



Decision on Interconnection Process Enhancements

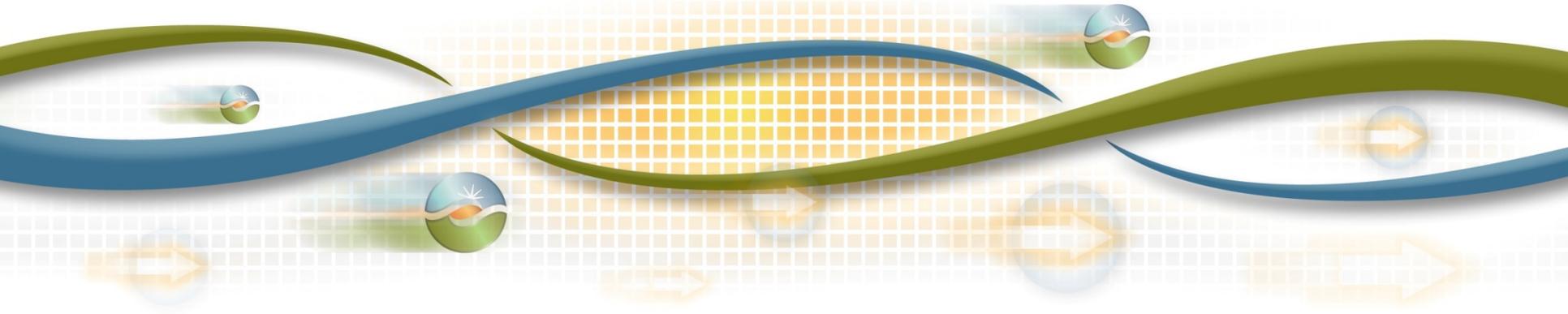
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Board of Governors Meeting

General Session

September 17-18, 2015



This initiative provides further enhancements to the generator interconnection process

- Improvements to help manage the 273 projects in the current queue.
- Provide additional structure and clarification for projects seeking to interconnect in future queue clusters.
 - Rapid growth of queue due to regulatory climate.
 - Expected growth due to California's 50% renewable goal for 2030.

The interconnection process enhancements initiative included 11 topics, 9 of which are before the Board today.

No.	Topic
1	<i>Affected Systems</i>
2	<i>Time-In-Queue Limitations</i>
3	<i>Negotiation of Generator Interconnection Agreements</i>
4	Deposits Interconnection Request Study Deposits Limited Operation Study Deposits Modification Deposits Repowering Deposits
5	<i>Stand-Alone Network Upgrades and Self Build Option</i>
6	Allowable Modifications Between Phase I and Phase II Study Results
7	Conditions for Issuance of Study Reports
8	Generator Interconnection Agreement Insurance
9	Interconnection Financial Security Process Clarifications Posting Clarifications Transmission Plan Deliverability Affidavit Impacts
10	<i>Forfeiture of Funds for Withdrawal During Downsizing Process</i>
11	Transmission Plan Deliverability Option B Clarifications

A few topics do not have full stakeholder support.

- **Negotiation of Generator Interconnection Agreements**
 - One stakeholder indicates that the proposal does not go far enough to ensure negotiations proceed in a timely manner
 - Two stakeholders believe impasse should be a tariff defined term
- **Require security posting for self-build stand-alone network upgrades until agreement is executed.**
 - Two stakeholders believe they should not post security for network upgrades they are building
- **Forfeiture of funds upon withdrawal during or after the downsizing process**
 - Developers would prefer the refund be based on the downsized capacity

Management recommends the Board approve the proposal.

- Improves the process for all.
- Provides needed structure for administering the queue.
- Positions the ISO favorably as we move towards more ambitious renewable policy goals.
- Supported by a majority of stakeholders.