B. Generating Facility auxiliary Load (MW): \_\_\_\_\_
- C. Project net capacity (A-B)(MW): \_\_\_\_\_
- D. Standby Load when Generating Facility is off-line (MW): \_\_\_\_\_
- E. Number of Generating Units: \_\_\_\_\_  
(Please repeat the following items for each generator)
- F. Individual generator rated output (MW for each unit): \_\_\_\_\_
- G. Manufacturer: \_\_\_\_\_
- H. Year Manufactured \_\_\_\_\_
- I. Nominal Terminal Voltage (kV): \_\_\_\_\_
- J. Rated Power Factor (%): \_\_\_\_\_
- K. Type (Induction, Synchronous, D.C. with Inverter): \_\_\_\_\_
- L. Phase (three phase or single phase): \_\_\_\_\_
- M. Connection (Delta, Grounded WYE, Ungrounded WYE, impedance grounded): \_\_\_\_\_
- N. Generator Voltage Regulation Range (+/- %): \_\_\_\_\_
- O. Generator Power Factor Regulation Range: \_\_\_\_\_
- P. For combined cycle plants, specify the plant net output capacity (MW) for an outage of the steam turbine or an outage of a single combustion turbine \_\_\_\_\_

**3. Synchronous Generator – General Information:**  
(Please repeat the following for each generator model)

- A. Rated Generator speed (rpm): \_\_\_\_\_
- B. Rated MVA: \_\_\_\_\_
- C. Rated Generator Power Factor: \_\_\_\_\_
- D. Generator Efficiency at Rated Load (%): \_\_\_\_\_
- E. Moment of Inertia (including prime mover): \_\_\_\_\_
- F. Inertia Time Constant (on machine base) H: \_\_\_\_\_ sec or MJ/MVA
- G. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current): \_\_\_\_\_
- H. Please attach generator reactive capability curves.
- I. Rated Hydrogen Cooling Pressure in psig (Steam Units only): \_\_\_\_\_
- J. Please attach a plot of generator terminal voltage versus field current that shows the air

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gap line, the open-circuit saturation curve, and the saturation curve at full load and rated power factor.

**4. Excitation System Information**

(Please repeat the following for each generator model)

- A. Indicate the Manufacturer \_\_\_\_\_ and Type \_\_\_\_\_ of excitation system used for the generator. For exciter type, please choose from 1 to 9 below or describe the specific excitation system.
- (1) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is independent of the generator terminal voltage and current.
  - (2) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is bus fed from the generator terminal voltage.
  - (3) Rotating DC commutator exciter with non-continuously acting regulator (i.e., regulator adjustments are made in discrete increments).
  - (4) Rotating AC Alternator Exciter with non-controlled (diode) rectifiers. The regulator power source is independent of the generator terminal voltage and current (not bus-fed).
  - (5) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers. The regulator power source is fed from the exciter output voltage.
  - (6) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers.
  - (7) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from the generator terminal voltage.
  - (8) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from a combination of generator terminal voltage and current (compound-source controlled rectifiers system).
  - (9) Other (specify): \_\_\_\_\_
- B. Attach a copy of the block diagram of the excitation system from its instruction manual. The diagram should show the input, output, and all feedback loops of the excitation system.
- C. Excitation system response ratio (ASA): \_\_\_\_\_
- D. Full load rated exciter output voltage: \_\_\_\_\_
- E. Maximum exciter output voltage (ceiling voltage): \_\_\_\_\_
- F. Other comments regarding the excitation system?

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**5. Power System Stabilizer Information**

(Please repeat the following for each generator model. All new generators are required to install PSS unless an exemption has been obtained from WECC. Such an exemption can be obtained for units that do not have suitable excitation systems.)

- A. Manufacturer: \_\_\_\_\_
- B. Is the PSS digital or analog? \_\_\_\_\_
- C. Note the input signal source for the PSS?  
\_\_\_\_ Bus frequency \_\_\_\_ Shaft speed \_\_\_\_ Bus Voltage  
\_\_\_\_ Other (specify source)
- D. Please attach a copy of a block diagram of the PSS from the PSS Instruction Manual and the correspondence between dial settings and the time constants or PSS gain.
- E. Other comments regarding the PSS?

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**6. Turbine-Governor Information**

(Please repeat the following for each generator model)

Please complete Part A for steam, gas or combined-cycle turbines, Part B for hydro turbines, and Part C for both.

**A. Steam, gas or combined-cycle turbines:**

- (1) List type of unit (Steam, Gas, or Combined-cycle): \_\_\_\_\_
- (2) If steam or combined-cycle, does the turbine system have a reheat process (i.e., both high and low pressure turbines)? \_\_\_\_\_
- (3) If steam with reheat process, or if combined-cycle, indicate in the space provided, the percent of full load power produced by each turbine:  
Low pressure turbine or gas turbine: \_\_\_\_\_%  
High pressure turbine or steam turbine: \_\_\_\_\_%

**B. Hydro turbines:**

- (1) Turbine efficiency at rated load: \_\_\_\_\_%
- (2) Length of penstock: \_\_\_\_\_ft
- (3) Average cross-sectional area of the penstock: \_\_\_\_\_ft<sup>2</sup>
- (4) Typical maximum head (vertical distance from the bottom of the penstock, at the gate, to the water level): \_\_\_\_\_ft
- (5) Is the water supply run-of-the-river or reservoir: \_\_\_\_\_
- (6) Water flow rate at the typical maximum head: \_\_\_\_\_ft<sup>3</sup>/sec
- (7) Average energy rate: \_\_\_\_\_kW-hrs/acre-ft
- (8) Estimated yearly energy production: \_\_\_\_\_kW-hrs

**C. Complete this section for each machine, independent of the turbine type.**

- (1) Turbine manufacturer: \_\_\_\_\_
- (2) Maximum turbine power output: \_\_\_\_\_MW
- (3) Minimum turbine power output (while on line): \_\_\_\_\_MW
- (4) Governor information:
  - (a) Droop setting (speed regulation): \_\_\_\_\_
  - (b) Is the governor mechanical-hydraulic or electro-hydraulic (Electro-hydraulic governors have an electronic speed sensor and transducer)?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - (c) Other comments regarding the turbine governor system?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**7. Induction Generator Data:**

- A. Rated Generator Power Factor at rated load: \_\_\_\_\_
- B. Moment of Inertia (including prime mover): \_\_\_\_\_
- C. Do you wish reclose blocking? Yes \_\_\_\_, No \_\_\_\_  
Note: Sufficient capacitance may be on the line now, or in the future, and the generator may self-excite unexpectedly.

**7a Wind Generators**

Number of generators to be interconnected pursuant to this Interconnection Request: \_\_\_\_\_  
Average Site Elevation: \_\_\_\_\_ Single Phase \_\_\_\_\_ Three Phase \_\_\_\_\_

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Field Volts: \_\_\_\_\_  
Field Amperes: \_\_\_\_\_  
Motoring Power (MW): \_\_\_\_\_  
Neutral Grounding Resistor (If Applicable): \_\_\_\_\_  
I22t or K (Heating Time Constant): \_\_\_\_\_  
Rotor Resistance: \_\_\_\_\_  
Stator Resistance: \_\_\_\_\_  
Stator Reactance: \_\_\_\_\_  
Rotor Reactance: \_\_\_\_\_  
Magnetizing Reactance: \_\_\_\_\_  
Short Circuit Reactance: \_\_\_\_\_  
Exciting Current: \_\_\_\_\_  
Temperature Rise: \_\_\_\_\_  
Frame Size: \_\_\_\_\_  
Design Letter: \_\_\_\_\_  
Reactive Power Required In Vars (No Load): \_\_\_\_\_  
Reactive Power Required In Vars (Full Load): \_\_\_\_\_  
Total Rotating Inertia, H: \_\_\_\_\_ Per Unit on 100 MVA Base

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device then they shall be provided and discussed at Scoping Meeting.

**8. Generator Short Circuit Data**

For each generator model, provide the following reactances expressed in p.u. on the generator base:

- ☐  $X''1$  – positive sequence subtransient reactance: \_\_\_\_\_ p.u.\*\*
- ☐  $X2$  – negative sequence reactance: \_\_\_\_\_ p.u.\*\*
- ☐  $X0$  – zero sequence reactance: \_\_\_\_\_

Generator Grounding (select 1 for each model):

- A. \_\_\_\_\_ Solidly grounded
- B. \_\_\_\_\_ Grounded through an impedance  
(Impedance value in p.u on generator base. R: \_\_\_\_\_ p.u.  
X: \_\_\_\_\_ p.u.)
- C. \_\_\_\_\_ Ungrounded

**9. Step-Up Transformer Data**

For each step-up transformer, fill out the data form provided in Table 1.

**10. Interconnection Facilities Line Data**

There is no need to provide data for new lines that are to be planned by the Participating TO. However, for transmission lines that are to be planned by the generation developer, please provide the following information:

Nominal Voltage: \_\_\_\_\_ kV  
Line Length: \_\_\_\_\_ miles  
Line termination Points: \_\_\_\_\_  
Conductor Type: \_\_\_\_\_ Size: \_\_\_\_\_  
If bundled. Number per phase: \_\_\_\_\_, Bundle spacing: \_\_\_\_\_ in.

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Phase Configuration. Vertical: \_\_\_\_\_, Horizontal: \_\_\_\_\_  
Phase Spacing: A-B: \_\_\_\_\_ ft., B-C: \_\_\_\_\_ ft., C-A: \_\_\_\_\_ ft.  
Distance of lowest conductor to Ground at full load and 40 C: \_\_\_\_\_ ° ft  
Ground Wire Type: \_\_\_\_\_ Size: \_\_\_\_\_ Distance to Ground: \_\_\_\_\_ ft  
Attach Tower Configuration Diagram  
Summer line ratings in amperes (normal and emergency) \_\_\_\_\_  
Positive Sequence Resistance ( R ): \_\_\_\_\_ p.u.\*\* (for entire line length)  
Positive Sequence Reactance: ( X ): \_\_\_\_\_ p.u.\*\* (for entire line length)  
Zero Sequence Resistance ( R0 ): \_\_\_\_\_ p.u.\*\* (for entire line length)  
Zero Sequence Reactance: ( X0 ): \_\_\_\_\_ p.u.\*\* (for entire line length)  
Line Charging (B/2): \_\_\_\_\_ p.u.\*\*  
\*\* On 100-MVA and nominal line voltage (kV) Base

**10a. For Wind/photovoltaic plants, provide collector System Equivalence Impedance Data  
Provide values for each equivalence collector circuit at all voltage levels.**

Nominal Voltage: \_\_\_\_\_  
Summer line ratings in amperes (normal and emergency) \_\_\_\_\_  
Positive Sequence Resistance (R1): \_\_\_\_\_ p.u. \*\* (for entire line length of each collector circuit)  
Positive Sequence Reactance: (X1): \_\_\_\_\_ p.u.\*\* (for entire line length of each collector circuit)  
Zero Sequence Resistance (R0): \_\_\_\_\_ p.u. \*\* (for entire line length of each collector circuit)  
Zero Sequence Reactance: (X0): \_\_\_\_\_ p.u.\*\* (for entire line length of each collector circuit)  
Line Charging (B/2): \_\_\_\_\_ p.u.\*\* (for entire line length of each collector circuit)  
\*\* On 100-MVA and nominal line voltage (kV) Base

**11. Inverter-Based Machines**

Number of inverters to be interconnected pursuant to this Interconnection Request: \_\_\_\_\_

Inverter manufacturer, model name, number, and version:

\_\_\_\_\_

List of adjustable set points for the protective equipment or software:

\_\_\_\_\_

Max design fault contribution current:

Harmonics Characteristics:

Start-up requirements:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device then they shall be provided and discussed at Scoping Meeting.

**12. Load Flow and Dynamic Models:**

**Provide load flow model for the generating plant and its interconnection facilities in GE PSLF \*.epc format, including new buses, generators, transformers, interconnection facilities. An equivalent model is required for the plant with generation collector systems. This data should reflect the technical data provided in this Attachment A.**

For each generator, governor, exciter and power system stabilizer, select the appropriate dynamic model

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from the General Electric PSLF Program Manual and provide the required input data. **For inverter based generating facilities, select the appropriate generator and control models from the General Electric PSLF Program Manual and provide the required input data. Provide a completed \*.dyd file that contains the information specified in this section. One copy of this data should be provided on DVD, CD, or USB flash drive media.**

If you require assistance in developing the models, we suggest you contact General Electric. Accurate models are important to obtain accurate study results. Costs associated with any changes in facility requirements that are due to differences between model data provided by the generation developer and the actual generator test data, may be the responsibility of the generation developer.

### 13. MODELS FOR NON-SYNCHRONOUS GENERATORS

For a non-synchronous Generating Facility, the Interconnection Customer will provide (1) a validated user-defined root mean squared (RMS) positive sequence dynamics model; and (2) an appropriately parameterized generic library RMS positive sequence dynamics model, including model block diagram of the inverter control and plant control systems, as defined by the selection in Table 1 or a model otherwise approved by the Western Electricity Coordinating Council, that corresponds to Interconnection Customer's Generating Facility; A user-defined model is a set of programming code created by equipment manufacturers or developers that captures the latest features of controllers that are mainly software based and represents the entities' control strategies but does not necessarily correspond to any generic library model. The Interconnection Customer must also demonstrate that the model is validated by providing evidence that the equipment behavior is consistent with the model behavior (e.g., an attestation from the Interconnection Customer that the model accurately represents the entire Generating Facility; attestations from each equipment manufacturer that the user defined model accurately represents the component of the Generating Facility; or test data).

Table 1: Acceptable Generic Library RMS Positive Sequence Dynamics Models

GE PSLF	Description
pvd1	Distributed PV system model
der_a	Distributed energy resource model
regc_a	Generator/converter model
regc_b	Generator/converter model
wt1g	Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)
wt2g	Generator model for generic Type-2 wind turbines
wt2e	Rotor resistance control model for wound-rotor induction wind-turbine generator wt2g
reec_a	Renewable energy electrical control model
reec_c	Electrical control model for battery energy storage system
reec_d	Renewable energy electrical control model
wt1t	Wind turbine model for Type-1 wind turbines (conventional directly connected induction generator)
wt1p_b	Generic wind turbine pitch controller for WTGs of Types 1 and 2

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GE PSLF	Description
wt2t	Wind turbine model for Type-2 wind turbines (directly connected induction generator wind turbines with an external rotor resistance)
wtgt_a	Wind turbine drive train model
wtga_a	Simple aerodynamic model
wtp_a	Wind Turbine Generator Pitch controller
wtp_a	Wind Turbine Generator Torque controller
wtpgo_a	Supplementary control model for Weak Grids
wtpbfr_a	Inertial-base fast frequency response control
wtp_b	Wind Turbine Generator Pitch controller
wtp_b	Drive train model
repc_a	Power Plant Controller

**14. Operating Assumptions**

If applicable, include (1) the requested operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) to be used by the CAISO and Participating TO that reflect the proposed charging behavior of a Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to its intended operation.

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TABLE 1

TRANSFORMER DATA  
(Provide for each level of transformation)

UNIT \_\_\_\_\_

NUMBER OF TRANSFORMERS \_\_\_\_\_ PHASE \_\_\_\_\_

RATING	H Winding	X Winding	Y Winding
Rated MVA	_____	_____	_____
Connection (Delta, Wye, Gnd.)	_____	_____	_____
Cooling Type (OA, OA/FA, etc) :	_____	_____	_____
Temperature Rise Rating	_____	_____	_____
Rated Voltage	_____	_____	_____
BIL	_____	_____	_____
Available Taps (% of rating)	_____	_____	_____
Load Tap Changer? (Y or N)	_____	_____	_____
Tap Settings	_____	_____	_____
IMPEDANCE	H-X	H-Y	X-Y
Percent	_____	_____	_____
MVA Base	_____	_____	_____
Tested Taps	_____	_____	_____
WINDING RESISTANCE	H	X	Y
Ohms	_____	_____	_____

CURRENT TRANSFORMER RATIOS

H \_\_\_\_\_ X \_\_\_\_\_ Y \_\_\_\_\_ N \_\_\_\_\_

Percent exciting current at 100 % Voltage; \_\_\_\_\_ 110% Voltage \_\_\_\_\_

Supply copy of nameplate and manufacture's test report when available

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**Appendix 2**

**[Intentionally Omitted]**

**Appendix 3**

**CLUSTER STUDY AGREEMENT  
FOR QUEUE CLUSTERS**

THIS AGREEMENT is made and entered into this      day of      , 20      by and between      , a      organized and existing under the laws of the State of      , ("Interconnection Customer") and the California Independent System Operator Corporation, a California nonprofit public benefit corporation existing under the laws of the State of California, ("CAISO"). The Interconnection Customer and the CAISO each may be referred to as a "Party," or collectively as the "Parties."

**RECITALS**

WHEREAS, the Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by the Interconnection Customer dated      ; and

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the CAISO Controlled Grid pursuant to Appendix KK to the CAISO Tariff; and

WHEREAS, the Interconnection Customer has requested the CAISO to conduct or cause to be performed Interconnection Studies to assess the system impact of interconnecting the Generating Facility to the CAISO Controlled Grid and to specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Participating TO's electric system in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the CAISO Controlled Grid;

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the CAISO's FERC-approved Resource Interconnection Standards in CAISO Tariff Appendix KK "RIS" or the Master Definitions Supplement, Appendix A to the CAISO Tariff, as applicable.
- 2.0 The Interconnection Customer elects and the CAISO shall conduct or cause to be performed Interconnection Studies, including any accelerated Interconnection Study, in accordance with the CAISO Tariff.
- 3.0 The scope of the Interconnection Studies shall be subject to the assumptions set forth in Appendices A and B to this Agreement.
- 4.0 The Interconnection Studies will be based upon the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified under the CAISO Tariff. The CAISO reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Studies.
- 5.0 [Not Used]
- 6.0 Consistent with the RIS and CAISO Tariff, the Interconnection Customer will provide deposits and pay its share of actual costs of applicable studies, including in excess of provided deposits. The CAISO and Participating TO will provide invoices and refunds on a timely basis required by the RIS and the CAISO Tariff.

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Following the issuance of an Interconnection Study report, the CAISO shall charge and the Interconnection Customer shall pay its share of the actual costs of the Interconnection Study pursuant to Section 3.5.1 of the RIS.

Any difference between the deposits made toward the Interconnection Study process and associated administrative costs, including any accelerated studies, and the actual cost of the Interconnection Studies and associated administrative costs shall be paid by or refunded to the Interconnection Customer, in the appropriate allocation, in accordance with Section 3.5.1 of the RIS.

- 7.0 Pursuant to Section 3.7 of the RIS, the CAISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems. The CAISO may provide a copy of the Interconnection Studies or other assessments to an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection.
- 8.0 Substantial portions of technical data and assumptions used to perform the Cluster Study, such as system conditions, existing and planned generation, and unit modeling, may change after the CAISO provides the Interconnection Study results to the Interconnection Customer. Interconnection Study results will reflect available data at the time the CAISO provides the Cluster Study report to the Interconnection Customer. The CAISO shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.
- 9.0 [Not Used]
- 10.0 The CAISO and Participating TO(s) shall maintain records and accounts of all costs incurred in performing the Interconnection Study in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the CAISO's offices and at its own expense, to audit the CAISO's records as necessary and as appropriate in order to verify costs incurred by the CAISO. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the CAISO representative, within one hundred eighty (180) calendar days following receipt by the Interconnection Customer of the CAISO's notification of the final costs of the Interconnection Study.
- 11.0 In accordance with Section 3.8 of the RIS, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the CAISO. Upon receipt of such notice, this Agreement shall terminate, subject to the requirements of Section 3.5.1 and 11.4 of the RIS.
- 12.0 This Agreement shall become effective on the date the CAISO notifies the Interconnection Customer that the Interconnection Request is complete pursuant to Section 3.5.1 of the RIS.
- 13.0 Miscellaneous.
- 13.1 Dispute Resolution. Any dispute, or assertion of a claim, arising out of or in connection with this Agreement, shall be resolved in accordance with Section 15.5 of the RIS.
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 15.1 of the RIS.

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- 13.3 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Agreement or such Appendix to this Agreement, or such Section of the RIS or such Appendix to the RIS, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section, or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.6 Entire Agreement. This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Agreement.
- 13.7 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 13.8 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Participating TO or CAISO. Any waiver of this Agreement shall, if requested, be provided in writing.

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Any waivers at any time by any Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 13.10 **[Not Used]**
- 13.11 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The CAISO shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 13.14 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its

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obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

IN WITNESS THEREOF, the Party has caused this Agreement to be duly executed by its duly authorized officers or agents on the day and year first above written.

**[Insert name of the Interconnection Customer]**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**Appendix A**

**[Not Used]**

**Appendix B**

**INTERCONNECTION FACILITIES STUDY AGREEMENT AND  
DATA FORM TO BE PROVIDED BY THE INTERCONNECTION CUSTOMER  
PRIOR TO COMMENCEMENT OF THE INTERCONNECTION FACILITIES STUDY**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, ("Interconnection Customer,") and \_\_\_\_\_ a \_\_\_\_\_ organized and existing under the laws of the State of California, ("the CAISO "). Interconnection Customer and the CAISO each may be referred to as a "Party," or collectively as the "Parties."

**RECITALS**

**WHEREAS**, Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated \_\_\_\_\_; and

**WHEREAS**, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System; and

**WHEREAS**, the CAISO and Participating TO have completed a Cluster Study (the "Cluster Study") and provided the results of said study to Interconnection Customer; and

**WHEREAS**, Interconnection Customer has requested the CAISO and Participating TO to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:

1.0 When used in this Agreement, with initial capitalization, the terms specified will have the meanings indicated in the CAISO's FERC-approved RIS.

2.0 Interconnection Customer elects and the CAISO and Participating TO will cause an Interconnection Facilities Study consistent with Section 8.0 of this RIS to be performed in accordance with the Tariff.

3.0 The scope of the Interconnection Facilities Study will be subject to the assumptions set forth in and the data provided with this Agreement, as set forth in this Appendix B.

4.0 The Interconnection Facilities Study Report (i) will provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to the Transmission System and (ii) will address the short circuit, instability, and power flow issues identified in the Cluster Study.

5.0 Interconnection Customer will provide a Commercial Readiness Deposit per Section 8.1 of this RIS to enter the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in the data form attached to this agreement.

6.0 Miscellaneous. The Interconnection Facilities Study Agreement will include standard

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miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, will be consistent with the provisions of the RIS and the GIA.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

**CAISO**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Interconnection Customer**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**DATA FORM TO BE PROVIDED BY THE INTERCONNECTION CUSTOMER  
PRIOR TO COMMENCEMENT OF THE INTERCONNECTION FACILITIES STUDY**

Generating Facility size (MW): \_\_\_\_\_

Provide two copies of this completed form and other required plans and diagrams in accordance with Section 8.1 of the RIS.

Provide location plan and one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

One set of metering is required for each generation connection to the new bus or existing CAISO Controlled Grid station. Number of generation connections: \_\_\_\_\_

On the one line indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)

On the one line indicate the location of auxiliary power. (Minimum load on CT/PT)

Will an alternate source of auxiliary power be available during CT/PT maintenance? \_\_\_\_\_ Yes  
\_\_\_\_\_ No

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes No  
(Please indicate on one line).

What type of control system or PLC will be located at the Interconnection Customer's Generating Facility?

\_\_\_\_\_  
\_\_\_\_\_

What protocol does the control system or PLC use?

\_\_\_\_\_  
\_\_\_\_\_

Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to the Participating TO's transmission line.

Tower number observed in the field. (Painted on tower leg)\*

Number of third party easements required for transmission lines\*:

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\* To be completed in coordination with the Participating TO or CAISO.

Is the Generating Facility in the Participating TO's service area?

Yes      No

Local service provider for auxiliary and other power: \_\_\_\_\_

Point of Interconnection: \_\_\_\_\_

Please provide proposed schedule dates:

Environmental survey start: \_\_\_\_\_

Environmental impact report submittal: \_\_\_\_\_

Procurement of project equipment: \_\_\_\_\_

Begin Construction Date: \_\_\_\_\_

In-Service Date: \_\_\_\_\_

r

Trial Operation Date: \_\_\_\_\_

Commercial Operation Date: \_\_\_\_\_

Level of Deliverability: Choose one of the following:

\_\_\_\_\_ Energy Only

\_\_\_\_\_ Full Capacity

TP Deliverability: Choose one of the following:

\_\_\_\_\_ Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to commercial operation.

\_\_\_\_\_ Option (B), which means that the Interconnection Customer will continue to commercial operation without an allocation of TP Deliverability.

The CAISO and Participating TO will complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study Report to the Interconnection Customer within one hundred twenty (120) days after receipt of an executed copy of this Interconnection Facilities Study Agreement.

Please provide any additional modification request pursuant to Section 6.7.2.2 pf Appendix KK.

## Appendix 4

### AGREEMENT FOR THE ALLOCATION OF RESPONSIBILITIES WITH REGARD TO GENERATOR INTERCONNECTION PROCEDURES AND INTERCONNECTION STUDY AGREEMENTS

This Agreement for the Allocation of Responsibilities With Regard to Generator Interconnection Procedures and Interconnection Study Agreements ("Agreement"), dated \_\_\_\_\_, is entered into between the California Independent System Operator Corporation ("CAISO") and [NAME OF PTO] \_\_\_\_\_ ("PTO"). The CAISO and PTO are jointly referred to as the "Parties" and individually, as a "Party."

WHEREAS, this Agreement will ensure an independent assessment of new Generating Facility impacts on the CAISO Controlled Grid and take advantage of the respective expertise of the Parties to facilitate efficient and cost effective Interconnection Study procedures in a manner consistent with the Federal Energy Regulatory Commission's ("FERC") July 1, 2005 Order (112 FERC ¶ 61,009), FERC's August 26, 2005 Order (112 FERC ¶ 61,231), and prior FERC Orders recognizing that Order No. 2003 did not allocate responsibilities between transmission owners and transmission providers for the provision of Interconnection Service and suggesting those parties enter into an agreement to allocate those responsibilities. Southwest Power Pool, Inc., 106 FERC ¶ 61,254 (2004).

NOW THEREFORE, in view of the respective responsibilities assigned to the Parties and the foregoing FERC orders, and the provisions of the CAISO's Generator Interconnection Procedures set forth in CAISO Tariff Appendix KK, the CAISO and PTO agree to the following allocation of responsibilities for a centralized Interconnection Study process under the direction and oversight of the CAISO:

#### 1. DEFINITIONS

Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the CAISO Tariff.

#### 2. TERM OF AGREEMENT

This Agreement shall become effective upon the date specified in the first paragraph above and shall remain in effect until (1) terminated by all Parties in writing, or (2) with respect to the PTO, upon the termination of that entity's status as a PTO pursuant to the Transmission Control Agreement, as amended from time to time.

#### 3. PROVISIONS FOR ALLOCATION OF RESPONSIBILITIES BETWEEN CAISO AND PTO

**3.1** Interconnection Service: The Parties acknowledge that, as the transmission provider, the CAISO is responsible for reliably operating the transmission grid. The Parties also recognize that while the CAISO is a transmission provider under the CAISO Tariff, the CAISO does not own any transmission facilities, and the PTO owns, constructs, and maintains the facilities to which Generating Facilities are to be interconnected, and that the PTO may construct or modify facilities to allow the interconnection. While the Parties recognize that the CAISO will be responsible for conducting or causing to be performed Interconnection Studies and similar studies, the PTO will participate in these studies and conduct certain portions of studies, under the direction and oversight of, and approval by, the CAISO, as provided in this Agreement. The CAISO shall not enter into any Interconnection Study agreement with an Interconnection Customer that is contrary to these rights.

**3.2** [INTENTIONALLY LEFT BLANK]

**3.3** Transmission Owners' Right to Participation in Studies, Committees and Meetings:

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- 3.3.1** In the event that an Interconnection Customer proposes to interconnect a Generating Facility with the PTO's facilities, or the PTO is an owner of an affected system, the PTO shall have the right to participate in any Interconnection Study or any other study conducted in connection with such request for Interconnection Service. "Participate" in this Section 3.3.1 means physically perform any study or portion thereof in connection with an Interconnection Request, under the direction and oversight of, and approval by, the CAISO pursuant to Section 3.4 of this Agreement; provide or receive input, data or other information regarding any study or portion thereof consistent with Section 3.4 of this Agreement; and, when any study or portion thereof in connection with an Interconnection Request is physically performed by an entity other than the PTO, perform activities necessary to adequately review or validate, as appropriate, any results of the study or portions thereof and provide recommendations.
- 3.3.2** In the event that an Interconnection Customer proposes to interconnect a Generating Facility with the PTO's facilities, or the PTO is an owner of an affected system, the PTO shall have the right to participate in all meetings expressly established pursuant to the CAISO. As appropriate, the PTO may participate in all other material or substantive communications in connection with an Interconnection Request.
- 3.4** Interconnection Study Responsibility Allocation: In complying with its responsibility for conducting or causing to be performed Interconnection Studies, the CAISO will assign responsibility for performance of portions of the Interconnection Studies to the PTO, under the direction and oversight of, and approval by, the CAISO, as set forth in Attachment A, except as specifically qualified as follows:
- 3.4.1** For any tasks specifically assigned to the PTO pursuant to Attachment A or otherwise mutually agreed upon by the CAISO and the PTO, the CAISO reserves the right, on a case-by-case basis, to perform or reassign to a mutually agreed upon and pre-qualified contractor such task only where: (a) the quality and accuracy of prior PTO Interconnection Study work product resulting from assigned tasks has been deemed deficient by the CAISO, the CAISO has notified the PTO pursuant to the notice provision of Section 4.15 of this Agreement in writing of the deficiency, and the deficiency has not been cured pursuant to Section 3.4.2 of this Agreement; (b) the timeliness of PTO Interconnection Study work product has been deemed deficient, and either (i) the CAISO has not been notified of the reasons and actions taken to address the timeliness of the work, or (ii) if notified, the stated reasons and actions taken are insufficient or unjustifiable and the PTO has not cured the deficiency pursuant to Section 3.4.2 of this Agreement; (c) the PTO has failed, in a mutually agreed upon timeframe, to provide the CAISO with information or data related to an Interconnection Request despite a written request by the CAISO, pursuant to Section 3.5 hereof, to do so, and such data is the responsibility of the PTO to provide to the CAISO, subject to Section 4.3 of this Agreement; (d) the PTO advises the CAISO in writing that it does not have the resources to adequately or timely perform the task according to the applicable timelines set forth in Attachment A; or (e) the estimated cost of the PTO performing the task has been determined in writing by the CAISO to significantly exceed the cost of the CAISO or mutually agreed upon contractor performing the task, inclusive of the costs that will be incurred by the PTO in exercising its review rights of the results of any such tasks performed by such third party(ies). If the CAISO deviates from the assignments set forth in Attachment A based on the foregoing factors, the CAISO will provide the PTO with a written explanation for the deviation and any associated reassignments of work. The PTO may contest the deviation pursuant

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to the Dispute Resolution procedures set forth in Section 4.1 of this Agreement.

Task(s) may only be reassigned in accordance with this Section 3.4.1 where the PTO has been deemed to be deficient in relation to that (those) particular task(s).

**3.4.2 Cure for reassigned Interconnection Study work**

The CAISO shall not reassign task(s) without the opportunity to cure, as specified in Section 3.4.1 of this Agreement. The following actions will serve to cure the deficiencies and result in restoring the assignment(s) as provided in Attachment A:

- (a) The CAISO and PTO shall negotiate in good faith and agree to a corrective action plan proposed by the PTO, including a reasonably adequate cure period, and the corrective action plan is satisfactorily implemented.
- (b) The CAISO determines the deficiency is cured without an action plan.

**3.4.3** Assessment of prior PTO Interconnection Study work shall only be based on work conducted under the process that becomes effective concurrent with the effective date of this Agreement. Further, assessment of prior PTO Interconnection Study work shall be based on work conducted no earlier than the eighteen (18) month period prior to the date of the CAISO notice of deviation from assignments set forth in Attachment A to this Agreement.

**3.5** Information Exchange: The PTO shall provide the CAISO, subject to confidentiality requirements in Section 4.3 of this Agreement, with any documentation or data requested by the CAISO reasonably necessary to permit the CAISO to perform, review, validate and approve any Interconnection Study, or portion thereof, performed by the PTO. The CAISO shall provide the PTO with any documentation or data requested by the PTO, subject to confidentiality requirements in Section 4.3 of this Agreement, reasonably necessary to perform, review, and validate any Interconnection Study, or portion thereof.

**3.6** Consistency with Provisions for Centralized Interconnection Study Process: The CAISO and PTO have determined that the processes and allocation of responsibilities in Section 3.4 of this Agreement ensure that impacts to the CAISO Controlled Grid are independently assessed and that the assignment of responsibilities minimizes handoffs, takes advantage of non-transferable skills, and promotes the efficiency and cost-effectiveness of the centralized Interconnection Study processes, consistent with Section 3.2.

**3.7** Re-Studies: If any re-studies are required, the CAISO will confer with the PTO as to the need for a re-study. The CAISO will make the final determination regarding the need for a re-study, subject to dispute resolution procedures.

**3.8** Use of Contractors: Nothing in this Agreement shall prevent either the CAISO or the PTO from using qualified, mutually agreed upon third party contractors to meet that Party's rights or obligations under this Agreement or the . To promote the efficiency of the process, the CAISO and PTO will collaborate to identify a list of the mutually agreed to qualified contractors available to the Parties.

**3.9** Performance Standards: Each Party shall perform all of its obligations under the RIS, this Agreement, and any FERC approved Interconnection Study procedures that may be adopted by the CAISO to implement the RIS or this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice.

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- 3.10** Recovery of Costs: In accordance with Section 3.5.1 of the RIS, the PTO shall recover all actual costs from the CAISO incurred in performing Interconnection Studies or portions thereof assigned to it by the CAISO, including all costs incurred in exercising its right to review, and make recommendations on, Interconnection Studies or portions thereof performed by the CAISO and/or contractors under Section 3.8 of this Agreement.

**4 GENERAL TERMS AND CONDITIONS**

- 4.1** Dispute Resolution: In the event any dispute regarding the terms, conditions, and performance of this Agreement is not settled informally, the Parties shall follow the CAISO ADR Procedures set forth in Section 13 of the CAISO Tariff.
- 4.2** Liability: No Party to this Agreement shall be liable to any other Party for any direct, indirect, special, incidental or consequential losses, damages, claims, liabilities, costs or expenses (including attorneys fees and court costs) arising from the performance or non-performance of its obligations under this Agreement regardless of the cause (including intentional action, willful action, gross or ordinary negligence, or force majeure); provided, however, that a Party may seek equitable or other non-monetary relief as may be necessary to enforce this Agreement and that damages for which a Party may be liable to another Party under another agreement will not be considered damages under this Agreement.
- 4.3** Confidentiality: Confidential Information shall be treated in accordance with Section 14.1 of the RIS.
- 4.4** Binding Effect: This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 4.5** Conflicts: In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 4.6** Rules of Interpretation: This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section, Attachment, or Appendix means such Article or Section of this Agreement or such Attachment or Appendix to this Agreement, or such Section of the or such Appendix to the , as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or Section; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 4.7** Entire Agreement: This Agreement, including all Attachments hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and

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supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants, which constitute any part of the consideration for, or any condition to, any Party's compliance with its obligations under this Agreement.

- 4.8** No Third Party Beneficiaries: This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 4.9** Waiver: The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by a Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing. Any waivers at any time by any Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.
- 4.10** Headings: The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 4.11** Multiple Counterparts: This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 4.12** Modification by the Parties: The Parties may amend this Agreement and any Appendices to this Agreement only (1) by mutual agreement of the Parties by a written instrument duly executed by the Parties, subject to FERC approval or (2) upon the issuance of a FERC order, pursuant to Section 206 of the Federal Power Act. It is the Parties' intent that FERC's right to change any provision of this Agreement shall be limited to the maximum extent permissible by law and that any such change, if permissible, shall be in accordance with the Mobile-Sierra public interest standard applicable to fixed rate agreements. *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956). Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations. Notwithstanding the foregoing, Attachment B (Notices) may be modified as set forth in Section 4.15 of this Agreement, and the CAISO and the PTO may from time to time mutually agree to deviate from Attachment A in accordance with the provisions of this Agreement, however, such deviation shall be subject to Section 4.9 of this Agreement and not considered a course of dealing.
- 4.13** No Partnership: This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 4.14** Assignment: This Agreement may be assigned by a Party only with the written consent

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of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

- 4.15** Notices: Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, will be in writing and deemed properly served, given, or made if delivered in person, transmitted by facsimile, or sent by United States mail, postage prepaid, to the persons specified in Attachment B hereto unless otherwise provided in this Agreement. Any Party may at any time, by notice to all other Parties, change the designation or address of the person specified in Attachment B as the person who receives notices pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original effective agreement among the Parties.

**California Independent System Operator Corporation**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**[NAME OF PTO]**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**ATTACHMENT A**

**INTERCONNECTION STUDY RESPONSIBILITY ALLOCATION**

Description of Generator Interconnection Process: Roles and Responsibilities of CAISO and PTOs.

Purpose: This Attachment A to the “AGREEMENT FOR THE ALLOCATION OF RESPONSIBILITIES WITH REGARD TO GENERATOR INTERCONNECTION PROCEDURES AND INTERCONNECTION STUDY AGREEMENTS” serves as further clarification of the roles and responsibilities of the parties to this Agreement. The CAISO will assign responsibility for performance of portions of the Interconnection Studies to the relevant PTOs, under the direction and oversight of, and approval by, the CAISO, as set forth in this Attachment A. This document serves as a general overview of only the roles and responsibilities as between the CAISO and PTOs. This Agreement does not include the process steps, involvement or obligations of the Interconnection Customer (IC). This Agreement is not inclusive of all procedures necessary to comply with all provisions of the GIA, Cluster Study Agreement, and Interconnection Facilities Study Agreement for Queue Clusters.

**Interconnection Request (IR) Process**


Cluster Study Timeline			

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**Interconnection Facilities Study Process\*\***

\*\*All Interconnection Studies will be under the direction and oversight of, and approval by, the CAISO and may involve more than one PTO.


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**ATTACHMENT B**

**CONTACTS FOR NOTICES**

**[Section 4.15]**

**California ISO**

Manager, Transmission Engineering  
250 Outcropping Way  
Folsom, CA 95630  
Phone: 916.351.2104  
Fax: 916.351.2264

**[NAME OF PTO]**

[Address of PTO]

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## Appendix 5

### Schedule for Release and Review of Per Unit Costs

## SCHEDULE FOR RELEASE AND REVIEW OF PER UNIT COSTS

Line	Schedule for the Release and Review of Per Unit Costs	Anticipated Calendar Date(s)
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
	<b>Annual Review, Update, and Posting of Per Unit Costs</b>	
<input type="checkbox"/>	PTOs to review and update their per unit costs.	June – September
<input type="checkbox"/>	PTOs to provide their updated per unit costs to the CAISO for CAISO review and posting to the CAISO Website.	First week of October
<input type="checkbox"/>	CAISO to review and post the PTO per unit costs to the CAISO Website for stakeholder review.	Third week of October
<input type="checkbox"/>	Provide two weeks for stakeholders to review the posted per unit costs.	First week of November
<input type="checkbox"/>	CAISO to schedule and conduct a one-day stakeholder meeting in November to discuss the posted per unit costs with stakeholders.	Second week of November
<input type="checkbox"/>	Provide two weeks following the scheduled stakeholder meeting for stakeholders to provide comments to the CAISO.	First week of December
<input type="checkbox"/>	Provide one week for CAISO and PTOs to review and address stakeholder comments.	Second week of December
<input type="checkbox"/>	Provide three weeks following the stakeholder meeting for PTOs to review, update as needed, and finalize their per unit costs.	Third week of December
<input type="checkbox"/>	PTOs to provide their final per unit costs to the CAISO for posting to the CAISO Website.	Third week of December
<input type="checkbox"/>	CAISO to review and post the PTOs' final per unit costs to the CAISO Website.	Fourth week of December
<input type="checkbox"/>	Final per unit costs are posted and available for use to estimate the costs of Network Upgrades and Interconnection Facilities.	Fourth week of December

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**Appendix 6**  
**[Intentionally Omitted]**

## **Appendix 7**

### **Application, Procedures, and Terms and Conditions for Interconnecting a Certified Inverter-Based Small Generating Facility No Larger than 10 kW ("10 kW Inverter Process")**

- 1.0 The Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to the Participating TO ("Company").
- 2.0 The Company acknowledges to the Customer receipt of the Application within three Business Days of receipt.
- 3.0 The Company evaluates the Application for completeness and notifies the Customer within ten Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.
- 4.0 The Company verifies that the Small Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the Resource Interconnection Standards (RIS). The Company has 15 Business Days to complete this process. Unless the Company determines and demonstrates that the Small Generating Facility cannot be interconnected safely and reliably, the Company approves the Application and returns it to the Customer. Note to Customer: Please check with the Company before submitting the Application if disconnection equipment is required.
- 5.0 After installation, the Customer returns the Certificate of Completion to the Company. Prior to parallel operation, the Company may inspect the Small Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary.
- 6.0 The Company notifies the Customer in writing that interconnection of the Small Generating Facility is authorized. If the witness test is not satisfactory, the Company has the right to disconnect the Small Generating Facility. The Customer has no right to operate in parallel until a witness test has been performed, or previously waived on the Application. The Company is obligated to complete this witness test within ten Business Days of the receipt of the Certificate of Completion. If the Company does not inspect within ten Business Days or by mutual agreement of the Parties, the witness test is deemed waived.
- 7.0 Contact Information – The Customer must provide the contact information for the legal applicant (i.e., the Interconnection Customer). If another entity is responsible for interfacing with the Company, that contact information must be provided on the Application.
- 8.0 Ownership Information – Enter the legal names of the owner(s) of the Small Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.
- 9.0 UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation.

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**Application for Interconnecting a Certified Inverter-Based Small Generating Facility No Larger than 10kW**

This Application is considered complete when it provides all applicable and correct information required below. Additional information to evaluate the Application may be required.

**Processing Fee**

A non-refundable processing fee of \$100 must accompany this Application.

**Interconnection Customer**

Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone (Day): \_\_\_\_\_ (Evening): \_\_\_\_\_  
Fax: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

**Contact (if different from Interconnection Customer)**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone (Day): \_\_\_\_\_ (Evening): \_\_\_\_\_  
Fax: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Owner of the facility (include % ownership by any electric utility): \_\_\_\_\_

**Small Generating Facility Information**

Location (if different from above): \_\_\_\_\_  
Electric Service Company: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Inverter Manufacturer: \_\_\_\_\_ Model \_\_\_\_\_  
Nameplate Rating: \_\_\_\_\_ (kW) \_\_\_\_\_ (kVA) \_\_\_\_\_ (AC Volts) \_\_\_\_\_  
Single Phase \_\_\_\_\_ Three Phase \_\_\_\_\_  
System Design Capacity: \_\_\_\_\_ (kW) \_\_\_\_\_ (kVA) \_\_\_\_\_  
Prime Mover: Photovoltaic Reciprocating Engine Fuel Cell  
Turbine Other \_\_\_\_\_  
Energy Source: Solar Wind Hydro Diesel Natural Gas  
Fuel Oil Other (describe) \_\_\_\_\_  
Is the equipment UL1741 Listed? \_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_  
If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date: \_\_\_\_\_ Estimated In-Service Date: \_\_\_\_\_

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The 10 kW Inverter Process is available only for inverter-based Small Generating Facilities no larger than 10 kW that meet the codes, standards, and certification requirements of Appendices 9 and 10 of the Generator Interconnection Procedures (), or the Participating TO has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

List components of the Small Generating Facility equipment package that are currently certified:

	Equipment Type	Certifying Entity
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return the Certificate of Completion when the Small Generating Facility has been installed.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Contingent Approval to Interconnect the Small Generating Facility

(For Company use only)

Interconnection of the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Company Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Application ID number: \_\_\_\_\_

Company waives inspection/witness test? Yes\_\_\_ No\_\_\_

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**Small Generating Facility Certificate of Completion**

Is the Small Generating Facility owner-installed? Yes \_\_\_\_\_ No \_\_\_\_\_

Interconnection Customer: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Location of the Small Generating Facility (if different from above):

\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone (Day): \_\_\_\_\_ (Evening): \_\_\_\_\_

Fax: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Electrician:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone (Day): \_\_\_\_\_ (Evening): \_\_\_\_\_

Fax: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

License number: \_\_\_\_\_

Date Approval to Install Facility granted by the Company: \_\_\_\_\_

Application ID number: \_\_\_\_\_

Inspection:

The Small Generating Facility has been installed and inspected in compliance with the local  
building/electrical code of \_\_\_\_\_

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

\_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

As a condition of interconnection, you are required to send/fax a copy of this form along with a copy of the  
signed electrical permit to (insert Company information below):

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Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP: \_\_\_\_\_

Fax: \_\_\_\_\_

Approval to Energize the Small Generating Facility (For Company use only)

Energizing the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW

Company Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Terms and Conditions for Interconnecting an Inverter-Based  
Small Generating Facility No Larger than 10kW**

**1.0 Construction of the Facility**

The Interconnection Customer (the "Customer") may proceed to construct (including operational testing not to exceed two hours) the Small Generating Facility when the Participating TO (the "Company") approves the Interconnection Request (the "Application") and returns it to the Customer.

**2.0 Interconnection and Operation**

The Customer may operate Small Generating Facility and interconnect with the Company's electric system once all of the following have occurred:

- 2.1 Upon completing construction, the Customer will cause the Small Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and
- 2.2 The Customer returns the Certificate of Completion to the Company, and
- 2.3 The Company has either:
  - 2.3.1 Completed its inspection of the Small Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Company, at its own expense, within ten Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written statement that the Small Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or
  - 2.3.2 If the Company does not schedule an inspection of the Small Generating Facility within ten business days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or
  - 2.3.3 The Company waives the right to inspect the Small Generating Facility.
- 2.4 The Company has the right to disconnect the Small Generating Facility in the event of improper installation or failure to return the Certificate of Completion.
- 2.5 Revenue quality metering equipment must be installed and tested in accordance with applicable ANSI standards.

**3.0 Safe Operations and Maintenance**

The Customer shall be fully responsible to operate, maintain, and repair the Small Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

**4.0 Access**

The Company shall have access to the disconnect switch (if the disconnect switch is required) and metering equipment of the Small Generating Facility at all times. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.

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**5.0 Disconnection**

The Company may temporarily disconnect the Small Generating Facility upon the following conditions:

- 5.1 For scheduled outages upon reasonable notice.
- 5.2 For unscheduled outages or emergency conditions.
- 5.3 If the Small Generating Facility does not operate in the manner consistent with these Terms and Conditions.
- 5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

**6.0 Indemnification**

The Parties shall at all times indemnify, defend, and save the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions of its obligations under this agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

**7.0 Insurance**

The Parties each agree to maintain commercially reasonable amounts of insurance.

**8.0 Limitation of Liability**

Each party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either party be liable to the other party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

**9.0 Termination**

The agreement to operate in parallel may be terminated under the following conditions:

- 9.1 By the Customer  
By providing written notice to the Company.
- 9.2 By the Company  
If the Small Generating Facility fails to operate for any consecutive 12-month period or the Customer fails to remedy a violation of these Terms and Conditions.
- 9.3 Permanent Disconnection

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Small Generating Facility.

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9.4 Survival Rights

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

**10.0 Assignment/Transfer of Ownership of the Facility**

This Agreement shall survive the transfer of ownership of the Small Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.

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**Appendix 8**

**[intentionally omitted]**

## **Appendix 9**

### **Certification Codes and Standards**

IEEE 1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems

NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers

IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)

IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms

NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems

NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

## **Appendix 10**

### **Certification of Small Generator Equipment Packages**

- 1.0 Small Generating Facility equipment proposed for use separately or packaged with other equipment in an interconnection system shall be considered certified for interconnected operation if (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced below by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in Appendix 9, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.
- 2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the NRTL.
- 3.0 Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.
- 4.0 If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.
- 5.0 Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.
- 6.0 An equipment package does not include equipment provided by the utility.
- 7.0 Any equipment package approved and listed in a state by that state's regulatory body for interconnected operation in that state prior to the effective date of these small generator interconnection procedures shall be considered certified under these procedures for use in that state.

**APPENDIX 11**

**TWO-PARTY AFFECTED SYSTEM STUDY AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_ (Affected System Interconnection Customer), and \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_ (the Participating TO), and the California Independent System Operator Corporation, organized and existing under the laws of the State of California (the CAISO). Affected System Interconnection Customer, the CAISO, and the Participating TO each may be referred to as a “Party,” or collectively as the “Parties.”

**RECITALS**

**WHEREAS**, Affected System Interconnection Customer is proposing to develop a {description of generating facility or generating capacity addition to an existing generating facility} consistent with the interconnection request submitted by Affected System Interconnection Customer to {name of host transmission provider}, dated \_\_\_\_\_, for which {name of host transmission provider} found impacts on the CAISO Controlled Grid; and

**WHEREAS**, Affected System Interconnection Customer desires to interconnect the {generating facility} with {name of host transmission provider}'s transmission system;

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified will have the meanings indicated in this RIS.
- 2.0 the Participating TO will coordinate with Affected System Interconnection Customer to perform an Affected System Study consistent with Section 14.5 of this RIS.
- 3.0 The scope of the Affected System Study will be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customer and {name of host transmission provider}. the CAISO reserves the right to request additional technical information from Affected System Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study.
- 5.0 The Affected System Study will provide the following information:
  - identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
  - identification of any thermal overload or voltage limit violations resulting from the interconnection;
  - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;

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- non-binding, good faith estimated cost and time required to construct facilities required on the CAISO Controlled Grid to accommodate the interconnection of the {generating facility} to the transmission system of the host transmission provider; and
- description of how such facilities will address the identified short circuit, instability, and power flow issues.

6.0 Affected System Interconnection Customer will provide a deposit of \_\_\_\_\_ for performance of the Affected System Study. Upon receipt of the results of the Affected System Study by the Affected System Interconnection Customer, the Participating TO will charge, and Affected System Interconnection Customer will pay, the actual cost of the Affected System Study. Any difference between the deposit and the actual cost of the Affected System Study will be paid by or refunded to Affected System Interconnection Customer, as appropriate, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations.

7.0 This Agreement will include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability, and assignment, which reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, will be consistent with the provisions of the RIS.

**IN WITNESS THEREOF**, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

**{Insert name of the Participating TO }**

By: \_\_\_\_\_ By: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_  
Date: \_\_\_\_\_ Date: \_\_\_\_\_

**{Insert name of the CAISO }**

By: \_\_\_\_\_ By: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_  
Date: \_\_\_\_\_ Date: \_\_\_\_\_

**{Insert name of Affected System Interconnection Customer}**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Project No. \_\_\_\_\_

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**Attachment A to Appendix 11  
Two-Party Affected System Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE  
AFFECTED SYSTEM STUDY**

The Affected System Study will be based upon the following assumptions:  
{Assumptions to be completed by Affected System Interconnection Customer and the Participating TO }

**APPENDIX 12**  
**MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and among \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_ (Affected System Interconnection Customer); \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_ (Affected System Interconnection Customer); and \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_ (the Participating TO); and the California Independent System Operator Corporation, organized and existing under the laws of the State of California (the CAISO). Affected System Interconnection Customers, the CAISO, and the Participating TO each may be referred to as a "Party," or collectively as the "Parties." When it is not important to differentiate among them, Affected System Interconnection Customers each may be referred to as "Affected System Interconnection Customer" or collectively as the "Affected System Interconnection Customers."

**RECITALS**

**WHEREAS**, Affected System Interconnection Customers are proposing to develop {description of generating facilities or generating capacity additions to an existing generating facility}, consistent with the interconnection requests submitted by Affected System Interconnection Customers to {name of host transmission provider}, dated \_\_\_\_\_, for which {name of host transmission provider} found impacts on the CAISO Controlled Grid; and

**WHEREAS**, Affected System Interconnection Customers desire to interconnect the {generating facilities} with {name of host transmission provider}'s transmission system;

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified will have the meanings indicated in this RIS.
- 2.0 the Participating TO will coordinate with Affected System Interconnection Customers to perform an Affected System Study consistent with Section 14.5 of this RIS.
- 3.0 The scope of the Affected System Study will be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customers and {name of host transmission provider}. the Participating TO reserves the right to request additional technical information from Affected System Interconnection Customers as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study.
- 5.0 The Affected System Study will provide the following information:
  - identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
  - identification of any thermal overload or voltage limit violations resulting from the interconnection;

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- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;
- non-binding, good faith estimated cost and time required to construct facilities required on the CAISO Controlled Grid to accommodate the interconnection of the {generating facilities} to the transmission system of the host transmission provider; and
- description of how such facilities will address the identified short circuit, instability, and power flow issues.

6.0 Affected System Interconnection Customers will each provide a deposit of \_\_\_\_\_ for performance of the Affected System Study. Upon receipt of the results of the Affected System Study by the Affected System Interconnection Customers, the Participating TO will charge, and Affected System Interconnection Customers will pay, the actual cost of the Affected System Study. Any difference between the deposit and the actual cost of the Affected System Study will be paid by or refunded to Affected System Interconnection Customers, as appropriate, including interest calculated in accordance with section 35.19a(a)(2) of FERC's regulations.

7.0 This Agreement will include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability, and assignment, which reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, will be consistent with the provisions of the RIS.

**IN WITNESS THEREOF**, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

**{Insert name of the Participating TO }**

By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

**{Insert name of the CAISO }**

By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

**{Insert name of Affected System Interconnection Customer}**

By: _____
Title: _____
Date: _____

Project No. \_\_\_\_\_

**{Insert name of Affected System Interconnection Customer}**

By: _____
Title: _____
Date: _____

Project No. \_\_\_\_\_

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**Attachment A to Appendix 12  
Multiparty Affected System Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE  
MULTIPARTY AFFECTED SYSTEM STUDY**

The Affected System Study will be based upon the following assumptions:  
{Assumptions to be completed by Affected System Interconnection Customers and the Participating TO }

**APPENDIX 13**  
**TWO-PARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, organized and existing under the laws of the State of \_\_\_\_\_ (Affected System Interconnection Customer) and \_\_\_\_\_, an entity organized and existing under the laws of the State of \_\_\_\_\_ (the Participating TO). Affected System Interconnection Customer and the Participating TO each may be referred to as a "Party" or collectively as the "Parties."

**RECITALS**

**WHEREAS**, Affected System Interconnection Customer is proposing to develop a {description of generating facility or generating capacity addition to an existing generating facility} consistent with the interconnection request submitted by Affected System Interconnection Customer to {name of host transmission provider}, dated \_\_\_\_\_, for which {name of host transmission provider} found impacts on the CAISO Controlled Grid; and

**WHEREAS**, Affected System Interconnection Customer desires to interconnect the {generating facility} to {name of host transmission provider}'s transmission system; and

**WHEREAS**, additions, modifications, and upgrade(s) must be made to certain existing facilities of the CAISO Controlled Grid to accommodate such interconnection; and

**WHEREAS**, Affected System Interconnection Customer has requested, and the Participating TO has agreed, to enter into this Agreement for the purpose of facilitating the construction of necessary Affected System Network Upgrade(s);

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

**ARTICLE 1**  
**DEFINITIONS**

When used in this Agreement, with initial capitalization, the terms specified and not otherwise defined in this Agreement will have the meanings indicated in this RIS.

**ARTICLE 2**  
**TERM OF AGREEMENT**

**2.1 Effective Date.** This Agreement will become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC.

**2.2 Term.**

**2.2.1 General.** This Agreement will become effective as provided in Article 2.1 and will continue in full force and effect until the earlier of (1) the final repayment, where applicable, by the Participating TO of the amount funded by Affected System Interconnection Customer for the Participating TO's design, procurement, construction and installation of the Affected System Network Upgrade(s) provided in Appendix A; (2) the Parties agree to mutually terminate this Agreement; (3) earlier termination is permitted or provided for under Appendix A of this Agreement; or (4) Affected System Interconnection Customer terminates this Agreement after providing the Participating TO with written notice at least sixty (60) days prior to the proposed termination date, provided that Affected System Interconnection Customer has no outstanding contractual obligations to the Participating TO under this Agreement. No termination

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of this Agreement will be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if (1) the commercial operation date for the {generating facility} is adjusted in accordance with the rules and procedures established by {name of host transmission provider} or (2) the in-service date for the Affected System Network Upgrade(s) is adjusted in accordance with the rules and procedures established by the Participating TO.

**2.2.2 Termination Upon Default.** Default will mean the failure of a Breaching Party to cure its Breach in accordance with Article 5 of this Agreement where Breach and Breaching Party are defined in Article 5. Defaulting Party will mean the Party that is in Default. In the event of a Default by a Party, the non-Defaulting Party will have the termination rights described in Articles 5 and 6; provided, however, the Participating TO may not terminate this Agreement if Affected System Interconnection Customer is the Defaulting Party and compensates the Participating TO within thirty (30) days for the amount of damages billed to Affected System Interconnection Customer by the Participating TO for any such damages, including costs and expenses, incurred by the Participating TO as a result of such Default.

**2.2.3 Consequences of Termination.** In the event of a termination by either Party, other than a termination by Affected System Interconnection Customer due to a Default by the Participating TO, Affected System Interconnection Customer will be responsible for the payment to the Participating TO of all amounts then due and payable for construction and installation of the Affected System Network Upgrade(s) (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by the Participating TO in connection with the construction and installation of the Affected System Network Upgrade(s), through the date of termination, and, in the event of the termination of the entire Agreement, any actual costs which the Participating TO reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of the CAISO Controlled Grid. The Participating TO will use Reasonable Efforts to minimize such costs.

**2.2.4 Reservation of Rights.** The Participating TO will have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Affected System Interconnection Customer will have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party will have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement will limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

**2.3 Filing.** The Participating TO will file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Affected System Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 8. If Affected System Interconnection Customer has executed this Agreement, or any amendment thereto, Affected System Interconnection Customer will reasonably cooperate with the Participating TO with respect to such filing and to provide any information reasonably requested by the Participating TO needed to comply with applicable regulatory requirements.

**2.4 Survival.** This Agreement will continue in effect after termination, to the extent necessary, to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this Agreement or other applicable agreements, to disconnect, remove, or salvage its own facilities and equipment.

**2.5 Termination Obligations.** Upon any termination pursuant to this Agreement, Affected System Interconnection Customer will be responsible for the payment of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, and costs of removal and site restoration.

### **ARTICLE 3 CONSTRUCTION OF AFFECTED SYSTEM NETWORK UPGRADE(S)**

#### **3.1 Construction.**

**3.1.1 The Participating TO Obligations.** The Participating TO will (or will cause such action to) design, procure, construct, and install, and Affected System Interconnection Customer will pay, consistent with Article 3.2, the costs of all Affected System Network Upgrade(s) identified in Appendix A. All Affected System Network Upgrade(s) designed, procured, constructed, and installed by the Participating TO pursuant to this Agreement will satisfy all requirements of applicable safety and/or engineering codes and comply with Good Utility Practice, and further, will satisfy all Applicable Laws and Regulations. The Participating TO will not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, or any Applicable Laws and Regulations.

#### **3.1.2 Suspension of Work.**

**3.1.2.1 Right to Suspend.** Affected System Interconnection Customer must provide to the Participating TO written notice of its request for suspension. Only the milestones described in the Appendices of this Agreement are subject to suspension under this Article 3.1.2. Affected System Network Upgrade(s) will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Affected System Network Upgrade(s) are not needed by any other Interconnection Customer; or (3) the Participating TO determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to the Participating TO under Article 4.1 of this Agreement will be released by the Participating TO upon the determination by the Participating TO that the Affected System Network Upgrade(s) will no longer be constructed. If suspension occurs, Affected System Interconnection Customer will be responsible for the costs which the Participating TO incurs (i) in accordance with this Agreement prior to the suspension; (ii) in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the CAISO Controlled Grid and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which the Participating TO cannot reasonably avoid; and (iii) reasonably incurs in winding up work and construction demobilization; provided, however, that, prior to canceling any such contracts or orders, the Participating TO will obtain Affected System Interconnection Customer's authorization. Affected System Interconnection Customer will be responsible for all costs incurred in connection with Affected System Interconnection Customer's failure to authorize cancellation of such contracts or orders.

Interest on amounts paid by Affected System Interconnection Customer to the Participating TO for the design, procurement, construction, and installation of the Affected System Network Upgrade(s) will not accrue during periods in which Affected System Interconnection Customer has suspended construction under this Article 3.1.2.

The Participating TO will invoice Affected System Interconnection Customer pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customer suspends work by Affected System the Participating TO required under this Agreement pursuant to this Article 3.1.2.1, and has not requested Affected System the Participating TO to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement will be deemed terminated. The three-year period will begin on the date the suspension is requested, or the date of the written notice to Affected System the Participating TO, whichever is earlier, if no effective date of suspension is specified.

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**3.1.3 Construction Status.** The Participating TO will keep Affected System Interconnection Customer advised periodically as to the progress of its design, procurement and construction efforts, as described in Appendix A. Affected System Interconnection Customer may, at any time and reasonably, request a progress report from the Participating TO. If, at any time, Affected System Interconnection Customer determines that the completion of the Affected System Network Upgrade(s) will not be required until after the specified in-service date, Affected System Interconnection Customer will provide written notice to the Participating TO of such later date upon which the completion of the Affected System Network Upgrade(s) would be required. The Participating TO may delay the in-service date of the Affected System Network Upgrade(s) accordingly.

**3.1.4 Timely Completion.** The Participating TO will use Reasonable Efforts to design, procure, construct, install, and test the Affected System Network Upgrade(s) in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time or ability to complete the Affected System Network Upgrade(s), the Participating TO will promptly notify Affected System Interconnection Customer. In such circumstances, the Participating TO will, within fifteen (15) days of such notice, convene a meeting with Affected System Interconnection Customer to evaluate the alternatives available to Affected System Interconnection Customer. The Participating TO will also make available to Affected System Interconnection Customer all studies and work papers related to the event and corresponding delay, including all information that is in the possession of the Participating TO that is reasonably needed by Affected System Interconnection Customer to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. The Participating TO will, at Affected System Interconnection Customer's request and expense, use Reasonable Efforts to accelerate its work under this Agreement to meet the schedule set forth in Appendix A, provided that (1) Affected System Interconnection Customer authorizes such actions, such authorization to be withheld, conditioned, or delayed by Affected System Interconnection Customer only if it can demonstrate that the acceleration would have a material adverse effect on it; and (2) the Affected System Interconnection Customer funds costs associated therewith in advance.

## **3.2 Interconnection Costs.**

**3.2.1 Costs.** Affected System Interconnection Customer will pay to the Participating TO costs (including taxes and financing costs) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Affected System Network Upgrade(s), as identified in Appendix A, in accordance with the cost recovery method provided herein. Unless the Participating TO elects to fund the Affected System Network Upgrade(s), they will be initially funded by Affected System Interconnection Customer.

**3.2.1.1 Lands of Other Property Owners.** If any part of the Affected System Network Upgrade(s) is to be installed on property owned by persons other than Affected System Interconnection Customer or the Participating TO, the Participating TO will, at Affected System Interconnection Customer's expense, use efforts similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights-of-way, and easements that are necessary to construct, operate, maintain, test, inspect, replace, or remove the Affected System Network Upgrade(s) upon such property.

## **3.2.2 Repayment.**

**3.2.2.1 Repayment.** Consistent with Articles 11.4.1 and 11.4.2 of the CAISO's pro forma LGIA, Affected System Interconnection Customer will be entitled to a cash repayment by the Participating TO of the amount paid to the Participating TO, if any, for the Affected System Network Upgrade(s), including any tax gross-up or other tax-related payments associated with the Affected System Network Upgrade(s), and not refunded to Affected System Interconnection Customer pursuant to Article 3.3.1 or otherwise. The

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Parties may mutually agree to a repayment schedule, to be outlined in Appendix A, not to exceed twenty (20) years from the commercial operation date, for the complete repayment for all applicable costs associated with the Affected System Network Upgrade(s). Any repayment will include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR 35.19 a(a)(2)(iii) from the date of any payment for Affected System Network Upgrade(s) through the date on which Affected System Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interest will not accrue during periods in which Affected System Interconnection Customer has suspended construction pursuant to Article 3.1.2. Affected System Interconnection Customer may assign such repayment rights to any person.

**3.2.2.2 Impact of Failure to Achieve Commercial Operation.** If the Affected System Interconnection Customer's generating facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Affected System Network Upgrade(s), the Participating TO will at that time reimburse Affected System Interconnection Customer for the amounts advanced for the Affected System Network Upgrade(s). Before any such reimbursement can occur, Affected System Interconnection Customer (or the entity that ultimately constructs the generating facility, if different), is responsible for identifying the entity to which the reimbursement must be made.

### **3.3 Taxes.**

**3.3.1 Indemnification for Contributions in Aid of Construction.** With regard only to payments made by Affected System Interconnection Customer to the Participating TO for the installation of the Affected System Network Upgrade(s), the Participating TO will not include a gross-up for income taxes in the amounts it charges Affected System Interconnection Customer for the installation of the Affected System Network Upgrade(s) unless (1) the Participating TO has determined, in good faith, that the payments or property transfers made by Affected System Interconnection Customer to the Participating TO should be reported as income subject to taxation, or (2) any Governmental Authority directs the Participating TO to report payments or property as income subject to taxation. Affected System Interconnection Customer will reimburse the Participating TO for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) days of receiving written notification from the Participating TO of the amount due, including detail about how the amount was calculated.

The indemnification obligation will terminate at the earlier of (1) the expiration of the ten (10)-year testing period and the applicable statute of limitation, as it may be extended by the Participating TO upon request of the Internal Revenue Service, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by the Participating TO is determined by any Governmental Authority to constitute income by the Participating TO subject to taxation, Affected System Interconnection Customer will protect, indemnify, and hold harmless the Participating TO and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, the Participating TO will provide Affected System Interconnection Customer with written notification within thirty (30) days of such determination and notification. the Participating TO, upon the timely written request by Affected System Interconnection Customer and at Affected System Interconnection Customer's expense, will appeal, protest, seek abatement of, or otherwise oppose such determination. the Participating TO reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that the Participating TO will cooperate and consult in good faith with Affected System Interconnection Customer regarding the conduct of such contest. Affected System Interconnection Customer will not be required to pay the Participating TO for the tax, interest, and/or penalties prior to the seventh (7th) day before the date on which the Participating TO (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a prerequisite to an appeal, protest,

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abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that the Participating TO is not liable for any portion of any tax, interest, and/or penalties for which Affected System Interconnection Customer has already made payment to the Participating TO, the Participating TO will promptly refund to Affected System Interconnection Customer any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments the Participating TO receives or which the Participating TO may be entitled with respect to such payment. Affected System Interconnection Customer will provide the Participating TO with credit assurances sufficient to meet Affected System Interconnection Customer's estimated liability for reimbursement of the Participating TO for taxes, interest, and/or penalties under this Article 3.3.1. Such estimated liability will be stated in Appendix A.

To the extent that the Participating TO is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following will apply: The Participating TO represents, and the Parties acknowledge, that the Participating TO is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Affected System Interconnection Customer to the Participating TO for Affected System Network Upgrade(s) is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by Affected System Interconnection Customer to the Participating TO for Affected System Network Upgrade(s) will be reimbursed to Affected System Interconnection Customer in accordance with the terms of this Agreement, provided Affected System Interconnection Customer fulfills its obligations under this Agreement.

**3.3.2 Private Letter Ruling.** At Affected System Interconnection Customer's request and expense, the Participating TO will file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by Affected System Interconnection Customer to the Participating TO under this Agreement are subject to federal income taxation. Affected System Interconnection Customer will prepare the initial draft of the request for a private letter ruling and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of Affected System Interconnection Customer's knowledge. The Participating TO and Affected System Interconnection Customer will cooperate in good faith with respect to the submission of such request.

**3.3.3 Other Taxes.** Upon the timely request by Affected System Interconnection Customer, and at Affected System Interconnection Customer's sole expense, the Participating TO will appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against the Participating TO for which Affected System Interconnection Customer may be required to reimburse the Participating TO under the terms of this Agreement. Affected System Interconnection Customer will pay to the Participating TO on a periodic basis, as invoiced by the Participating TO, the Participating TO's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Affected System Interconnection Customer and the Participating TO will cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount will be payable by Affected System Interconnection Customer to the Participating TO for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Affected System Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by the Participating TO. Each Party will cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

**ARTICLE 4**  
**SECURITY, BILLING, AND PAYMENTS**

**4.1 Provision of Security.** By the earlier of (1) thirty (30) days prior to the due date for Affected System Interconnection Customer's first payment under the payment schedule specified in Appendix A, or (2) the first date specified in Appendix A for the ordering of equipment by the Participating TO for

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installing the Affected System Network Upgrade(s), Affected System Interconnection Customer will provide the Participating TO, at Affected System Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to the Participating TO. Such security for payment will be in an amount sufficient to cover the costs for constructing, procuring, and installing the applicable portion of Affected System Network Upgrade(s) and will be reduced on a dollar-for-dollar basis for payments made to the Participating TO for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of the Participating TO and contain terms and conditions that guarantee payment of any amount that may be due from Affected System Interconnection Customer, up to an agreed-to maximum amount. The letter of credit must be issued by a financial institution reasonably acceptable to the Participating TO and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to the Participating TO and must specify a reasonable expiration date.

**4.2 Invoice.** Each Party will submit to the other Party, on a monthly basis, invoices of amounts due, if any, for the preceding month. Each invoice will state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this Agreement, including interest payments, will be netted so that only the net amount remaining due will be paid by the owing Party.

**4.3 Payment.** Invoices will be rendered to the paying Party at the address specified by the Parties. The Party receiving the invoice will pay the invoice within thirty (30) days of receipt. All payments will be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

**4.4 Final Invoice.** Within six (6) months after completion of the construction of the Affected System Network Upgrade(s), the Participating TO will provide an invoice of the final cost of the construction of the Affected System Network Upgrade(s) and will set forth such costs in sufficient detail to enable Affected System Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. the Participating TO will refund, with interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)), to Affected System Interconnection Customer any amount by which the actual payment by Affected System Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) days of the issuance of such final construction invoice.

**4.5 Interest.** Interest on any unpaid amounts will be calculated in accordance with 18 CFR 35.19a(a)(2)(iii).

**4.6 Payment During Dispute.** In the event of a billing dispute among the Parties, the Participating TO will continue to construct the Affected System Network Upgrade(s) under this Agreement as long as Affected System Interconnection Customer: (1) continues to make all payments not in dispute; and (2) pays to the Participating TO or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Affected System Interconnection Customer fails to meet these two requirements, then the Participating TO may provide notice to Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) days after the resolution of the dispute, the Party that owes money to another Party will pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

**ARTICLE 5  
BREACH, CURE AND DEFAULT**

**5.1 Events of Breach.** A Breach of this Agreement will include the:

- (a) Failure to pay any amount when due;

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- (b) Failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty, or covenant made in this Agreement;
- (c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or
- (d) Failure of a Party to provide information or data to another Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

**5.2 Definition.** Breaching Party will mean the Party that is in Breach.

**5.3 Notice of Breach, Cure, and Default.** Upon the occurrence of an event of Breach, the Party not in Breach, when it becomes aware of the Breach, will give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice will set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

**5.3.1** Upon receiving written notice of the Breach hereunder, the Breaching Party will have a period to cure such Breach (hereinafter referred to as the "Cure Period") which will be sixty (60) days.

**5.3.2** In the event the Breaching Party fails to cure within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non-Defaulting Party may terminate this Agreement in accordance with Article 6.2 of this Agreement or take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

**5.4 Rights in the Event of Default.** Notwithstanding the foregoing, upon the occurrence of a Default, the non-Defaulting Party will be entitled to exercise all rights and remedies it may have in equity or at law.

**ARTICLE 6  
TERMINATION OF AGREEMENT**

**6.1 Expiration of Term.** Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement will terminate at the conclusion of the term of this Agreement.

**6.2 Termination.** In addition to the termination provisions set forth in Article 2.2, a Party may terminate this Agreement upon the Default of the other Party in accordance with Article 5.2.2 of this Agreement. Subject to the limitations set forth in Article 6.3, in the event of a Default, the termination of this Agreement by the non-Defaulting Party will require a filing at FERC of a notice of termination, which filing must be accepted for filing by FERC.

**6.3 Disposition of Facilities Upon Termination of Agreement.**

**6.3.1 the Participating TO Obligations.** Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, the Participating TO:

- (a) will, prior to the construction and installation of any portion of the Affected System Network Upgrade(s) and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Affected System Network Upgrade(s);
- (b) may keep in place any portion of the Affected System Network Upgrade(s) already constructed and installed; and,

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(c) will perform such work as may be necessary to ensure the safety of persons and property and to preserve the integrity of the CAISO Controlled Grid (e.g., construction demobilization to return the system to its original state, wind-up work).

**6.3.2 Affected System Interconnection Customer Obligations.** Upon billing by the Participating TO, Affected System Interconnection Customer will reimburse the Participating TO for any costs incurred by the Participating TO in performance of the actions required or permitted by Article 6.3.1 and for the cost of any Affected System Network Upgrade(s) described in Appendix A. the Participating TO will use Reasonable Efforts to minimize costs and will offset the amounts owed by any salvage value of facilities, if applicable. Affected System Interconnection Customer will pay these costs pursuant to Article 4.3 of this Agreement.

**6.3.3 Pre-construction or Installation.** Upon termination of this Agreement and prior to the construction and installation of any portion of the Affected System Network Upgrade(s), the Participating TO may, at its option, retain any portion of such Affected System Network Upgrade(s) not cancelled or returned in accordance with Article 6.3.1(a), in which case the Participating TO will be responsible for all costs associated with procuring such Affected System Network Upgrade(s). To the extent that Affected System Interconnection Customer has already paid the Participating TO for any or all of such costs, the Participating TO will refund Affected System Interconnection Customer for those payments. If the Participating TO elects to not retain any portion of such facilities, the Participating TO will convey and make available to Affected System Interconnection Customer such facilities as soon as practicable after Affected System Interconnection Customer's payment for such facilities.

**6.4 Survival of Rights.** Termination or expiration of this Agreement will not relieve either Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof to the extent necessary to provide for (1) final billings, billing adjustments, and other billing procedures set forth in this Agreement; (2) the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (3) the confidentiality provisions set forth in Article 8.

**ARTICLE 7  
SUBCONTRACTORS**

**7.1 Subcontractors.** Nothing in this Agreement will prevent a Party from utilizing the services of subcontractors, as it deems appropriate, to perform its obligations under this Agreement; provided, however, that each Party will require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services, and each Party will remain primarily liable to the other Party for the performance of such subcontractor.

**7.1.1 Responsibility of Principal.** The creation of any subcontract relationship will not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the provisions of this Agreement, each Party will be fully responsible to the other Party for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party will be equally binding upon, and will be construed as having application to, any subcontractor of such Party.

**7.1.2 No Third-Party Beneficiary.** Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

**7.1.3 No Limitation by Insurance.** The obligations under this Article 7 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

## ARTICLE 8 CONFIDENTIALITY

**8.1 Confidentiality.** Confidential Information will include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied to the other Party prior to the execution of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. The Parties will maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 CFR 388.113(c).

Such confidentiality will be maintained in accordance with this Article 8. If requested by the receiving Party, the disclosing Party will provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party will be responsible for the costs associated with affording confidential treatment to its information.

**8.1.1 Term.** During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 8 or with regard to CEII, each Party will hold in confidence and will not disclose to any person Confidential Information. CEII will be treated in accordance with FERC policies and regulations.

**8.1.2 Scope.** Confidential Information will not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a non-Party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 8.1.6 of this Agreement, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

**8.1.3 Release of Confidential Information.** No Party will release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties that may be or are considering providing financing to or equity participation with Affected System Interconnection Customer, or to potential purchasers or assignees of Affected System Interconnection Customer, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 8 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person will remain primarily responsible for any release of Confidential Information in contravention of this Article 8.

**8.1.4 Rights.** Each Party will retain all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information will not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

**8.1.5 Standard of Care.** Each Party will use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure,

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publication, or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.

**8.1.6 Order of Disclosure.** If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party will provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

**8.1.7 Termination of Agreement.** Upon termination of this Agreement for any reason, each Party will, within ten (10) Business Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 will survive such termination.

**8.1.8 Remedies.** The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Article 8. Each Party accordingly agrees that the disclosing Party will be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 8, which equitable relief will be granted without bond or proof of damages, and the breaching Party will not plead in defense that there would be an adequate remedy at law. Such remedy will not be deemed an exclusive remedy for the Breach of this Article 8, but it will be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. Neither Party, however, will be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 8.

**8.1.9 Disclosure to FERC, its Staff, or a State Regulatory Body.** Notwithstanding anything in this Article 8 to the contrary, and pursuant to 18 CFR 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party will provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC or its staff. The Party will notify the other Party to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR 388.112. Requests from a state regulatory body conducting a confidential investigation will be treated in a similar manner if consistent with the applicable state rules and regulations.

**8.1.10** Subject to the exception in Article 8.1.9, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement will not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (1) required by law; (2) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (3) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (4) necessary to fulfill its obligations under this Agreement or as the the Participating TO or a balancing authority, including disclosing the Confidential Information to a regional or national reliability

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organization. The Party asserting confidentiality will notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party that received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order, or other reasonable measures.

**ARTICLE 9  
INFORMATION ACCESS AND AUDIT RIGHTS**

**9.1 Information Access.** Each Party will make available to the other Party information necessary to verify the costs incurred by the other Party for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties will not use such information for purposes other than those set forth in this Article 9.1 and to enforce their rights under this Agreement.

**9.2 Audit Rights.** Subject to the requirements of confidentiality under Article 8 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Affected System Network Upgrade(s) will be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following the Participating TO's issuance of a final invoice in accordance with Article 4.4. Affected System Interconnection Customer at its expense will have the right, during normal business hours, and upon prior reasonable notice to the Participating TO, to audit such accounts and records. Any audit authorized by this Article 9.2 will be performed at the offices where such accounts and records are maintained and will be limited to those portions of such accounts and records that relate to obligations under this Agreement.

**ARTICLE 10  
NOTICES**

**10.1 General.** Any notice, demand, or request required or permitted to be given by a Party to the other Party, and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party, may be so given, tendered, or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To the Participating TO:

To Affected System Interconnection Customer:

**10.2 Billings and Payments.** Billings and payments will be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

**10.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other Party and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out below:

To the Participating TO:

To Affected System Interconnection Customer:

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**10.4 Execution and Filing.** Affected System Interconnection Customer will either: (i) execute two originals of this tendered Agreement and return them to the Participating TO; or (ii) request in writing that the Participating TO file with FERC this Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of this tendered Agreement (if it does not conform with a FERC-approved standard form of this Agreement) or the request to file this Agreement unexecuted, the Participating TO will file this Agreement with FERC, together with its explanation of any matters as to which Affected System Interconnection Customer and the Participating TO disagree and support for the costs that the Participating TO proposes to charge to Affected System Interconnection Customer under this Agreement. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by the Participating TO for the Affected System Interconnection Customer's generating facility. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted version of this Agreement, they may proceed pending FERC action.

**ARTICLE 11  
MISCELLANEOUS**

**11.1** This Agreement will include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, which reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, will be consistent with the provisions of this RIS.

[Signature Page to Follow]

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**IN WITNESS WHEREOF**, the Parties have executed this Agreement in multiple originals, each of which will constitute and be an original Agreement among the Parties.

the Participating TO  
**{the Participating TO}**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Affected System Interconnection Customer  
**{Affected System Interconnection Customer}**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Project No. \_\_\_\_\_

**Attachment A to Appendix 13  
Two-Party Affected System Facilities Construction Agreement**

**AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND RESPONSIBILITY,  
CONSTRUCTION SCHEDULE AND MONTHLY PAYMENT SCHEDULE**

This Appendix A is a part of the Affected System Facilities Construction Agreement between Affected System Interconnection Customer and the Participating TO.

**1.1 Affected System Network Upgrade(s) to be installed by the Participating TO.**

{description}

**1.2 First Equipment Order (including permitting).**

{description}

**1.2.1. Permitting and Land Rights – the Participating TO Affected System Network Upgrade(s)**

{description}

**1.3 Construction Schedule.** Where applicable, construction of the Affected System Network Upgrade(s) is scheduled as follows and will be periodically updated as necessary:

**Table 1: the Participating TO Construction Activities**



Note: Construction schedule assumes that the Participating TO has obtained final authorizations and security from Affected System Interconnection Customer and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Affected System Network Upgrade(s).

**1.4 Payment Schedule.**

**1.4.1 Timing of and Adjustments to Affected System Interconnection Customer’s Payments and Security.**

{description}

**1.4.2 Monthly Payment Schedule.** Affected System Interconnection Customer’s payment schedule is as follows.

{description}

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**Table 2: Affected System Interconnection Customer's Payment/Security Obligations for Affected System Network Upgrade(s).**

MILESTONE NUMBER	DESCRIPTION	DATE

Note: Affected System Interconnection Customer's payment or provision of security as provided in this Agreement operates as a condition precedent to the Participating TO's obligations to construct any Affected System Network Upgrade(s), and failure to meet this schedule will constitute a Breach pursuant to Article 5.1 of this Agreement.

**1.5 Permits, Licenses, and Authorizations.**

{description}

**Attachment B to Appendix 13  
Two-Party Affected System Facilities Construction Agreement**

**NOTIFICATION OF COMPLETED CONSTRUCTION**

This Appendix B is a part of the Affected Systems Facilities Construction Agreement between Affected System Interconnection Customer and the Participating TO. Where applicable, when the Participating TO has completed construction of the Affected System Network Upgrade(s), the Participating TO will send notice to Affected System Interconnection Customer in substantially the form following:

{Date}

{Affected System Interconnection Customer Address}

Re: Completion of Affected System Network Upgrade(s)

Dear {Name or Title}:

This letter is sent pursuant to the Affected System Facilities Construction Agreement between {the Participating TO} and {Affected System Interconnection Customer}, dated \_\_\_\_\_, 20\_\_.

On {Date}, the Participating TO completed to its satisfaction all work on the Affected System Network Upgrade(s) required to facilitate the safe and reliable interconnection and operation of Affected System Interconnection Customer's {description of generating facility}. the Participating TO confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}  
{the Participating TO Representative}

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**Attachment C to Appendix 13  
Two-Party Affected System Facilities Construction Agreement**

**EXHIBITS**

This Appendix C is a part of the Affected System Facilities Construction Agreement between Affected System Interconnection Customer and the Participating TO.

**Exhibit A1  
the Participating TO Site Map**

**Exhibit A2  
Site Plan**

**Exhibit A3  
Affected System Network Upgrade(s) Plan & Profile**

**Exhibit A4  
Estimated Cost of Affected System Network Upgrade(s)**

	Location	Facilities to Be Constructed by the Participating TO	Estimate in Dollars
		Total:	

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**APPENDIX 14 TO RIS**  
**MULTIPARTY AFFECTED SYSTEM FACILITIES CONSTRUCTION AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and among \_\_\_\_\_, organized and existing under the laws of the State of \_\_\_\_\_ (Affected System Interconnection Customer); \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_ (Affected System Interconnection Customer); and \_\_\_\_\_, an entity organized and existing under the laws of the State of \_\_\_\_\_ (the Participating TO). Affected System Interconnection Customers and the Participating TO each may be referred to as a “Party” or collectively as the “Parties.” When it is not important to differentiate among them, Affected System Interconnection Customers each may be referred to as “Affected System Interconnection Customer” or collectively as “Affected System Interconnection Customers.”

**RECITALS**

**WHEREAS**, Affected System Interconnection Customers are proposing to develop {description of generating facilities or generating capacity additions to an existing generating facility}, consistent with the interconnection requests submitted by Affected System Interconnection Customers to {name of host transmission provider}, dated \_\_\_\_\_, for which {name of host transmission provider} found impacts on the CAISO Controlled Grid; and

**WHEREAS**, Affected System Interconnection Customers desire to interconnect the {generating facilities} to {name of host transmission provider}'s transmission system; and

**WHEREAS**, additions, modifications, and upgrade(s) must be made to certain existing facilities of the CAISO Controlled Grid to accommodate such interconnection; and

**WHEREAS**, Affected System Interconnection Customers have requested, and the Participating TO has agreed, to enter into this Agreement for the purpose of facilitating the construction of necessary Affected System Network Upgrade(s);

**NOW, THEREFORE**, in consideration of and subject to the mutual covenants contained herein, the Parties agree as follows:

**ARTICLE 1**  
**DEFINITIONS**

When used in this Agreement, with initial capitalization, the terms specified and not otherwise defined in this Agreement will have the meanings indicated in this RIS.

**ARTICLE 2**  
**TERM OF AGREEMENT**

**2.1 Effective Date.** This Agreement will become effective upon execution by the Parties subject to acceptance by FERC (if applicable), or if filed unexecuted, upon the date specified by FERC.

**2.2 Term.**

**2.2.1 General.** This Agreement will become effective as provided in Article 2.1 and will continue in full force and effect until the earlier of (1) the final repayment, where applicable, by the Participating TO of the amount funded by Affected System Interconnection Customers for the Participating TO's design, procurement, construction, and installation of the Affected System Network Upgrade(s) provided in

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Appendix A; (2) the Parties agree to mutually terminate this Agreement; (3) earlier termination is permitted or provided for under Appendix A of this Agreement; or (4) Affected System Interconnection Customers terminate this Agreement after providing the Participating TO with written notice at least sixty (60) days prior to the proposed termination date, provided that Affected System Interconnection Customers have no outstanding contractual obligations to the Participating TO under this Agreement. No termination of this Agreement will be effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination. The term of this Agreement may be adjusted upon mutual agreement of the Parties if the commercial operation date(s) for the {generating facilities} is adjusted in accordance with the rules and procedures established by {name of host transmission provider} or the in-service date for the Affected System Network Upgrade(s) is adjusted in accordance with the rules and procedures established by the Participating TO.

**2.2.2 Termination Upon Default.** Default will mean the failure of a Breaching Party to cure its Breach in accordance with Article 5 of this Agreement where Breach and Breaching Party are defined in Article 5. Defaulting Party will mean the Party that is in Default. In the event of a Default by a Party, each non-Defaulting Party will have the termination rights described in Articles 5 and 6; provided, however, the Participating TO may not terminate this Agreement if an Affected System Interconnection Customer is the Defaulting Party and compensates the Participating TO within thirty (30) days for the amount of damages billed to Affected System Interconnection Customer(s) by the Participating TO for any such damages, including costs and expenses incurred by the Participating TO as a result of such Default. Notwithstanding the foregoing, Default by one or more Affected System Interconnection Customers will not provide the other Affected System Interconnection Customer(s), either individually or in concert, with the right to terminate the entire Agreement. The non-Defaulting Party/Parties may, individually or in concert, initiate the removal of an Affected System Interconnection Customer that is a Defaulting Party from this Agreement. The Participating TO will not terminate this Agreement or the participation of any Affected System Interconnection Customer without provision being made for the Participating TO to be fully reimbursed for all of its costs incurred under this Agreement.

**2.2.3 Consequences of Termination.** In the event of a termination by a Party, other than a termination by Affected System Interconnection Customer(s) due to a Default by the Participating TO, each Affected System Interconnection Customer whose participation in this Agreement is terminated will be responsible for the payment to the Participating TO of all amounts then due and payable for construction and installation of the Affected System Network Upgrade(s) (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by the Participating TO in connection with the construction and installation of the Affected System Network Upgrade(s), through the date of termination, and, in the event of the termination of the entire Agreement, any actual costs which the Participating TO reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of the CAISO Controlled Grid. The Participating TO will use Reasonable Efforts to minimize such costs. The cost responsibility of other Affected System Interconnection Customers will be adjusted, as necessary, based on the payments by an Affected System Interconnection Customer that is terminated from the Agreement.

**2.2.4 Reservation of Rights.** the Participating TO will have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Affected System Interconnection Customers will have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party will have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement will limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

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**2.3 Filing.** The Participating TO will file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Affected System Interconnection Customers may request that any information so provided be subject to the confidentiality provisions of Article 8. Each Affected System Interconnection Customer that has executed this Agreement, or any amendment thereto, will reasonably cooperate with the Participating TO with respect to such filing and to provide any information reasonably requested by the Participating TO needed to comply with applicable regulatory requirements.

**2.4 Survival.** This Agreement will continue in effect after termination, to the extent necessary, to provide for final billings and payments and for costs incurred hereunder, including billings and payments pursuant to this Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit each Party to have access to the lands of the other Party pursuant to this Agreement or other applicable agreements, to disconnect, remove, or salvage its own facilities and equipment.

**2.5 Termination Obligations.** Upon any termination pursuant to this Agreement or termination of the participation in this Agreement of an Affected System Interconnection Customer, each Affected System Interconnection Customer will be responsible for the payment of its proportionate share of all costs or other contractual obligations incurred prior to the termination date, including previously incurred capital costs, penalties for early termination, and costs of removal and site restoration. The cost responsibility of the other Affected System Interconnection Customers will be adjusted as necessary.

**ARTICLE 3  
CONSTRUCTION OF AFFECTED SYSTEM NETWORK UPGRADE(S)**

**3.1 Construction.**

**3.1.1 The Participating TO Obligations.** the Participating TO will (or will cause such action to) design, procure, construct, and install, and Affected System Interconnection Customers will pay, consistent with Article 3.2, the costs of all Affected System Network Upgrade(s) identified in Appendix A. All Affected System Network Upgrade(s) designed, procured, constructed, and installed by the Participating TO pursuant to this Agreement will satisfy all requirements of applicable safety and/or engineering codes and comply with Good Utility Practice, and further, will satisfy all Applicable Laws and Regulations. the Participating TO will not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, or any Applicable Laws and Regulations.

**3.1.2 Suspension of Work.**

**3.1.2.1 Right to Suspend.** Affected System Interconnection Customers must jointly provide to the Participating TO written notice of their request for suspension. Only the milestones described in the Appendices of this Agreement are subject to suspension under this Article 3.1.2. Affected System Network Upgrade(s) will be constructed on the schedule described in the Appendices of this Agreement unless: (1) construction is prevented by the order of a Governmental Authority; (2) the Affected System Network Upgrade(s) are not needed by any other Interconnection Customer; or (3) the Participating TO determines that a Force Majeure event prevents construction. In the event of (1), (2), or (3), any security paid to the Participating TO under Article 4.1 of this Agreement will be released by the Participating TO upon the determination by the Participating TO that the Affected System Network Upgrade(s) will no longer be constructed. If suspension occurs, Affected System Interconnection Customers will be responsible for the costs which the Participating TO incurs (i) in accordance with this Agreement prior to the suspension; (ii) in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the CAISO Controlled Grid and, if applicable, any costs incurred in connection with the cancellation of contracts and orders for material which the Participating TO cannot reasonably avoid; and (iii) reasonably incurs in winding up work and construction demobilization; provided, however, that, prior to canceling any such contracts or

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orders, the Participating TO will obtain Affected System Interconnection Customers' authorization. Affected System Interconnection Customers will be responsible for all costs incurred in connection with Affected System Interconnection Customers' failure to authorize cancellation of such contracts or orders.

Interest on amounts paid by Affected System Interconnection Customers to the Participating TO for the design, procurement, construction, and installation of the Affected System Network Upgrade(s) will not accrue during periods in which Affected System Interconnection Customers have suspended construction under this Article 3.1.2.

The Participating TO will invoice Affected System Interconnection Customers pursuant to Article 4 and will use Reasonable Efforts to minimize its costs. In the event Affected System Interconnection Customers suspend work by Affected System the Participating TO required under this Agreement pursuant to this Article 3.1.2.1, and have not requested Affected System the Participating TO to recommence the work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement will be deemed terminated. The three-year period will begin on the date the suspension is requested, or the date of the written notice to Affected System the Participating TO, whichever is earlier, if no effective date of suspension is specified.

**3.1.3 Construction Status.** The Participating TO will keep Affected System Interconnection Customers advised periodically as to the progress of its design, procurement, and construction efforts, as described in Appendix A. An Affected System Interconnection Customer may, at any time and reasonably, request a progress report from the Participating TO. If, at any time, an Affected System Interconnection Customer determines that the completion of the Affected System Network Upgrade(s) will not be required until after the specified in-service date, such Affected System Interconnection Customer will provide written notice to all other Parties of such later date for which the completion of the Affected System Network Upgrade(s) would be required. The Participating TO may delay the in-service date of the Affected System Network Upgrade(s) accordingly, but only if agreed to by all other Affected System Interconnection Customers.

**3.1.4 Timely Completion.** The Participating TO will use Reasonable Efforts to design, procure, construct, install, and test the Affected System Network Upgrade(s) in accordance with the schedule set forth in Appendix A, which schedule may be revised from time to time by mutual agreement of the Parties. If any event occurs that will affect the time or ability to complete the Affected System Network Upgrade(s), the Participating TO will promptly notify all other Parties. In such circumstances, the Participating TO will, within fifteen (15) days of such notice, convene a meeting with Affected System Interconnection Customers to evaluate the alternatives available to Affected System Interconnection Customers. the Participating TO will also make available to Affected System Interconnection Customers all studies and work papers related to the event and corresponding delay, including all information that is in the possession of the Participating TO that is reasonably needed by Affected System Interconnection Customers to evaluate alternatives, subject to confidentiality arrangements consistent with Article 8. the Participating TO will, at any Affected System Interconnection Customer's request and expense, use Reasonable Efforts to accelerate its work under this Agreement to meet the schedule set forth in Appendix A, provided that (1) Affected System Interconnection Customers jointly authorize such actions, such authorizations to be withheld, conditioned, or delayed by a given Affected System Interconnection Customer only if it can demonstrate that the acceleration would have a material adverse effect on it; and (2) the requesting Affected System Interconnection Customer(s) funds the costs associated therewith in advance, or all Affected System Interconnection Customers agree in advance to fund such costs based on such other allocation method as they may adopt.

## **3.2 Interconnection Costs.**

**3.2.1 Costs.** Affected System Interconnection Customers will pay to the Participating TO costs (including taxes and financing costs) associated with seeking and obtaining all necessary approvals and of designing, engineering, constructing, and testing the Affected System Network Upgrade(s), as identified in Appendix A, in accordance with the cost recovery method provided herein. Except as expressly otherwise agreed, Affected System Interconnection Customers will be collectively responsible

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for these costs, based on their proportionate share of cost responsibility, as provided in Appendix A. Unless the Participating TO elects to fund the Affected System Network Upgrade(s), they will be initially funded by the applicable Affected System Interconnection Customer.

**3.2.1.1 Lands of Other Property Owners.** If any part of the Affected System Network Upgrade(s) is to be installed on property owned by persons other than Affected System Interconnection Customers or the Participating TO, the Participating TO will, at Affected System Interconnection Customers' expense, use efforts similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority to the extent permitted and consistent with Applicable Laws and Regulations and, to the extent consistent with such Applicable Laws and Regulations, to procure from such persons any rights of use, licenses, rights-of-way, and easements that are necessary to construct, operate, maintain, test, inspect, replace, or remove the Affected System Network Upgrade(s) upon such property.

### **3.2.2 Repayment.**

**3.2.2.1 Repayment.** Consistent with articles 11.4.1 and 11.4.2 of the CAISO's pro forma LGIA, each Affected System Interconnection Customer will be entitled to a cash repayment by the Participating TO of the amount each Affected System Interconnection Customer paid to the Participating TO, if any, for the Affected System Network Upgrade(s), including any tax gross-up or other tax-related payments associated with the Affected System Network Upgrade(s), and not refunded to Affected System Interconnection Customer pursuant to Article 3.3.1 or otherwise. The Parties may mutually agree to a repayment schedule, to be outlined in Appendix A, not to exceed twenty (20) years from the commercial operation date, for the complete repayment for all applicable costs associated with the Affected System Network Upgrade(s). Any repayment will include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 CFR 35.19 a(a)(2)(iii) from the date of any payment for Affected System Network Upgrade(s) through the date on which Affected System Interconnection Customers receive a repayment of such payment pursuant to this subparagraph. Interest will not accrue during periods in which Affected System Interconnection Customers have suspended construction pursuant to Article 3.1.2.1. Affected System Interconnection Customers may assign such repayment rights to any person.

**3.2.2.2 Impact of Failure to Achieve Commercial Operation.** If an Affected System Interconnection Customer's generating facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Affected System Network Upgrade(s), the Participating TO will at that time reimburse such Affected System Interconnection Customers for the portion of the Affected System Network Upgrade(s) it funded. Before any such reimbursement can occur, Affected System Interconnection Customer (or the entity that ultimately constructs the generating facility, if different), is responsible for identifying the entity to which the reimbursement must be made.

### **3.3 Taxes.**

**3.3.1 Indemnification for Contributions in Aid of Construction.** With regard only to payments made by Affected System Interconnection Customers to the Participating TO for the installation of the Affected System Network Upgrade(s), the Participating TO will not include a gross-up for income taxes in the amounts it charges Affected System Interconnection Customers for the installation of the Affected System Network Upgrade(s) unless (1) the Participating TO has determined, in good faith, that the payments or property transfers made by Affected System Interconnection Customers to the Participating TO should be reported as income subject to taxation, or (2) any Governmental Authority directs the Participating TO to report payments or property as income subject to taxation. Affected System Interconnection Customers will reimburse the Participating TO for such costs on a fully grossed-up basis, in accordance with this Article, within thirty (30) days of receiving written notification from the Participating TO of the amount due, including detail about how the amount was calculated.

The indemnification obligation will terminate at the earlier of (1) the expiration of the ten (10)-year testing period and the applicable statute of limitation, as it may be extended by the Participating TO upon request

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of the Internal Revenue Service, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Article. Notwithstanding the foregoing provisions of this Article 3.3.1, and to the extent permitted by law, to the extent that the receipt of such payments by the Participating TO is determined by any Governmental Authority to constitute income by the Participating TO subject to taxation, Affected System Interconnection Customers will protect, indemnify, and hold harmless the Participating TO and its Affiliates, from all claims by any such Governmental Authority for any tax, interest, and/or penalties associated with such determination. Upon receiving written notification of such determination from the Governmental Authority, the Participating TO will provide Affected System Interconnection Customers with written notification within thirty (30) days of such determination and notification. the Participating TO, upon the timely written request by any one or more Affected System Interconnection Customer(s) and at the expense of such Affected System Interconnection Customer(s), will appeal, protest, seek abatement of, or otherwise oppose such determination. the Participating TO reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the compromise or settlement of the claim; provided that the Participating TO will cooperate and consult in good faith with the requesting Affected System Interconnection Customer(s) regarding the conduct of such contest. Affected System Interconnection Customer(s) will not be required to pay the Participating TO for the tax, interest, and/or penalties prior to the seventh (7th) day before the date on which the Participating TO (1) is required to pay the tax, interest, and/or penalties or other amount in lieu thereof pursuant to a compromise or settlement of the appeal, protest, abatement, or other contest; (2) is required to pay the tax, interest, and/or penalties as the result of a final, non-appealable order by a Governmental Authority; or (3) is required to pay the tax, interest, and/or penalties as a prerequisite to an appeal, protest, abatement, or other contest. In the event such appeal, protest, abatement, or other contest results in a determination that the Participating TO is not liable for any portion of any tax, interest, and/or penalties for which any Affected System Interconnection Customer(s) has already made payment to the Participating TO, the Participating TO will promptly refund to such Affected System Interconnection Customer(s) any payment attributable to the amount determined to be non-taxable, plus any interest (calculated in accordance with 18 CFR 35.19a(a)(2)(iii)) or other payments the Participating TO receives or to which the Participating TO may be entitled with respect to such payment. Each Affected System Interconnection Customer will provide the Participating TO with credit assurances sufficient to meet each Affected System Interconnection Customer's estimated liability for reimbursement of the Participating TO for taxes, interest, and/or penalties under this Article 3.3.1. Such estimated liability will be stated in Appendix A.

To the extent that the Participating TO is a limited liability company and not a corporation, and has elected to be taxed as a partnership, then the following will apply: the Participating TO represents, and the Parties acknowledge, that the Participating TO is a limited liability company and is treated as a partnership for federal income tax purposes. Any payment made by Affected System Interconnection Customers to the Participating TO for Affected System Network Upgrade(s) is to be treated as an upfront payment. It is anticipated by the Parties that any amounts paid by each Affected System Interconnection Customer to the Participating TO for Affected System Network Upgrade(s) will be reimbursed to such Affected System Interconnection Customer in accordance with the terms of this Agreement, provided such Affected System Interconnection Customer fulfills its obligations under this Agreement.

**3.3.2 Private Letter Ruling.** At the request and expense of any Affected System Interconnection Customer(s), the Participating TO will file with the Internal Revenue Service a request for a private letter ruling as to whether any property transferred or sums paid, or to be paid, by such Affected System Interconnection Customer(s) to the Participating TO under this Agreement are subject to federal income taxation. Each Affected System Interconnection Customer desiring such a request will prepare the initial draft of the request for a private letter ruling and will certify under penalties of perjury that all facts represented in such request are true and accurate to the best of such Affected System Interconnection Customer's knowledge. the Participating TO and such Affected System Interconnection Customer(s) will cooperate in good faith with respect to the submission of such request.

**3.3.3 Other Taxes.** Upon the timely request by any one or more Affected System Interconnection Customer(s), and at such Affected System Interconnection Customer(s)' sole expense, the Participating

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TO will appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against the Participating TO for which such Affected System Interconnection Customer(s) may be required to reimburse the Participating TO under the terms of this Agreement. Affected System Interconnection Customer(s) who requested the action will pay to the Participating TO on a periodic basis, as invoiced by the Participating TO, the Participating TO's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. The requesting Affected System Interconnection Customer(s) and the Participating TO will cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount will be payable by Affected System Interconnection Customer(s) to the Participating TO for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Affected System Interconnection Customer(s) will be responsible for all taxes, interest, and penalties, other than penalties attributable to any delay caused by the Participating TO. Each Party will cooperate with the other Party to maintain each Party's tax status. Nothing in this Agreement is intended to adversely affect any Party's tax-exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds, as described in section 142(f) of the Internal Revenue Code.

**ARTICLE 4  
SECURITY, BILLING, AND PAYMENTS**

**4.1 Provision of Security.** By the earlier of (1) thirty (30) days prior to the due date for each Affected System Interconnection Customer's first payment under the payment schedule specified in Appendix A, or (2) the first date specified in Appendix A for the ordering of equipment by the Participating TO for installing the Affected System Network Upgrade(s), each Affected System Interconnection Customer will provide the Participating TO, at each Affected System Interconnection Customer's option, a guarantee, a surety bond, letter of credit, or other form of security that is reasonably acceptable to the Participating TO. Such security for payment will be in an amount sufficient to cover the costs for constructing, procuring, and installing the applicable portion of Affected System Network Upgrade(s) and will be reduced on a dollar-for-dollar basis for payments made to the Participating TO for these purposes.

The guarantee must be made by an entity that meets the creditworthiness requirements of the Participating TO and contain terms and conditions that guarantee payment of any amount that may be due from such Affected System Interconnection Customer, up to an agreed-to maximum amount. The letter of credit must be issued by a financial institution reasonably acceptable to the Participating TO and must specify a reasonable expiration date. The surety bond must be issued by an insurer reasonably acceptable to the Participating TO and must specify a reasonable expiration date.

**4.2 Invoice.** Each Party will submit to the other Parties, on a monthly basis, invoices of amounts due, if any, for the preceding month. Each invoice will state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to another Party under this Agreement, including interest payments, will be netted so that only the net amount remaining due will be paid by the owing Party.

**4.3 Payment.** Invoices will be rendered to the paying Party at the address specified by the Parties. The Party receiving the invoice will pay the invoice within thirty (30) days of receipt. All payments will be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. Payment of invoices by a Party will not constitute a waiver of any rights or claims that Party may have under this Agreement.

**4.4 Final Invoice.** Within six (6) months after completion of the construction of the Affected System Network Upgrade(s) the Participating TO will provide an invoice of the final cost of the construction of the Affected System Network Upgrade(s) and will set forth such costs in sufficient detail to enable each Affected System Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. the Participating TO will refund, with interest

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(calculated in accordance with 18 CFR 35.19a(a)(2)(iii)), to each Affected System Interconnection Customer any amount by which the actual payment by Affected System Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) days of the issuance of such final construction invoice.

**4.5 Interest.** Interest on any unpaid amounts will be calculated in accordance with 18 CFR 35.19a(a)(2)(iii).

**4.6 Payment During Dispute.** In the event of a billing dispute among the Parties, the Participating TO will continue to construct the Affected System Network Upgrade(s) under this Agreement as long as each Affected System Interconnection Customer: (1) continues to make all payments not in dispute; and (2) pays to the Participating TO or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If any Affected System Interconnection Customer fails to meet these two requirements, then the Participating TO may provide notice to such Affected System Interconnection Customer of a Default pursuant to Article 5. Within thirty (30) days after the resolution of the dispute, the Party that owes money to another Party will pay the amount due with interest calculated in accordance with the methodology set forth in 18 CFR 35.19a(a)(2)(iii).

**ARTICLE 5  
BREACH, CURE, AND DEFAULT**

**5.1 Events of Breach.** A Breach of this Agreement will include the:

- (a) Failure to pay any amount when due;
- (b) Failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty, or covenant made in this Agreement;
- (c) Failure of a Party to provide such access rights, or a Party's attempt to revoke access or terminate such access rights, as provided under this Agreement; or
- (d) Failure of a Party to provide information or data to another Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

**5.2 Definition.** Breaching Party will mean the Party that is in Breach.

**5.3 Notice of Breach, Cure, and Default.** Upon the occurrence of an event of Breach, any Party aggrieved by the Breach, when it becomes aware of the Breach, will give written notice of the Breach to the Breaching Party and to any other person representing a Party to this Agreement identified in writing to the other Party in advance. Such notice will set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach.

**5.2.1** Upon receiving written notice of the Breach hereunder, the Breaching Party will have a period to cure such Breach (hereinafter referred to as the "Cure Period") which will be sixty (60) days. If an Affected System Interconnection Customer is the Breaching Party and the Breach results from a failure to provide payments or security under Article 4.1 of this Agreement, the other Affected System Interconnection Customers, either individually or in concert, may cure the Breach by paying the amounts owed or by providing adequate security, without waiver of contribution rights against the breaching Affected System Interconnection Customer. Such cure for the Breach of an Affected System Interconnection Customer is subject to the reasonable consent of the Participating TO. The Participating TO may also cure such Breach by funding the proportionate share of the Affected System Network Upgrade costs related to the Breach of Affected System Interconnection Customer. The Participating TO must notify all Parties that it will exercise this option within thirty (30) days of notification that an Affected System Interconnection Customer has failed to provide payments or security under Article 4.1.

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**5.2.2** In the event the Breach is not cured within the Cure Period, the Breaching Party will be in Default of this Agreement, and the non-Defaulting Parties may (1) act in concert to amend the Agreement to remove an Affected System Interconnection Customer that is in Default from this Agreement for cause and to make other changes as necessary, or (2) either in concert or individually take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreement, or covenants under this Agreement.

**5.3 Rights in the Event of Default.** Notwithstanding the foregoing, upon the occurrence of Default, the non-Defaulting Parties will be entitled to exercise all rights and remedies it may have in equity or at law.

**ARTICLE 6  
TERMINATION OF AGREEMENT**

**6.1 Expiration of Term.** Except as otherwise specified in this Article 6, the Parties' obligations under this Agreement will terminate at the conclusion of the term of this Agreement.

**6.2 Termination and Removal.** Subject to the limitations set forth in Article 6.3, in the event of a Default, termination of this Agreement, as to a given Affected System Interconnection Customer or in its entirety, will require a filing at FERC of a notice of termination, which filing must be accepted for filing by FERC.

**6.3 Disposition of Facilities Upon Termination of Agreement.**

**6.3.1 the Participating TO Obligations.** Upon termination of this Agreement, unless otherwise agreed to by the Parties in writing, the Participating TO:

- (a) will, prior to the construction and installation of any portion of the Affected System Network Upgrade(s) and to the extent possible, cancel any pending orders of, or return, such equipment or material for such Affected System Network Upgrade(s);
- (b) may keep in place any portion of the Affected System Network Upgrade(s) already constructed and installed; and,
- (c) will perform such work as may be necessary to ensure the safety of persons and property and to preserve the integrity of the CAISO Controlled Grid (e.g., construction demobilization to return the system to its original state, wind-up work).

**6.3.2 Affected System Interconnection Customer Obligations.** Upon billing by the Participating TO, each Affected System Interconnection Customer will reimburse the Participating TO for its share of any costs incurred by the Participating TO in performance of the actions required or permitted by Article 6.3.1 and for its share of the cost of any Affected System Network Upgrade(s) described in Appendix A. The Participating TO will use Reasonable Efforts to minimize costs and will offset the amounts owed by any salvage value of facilities, if applicable. Each Affected System Interconnection Customer will pay these costs pursuant to Article 4.3 of this Agreement.

**6.3.3 Pre-construction or Installation.** Upon termination of this Agreement and prior to the construction and installation of any portion of the Affected System Network Upgrade(s), the Participating TO may, at its option, retain any portion of such Affected System Network Upgrade(s) not cancelled or returned in accordance with Article 6.3.1(a), in which case the Participating TO will be responsible for all costs associated with procuring such Affected System Network Upgrade(s). To the extent that an Affected System Interconnection Customer has already paid the Participating TO for any or all of such costs, the Participating TO will refund Affected System Interconnection Customer for those payments. If the Participating TO elects to not retain any portion of such facilities, and one or more of Affected System Interconnection Customers wish to purchase such facilities, the Participating TO will convey and make

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available to the applicable Affected System Interconnection Customer(s) such facilities as soon as practicable after Affected System Interconnection Customer(s)' payment for such facilities.

**6.4 Survival of Rights.** Termination or expiration of this Agreement will not relieve any Party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The applicable provisions of this Agreement will continue in effect after expiration, or early termination hereof, to the extent necessary to provide for (1) final billings, billing adjustments, and other billing procedures set forth in this Agreement; (2) the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and (3) the confidentiality provisions set forth in Article 8.

**ARTICLE 7  
SUBCONTRACTORS**

**7.1 Subcontractors.** Nothing in this Agreement will prevent a Party from utilizing the services of subcontractors, as it deems appropriate, to perform its obligations under this Agreement; provided, however, that each Party will require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services, and each Party will remain primarily liable to the other Parties for the performance of such subcontractor.

**7.1.1 Responsibility of Principal.** The creation of any subcontract relationship will not relieve the hiring Party of any of its obligations under this Agreement. In accordance with the provisions of this Agreement, each Party will be fully responsible to the other Parties for the acts or omissions of any subcontractor it hires as if no subcontract had been made. Any applicable obligation imposed by this Agreement upon a Party will be equally binding upon, and will be construed as having application to, any subcontractor of such Party.

**7.1.2 No Third-Party Beneficiary.** Except as may be specifically set forth to the contrary herein, no subcontractor or any other party is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

**7.1.3 No Limitation by Insurance.** The obligations under this Article 7 will not be limited in any way by any limitation of any insurance policies or coverages, including any subcontractor's insurance.

**ARTICLE 8  
CONFIDENTIALITY**

**8.1 Confidentiality.** Confidential Information will include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied to the other Parties prior to the execution of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential. The Parties will maintain as confidential any information that is provided and identified by a Party as Critical Energy Infrastructure Information (CEII), as that term is defined in 18 CFR 388.113(c).

Such confidentiality will be maintained in accordance with this Article 8. If requested by the receiving Party, the disclosing Party will provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party will be responsible for the costs associated with affording confidential treatment to its information.

**8.1.1 Term.** During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 8 or with regard to CEII,

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each Party will hold in confidence and will not disclose to any person Confidential Information. CEII will be treated in accordance with FERC policies and regulations.

**8.1.2 Scope.** Confidential Information will not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a non-Party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 8.1.6 of this Agreement, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the receiving Party that it no longer is confidential.

**8.1.3 Release of Confidential Information.** No Party will release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, agents, consultants, or to non-Parties that may be or are considering providing financing to or equity participation with Affected System Interconnection Customer(s), or to potential purchasers or assignees of Affected System Interconnection Customer(s), on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 8 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person will remain primarily responsible for any release of Confidential Information in contravention of this Article 8.

**8.1.4 Rights.** Each Party will retain all rights, title, and interest in the Confidential Information that it discloses to the receiving Party. The disclosure by a Party to the receiving Party of Confidential Information will not be deemed a waiver by the disclosing Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

**8.1.5 Standard of Care.** Each Party will use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication, or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.

**8.1.6 Order of Disclosure.** If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party will provide the disclosing Party with prompt notice of such request(s) or requirement(s) so that the disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

**8.1.7 Termination of Agreement.** Upon termination of this Agreement for any reason, each Party will, within ten (10) Business Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the requesting Party) or return to the requesting Party any and all written or electronic Confidential Information received from the requesting Party, except that each Party may keep one copy for archival purposes, provided that the obligation to treat it as Confidential Information in accordance with this Article 8 will survive such termination.

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**8.1.8 Remedies.** The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 8. Each Party accordingly agrees that the disclosing Party will be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party Breaches or threatens to Breach its obligations under this Article 8, which equitable relief will be granted without bond or proof of damages, and the Breaching Party will not plead in defense that there would be an adequate remedy at law. Such remedy will not be deemed an exclusive remedy for the Breach of this Article 8, but it will be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, will be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 8.

**8.1.9 Disclosure to FERC, its Staff, or a State Regulatory Body.** Notwithstanding anything in this Article 8 to the contrary, and pursuant to 18 CFR 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from a Party that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party will provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of the Confidential Information to FERC or its staff. The Party will notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR 388.112. Requests from a state regulatory body conducting a confidential investigation will be treated in a similar manner if consistent with the applicable state rules and regulations.

**8.1.10** Subject to the exception in Article 8.1.9, any information that a disclosing Party claims is competitively sensitive, commercial, or financial information under this Agreement will not be disclosed by the receiving Party to any person not employed or retained by the receiving Party, except to the extent disclosure is (1) required by law; (2) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (3) otherwise permitted by consent of the disclosing Party, such consent not to be unreasonably withheld; or (4) necessary to fulfill its obligations under this Agreement or as the Participating TO or a balancing authority, including disclosing the Confidential Information to a regional or national reliability organization. The Party asserting confidentiality will notify the receiving Party in writing of the information that Party claims is confidential. Prior to any disclosures of that Party's Confidential Information under this subparagraph, or if any non-Party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the Party that received the Confidential Information from the disclosing Party agrees to promptly notify the disclosing Party in writing and agrees to assert confidentiality and cooperate with the disclosing Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order, or other reasonable measures.

**ARTICLE 9**  
**INFORMATION ACCESS AND AUDIT RIGHTS**

**9.1 Information Access.** Each Party will make available to the other Parties information necessary to verify the costs incurred by the other Parties for which the requesting Party is responsible under this Agreement and carry out obligations and responsibilities under this Agreement, provided that the Parties will not use such information for purposes other than those set forth in this Article 9.1 and to enforce their rights under this Agreement.

**9.2 Audit Rights.** Subject to the requirements of confidentiality under Article 8 of this Agreement, the accounts and records related to the design, engineering, procurement, and construction of the Affected System Network Upgrade(s) will be subject to audit during the period of this Agreement and for a period of twenty-four (24) months following the Participating TO's issuance of a final invoice in

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accordance with Article 4.4. Affected System Interconnection Customers may, jointly or individually, at the expense of the requesting Party(ies), during normal business hours, and upon prior reasonable notice to the Participating TO, audit such accounts and records. Any audit authorized by this Article 9.2 will be performed at the offices where such accounts and records are maintained and will be limited to those portions of such accounts and records that relate to obligations under this Agreement.

**ARTICLE 10  
NOTICES**

**10.1 General.** Any notice, demand, or request required or permitted to be given by a Party to the other Parties, and any instrument required or permitted to be tendered or delivered by a Party in writing to another Party, may be so given, tendered, or delivered, as the case may be, by depositing the same with the United States Postal Service with postage prepaid, for transmission by certified or registered mail, addressed to the Parties, or personally delivered to the Parties, at the address set out below:

To the Participating TO:

To Affected System Interconnection Customers:

**10.2 Billings and Payments.** Billings and payments will be sent to the addresses shown in Article 10.1 unless otherwise agreed to by the Parties.

**10.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone, facsimile, or email to the telephone numbers and email addresses set out below:

To the Participating TO:

To Affected System Interconnection Customers:

**10.4 Execution and Filing.** Affected System Interconnection Customers will either: (i) execute two originals of this tendered Agreement and return them to the Participating TO; or (ii) request in writing that the Participating TO file with FERC this Agreement in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of this tendered Agreement (if it does not conform with a FERC-approved standard form of this Agreement) or the request to file this Agreement unexecuted, the Participating TO will file this Agreement with FERC, together with its explanation of any matters as to which Affected System Interconnection Customers and the Participating TO disagree and support for the costs that the Participating TO proposes to charge to Affected System Interconnection Customers under this Agreement. An unexecuted version of this Agreement should contain terms and conditions deemed appropriate by the Participating TO for the Affected System Interconnection Customers' generating facilities. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted version of this Agreement, they may proceed pending FERC action.

**ARTICLE 11  
MISCELLANEOUS**

May 17, 2024  
Appendix KK

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**11.1** This Agreement will include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability, and assignment, which reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, will be consistent with the provisions of this RIS.

[Signature Page to Follow]

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**IN WITNESS WHEREOF**, the Parties have executed this Agreement in multiple originals, each of which will constitute and be an original Agreement among the Parties.

the Participating TO  
**{the Participating TO}**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Affected System Interconnection Customer  
**{Affected System Interconnection Customer}**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Project No. \_\_\_\_\_

Affected System Interconnection Customer  
**{Affected System Interconnection Customer}**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Project No. \_\_\_\_\_

**Attachment A to Appendix 14  
Multiparty Affected System Facilities Construction Agreement**

**AFFECTED SYSTEM NETWORK UPGRADE(S), COST ESTIMATES AND RESPONSIBILITY,  
CONSTRUCTION SCHEDULE, AND MONTHLY PAYMENT SCHEDULE**

This Appendix A is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and the Participating TO.

**1.1 Affected System Network Upgrade(s) to be installed by the Participating TO.**

{description}

**1.2 First Equipment Order (including permitting).**

{description}

**1.2.1. Permitting and Land Rights – the Participating TO Affected System Network Upgrade(s)**

{description}

**1.3 Construction Schedule.** Where applicable, construction of the Affected System Network Upgrade(s) is scheduled as follows and will be periodically updated as necessary:

**Table 3: the Participating TO Construction Activities**

MILESTONE NUMBER	DESCRIPTION	START DATE	END DATE

Note: Construction schedule assumes that the Participating TO has obtained final authorizations and security from Affected System Interconnection Customers and all necessary permits from Governmental Authorities as necessary prerequisites to commence construction of any of the Affected System Network Upgrade(s).

**1.4 Payment Schedule.**

**1.4.1 Timing of and Adjustments to Affected System Interconnection Customers' Payments and Security.**

{description}

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**1.4.2 Monthly Payment Schedule.** Affected System Interconnection Customers’ payment schedule is as follows.

{description}

**Table 4: Affected System Interconnection Customers’ Payment/Security Obligations for Affected System Network Upgrade(s).**

MILESTONE NUMBER	DESCRIPTION	DATE

\* Affected System Interconnection Customers’ proportionate responsibility for each payment is as follows:

Affected System Interconnection Customer 1 \_\_\_\_\_.\_%  
Affected System Interconnection Customer 2 \_\_\_\_\_.\_%  
Affected System Interconnection Customer N \_\_\_\_\_.\_%

Note: Affected System Interconnection Customers’ payment or provision of security as provided in this Agreement operates as a condition precedent to the Participating TO’s obligations to construct any Affected System Network Upgrade(s), and failure to meet this schedule will constitute a Breach pursuant to Article 5.1 of this Agreement.

**1.5 Permits, Licenses, and Authorizations.**

{description}

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**Attachment B to Appendix 14  
Multiparty Affected System Facilities Construction Agreement**

**NOTIFICATION OF COMPLETED CONSTRUCTION**

This Appendix B is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and the Participating TO. Where applicable, when the Participating TO has completed construction of the Affected System Network Upgrade(s), the Participating TO will send notice to Affected System Interconnection Customers in substantially the form following:

{Date}

{Affected System Interconnection Customers Addresses}

Re: Completion of Affected System Network Upgrade(s)

Dear {Name or Title}:

This letter is sent pursuant to the Multiparty Affected System Facilities Construction Agreement among {the Participating TO} and {Affected System Interconnection Customers}, dated \_\_\_\_\_, 20\_\_\_\_.

On {Date}, the Participating TO completed to its satisfaction all work on the Affected System Network Upgrade(s) required to facilitate the safe and reliable interconnection and operation of Affected System Interconnection Customer's generating facilities. the Participating TO confirms that the Affected System Network Upgrade(s) are in place.

Thank you.

{Signature}  
{the Participating TO Representative}

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**Attachment C to Appendix 14  
Multiparty Affected System Facilities Construction Agreement**

**EXHIBITS**

This Appendix C is a part of the Multiparty Affected System Facilities Construction Agreement among Affected System Interconnection Customers and the Participating TO.

**Exhibit A1  
the Participating TO Site Map**

**Exhibit A2  
Site Plan**

**Exhibit A3  
Affected System Network Upgrade(s) Plan & Profile**

**Exhibit A4  
Estimated Cost of Affected System Network Upgrade(s)**

	Location	Facilities to Be Constructed by the Participating TO	Estimate in Dollars
		Total:	

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