



Decision on the interconnection process enhancements (IPE) 5.0 initiative

Danielle Mills

Director, Infrastructure Policy Development

ISO Board of Governors Meeting

General Session

April 30, 2026

This initiative addresses the ISO's lessons learned and commitments to stakeholders.

- The ISO committed to revisiting certain issues from the transformational 2023 interconnection process enhancements initiative after reviewing the cluster 15 resubmission and intake process.
- The ISO recommends limited modifications to enhance the process and respond to stakeholder feedback.
- The ISO will consider additional reforms after a complete interconnection cluster cycle to assess the impact of previous reforms.

IPE 5.0 reforms provide practical modifications that build upon previous enhancements.

1. Modifications to the interconnection request intake process
2. A modification to the deliverability allocation process, to allow operational energy only projects to seek deliverability
3. Broadened application of commercial viability criteria
4. Process efficiency improvements

Modifications to the interconnection request intake requirements will simplify and clarify the process.

- **Issue:** Cluster 15 scoring indicated that non-load serving entities projects were competitive, but the attestation that a project meets corporate sustainability goals was unnecessary.
- **Proposal:** Remove the requirement that projects meet a non-load serving entities “corporate sustainability” policy to earn commercial interest points in the intake scoring process.

Modifications to the interconnection request intake requirements will simplify and clarify the process.

- **Issue:** The previous design of the project capacity cap for the “full allocation election” in the load-serving entity scoring process restricted some load-serving entities to very small projects.
- **Proposal:** Adjust the generator size cap on the “full allocation election” in scoring to enable more meaningful participation by load serving entities of all sizes:
 - Either 50% of the load-serving entity forecast resource adequacy load or 500 megawatts (MW), whichever is less.

Modifications to the interconnection request intake requirements will simplify and clarify the process.

- **Issue:** Under current rules, the ISO does not include distribution-level interconnection requests in the cluster scoring and ranking process. Nor are they included in the 150% zonal limitation.
- **Proposal:** Bring distribution system interconnection requests into the same scoring process and limitations as transmission-level projects.

IPE 5.0 proposes to allow operational energy only projects to seek deliverability

- **Issue:** In track 3 of IPE 2023, stakeholders asked the ISO to explore whether operational energy only projects should be allowed to seek deliverability.
- **Proposal:** Any energy only projects that are in commercial operation can seek deliverability in either the “Power Purchase Agreement (PPA) allocation group” or the “conditional allocation group.”
 - A project will not receive deliverability if it is behind a deliverability constraint.

IPE 5.0 expands queue management practices

- **Issue:** Commercial viability criteria are used to ensure progress for projects seeking deliverability in the queue for more than 7 years. Lingered projects can duplicate network upgrades and increase administrative costs.
- **Proposal:** Broaden the applicability of commercial viability criteria to all projects in the queue, including energy only projects.

Process efficiencies will improve certainty and reduce delays.

- **Issue:** Implementation of recent interconnection process enhancements and FERC Order No. 2023 necessitates additional minor modifications to certain interconnection processes.
- **Proposal:**
 - Simplify the “ISO as an affected system process”
 - Modify the commercial readiness deposit due date
 - Discontinue the pre-application process to reduce delays, and
 - Allow an alternate individual to serve on the Executive Review Dispute Resolution Committee.

RESPONSES TO STAKEHOLDER FEEDBACK

The ISO engaged stakeholders throughout development of the IPE 5.0 initiative

- The scope of IPE 5.0 was guided by stakeholder input and results from the cluster 15 intake scoring process.
- The ISO convened five workshops and reviewed five sets of stakeholder comments, beginning with the scoping document.

Summary of cluster 15 intake scoring results	June 2025
Issued scoping document	July 2025
Straw proposal	August 2025
Draft final proposal	October 2025
Final proposal	December 2025
Revised final proposal	February 2026

The revised final proposal addressed stakeholder questions and concerns with the final proposal.

Concerns with final proposal	Revised final proposal
Concerns with a Power Purchase Agreement requirement for operating energy only projects to seek deliverability	<ul style="list-style-type: none">• Adjusted requirements for energy only projects seeking deliverability• Reduced to two allocation groups
Concerns with limitations on the transferability of deliverability to energy only projects	<ul style="list-style-type: none">• Upheld limitations on transfers• Limitations prevent other projects from acquiring deliverability simply to transfer it to less viable projects
Lack of clarity around the application of commercial viability criteria	<ul style="list-style-type: none">• Clarified that commercial viability criteria will apply to all projects in queue, including energy only projects, repowers, and technology additions via modification request

With the refinements in the revised final proposal, stakeholders are largely supportive.

- Stakeholders broadly support the following:
 - Modifications to the interconnection request intake process
 - Willingness to allow energy only projects to seek deliverability
 - Stakeholders would like to explore expanded opportunities for energy only projects in future policy initiatives
 - Broader application of commercial viability criteria
 - Efficiency enhancements
- The ISO will consider additional interconnection process enhancements after processing cluster 16 projects, prior to the cluster 17 interconnection application window.

IPE 5.0 makes important and timely adjustments to the ISO's groundbreaking interconnection process.

The proposal modifies elements of the interconnection request intake and deliverability allocation processes envisioned in the 2023 IPE initiative and creates efficiencies in the ISO interconnection and queue management processes to adapt to current interconnection trends.

The ISO recommends approval of these changes, which seek to

- Clarify and simplify elements of the interconnection request intake process
- Improve access to deliverability
- Expand queue management practices
- Promote efficiency in the ISO's interconnection processes.