



California Independent  
System Operator Corporation

February 27, 2009

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: Quarterly Report on Progress in Processing Interconnection  
Requests  
Docket No. ER08-1317-02**

Dear Ms. Bose:

Pursuant to Paragraph 200 of the Commission's "Order Conditionally Approving Tariff Amendment" issued in this docket on September 26, 2008, 124 FERC ¶ 61,292 (2008), , the California Independent System Operator Corporation ("CAISO") respectfully submits by electronic filing the "Quarterly Report of the California Independent System Operator on Progress In Processing Interconnection Requests and Motion for Extension of Time."

If there are any questions concerning this filing, please contact the undersigned.

Respectfully Submitted,

**/s/ Baldassaro Di Capo**  
Baldassaro "Bill" Di Capo  
*Counsel for the California Independent  
System Operator Corporation*



## **I. MOTION FOR EXTENSION OF TIME**

### **A. Paragraph 200 of the September 26 Order Requiring Regular Reporting**

The requirement that the CAISO submit periodic reports on the CAISO's progress in processing Interconnection Requests is contained in Paragraph 200 of the September 26 Order. Paragraph 200 directs the CAISO to file quarterly reports, which the Commission explained, are intended to provide the Commission and interested parties a regular status update on the progress of the Generator Interconnection Process Reform (GIPR) processes. The reports are to include information such as (1) the number of interconnection requests filed, accepted and rejected; (2) the number and type of studies conducted, along with the number and types of interconnection customers in each cluster; (3) any missed study deadlines, and (4) withdrawals from the queue by interconnection customers.

### **B. The CAISO Experienced Delay in Completing First Time Efforts Necessary to Complete the Report**

The Quarterly Report represents the first effort by the CAISO to report on the activity, and compiling of the information required the CAISO to gather certain data points from various sources and undertake some cross-checking to validate the information. The CAISO experienced some delays in completing these first-time efforts. The CAISO respectfully requests an extension of time through the date of this motion for submittal of the Quarterly Report. The CAISO submits that no party will be prejudiced by the late filing of this report.

## II. CONCLUSION

For the reasons set forth above, the CAISO respectfully requests that the Commission grant this motion for extension of time.

Respectfully submitted,

**/s/ Baldassaro Di Capo**

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Dated: February 27, 2009

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**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System                    )  
Operator Corporation                                )     Docket No.   ER08-1317-002

**QUARTERLY REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR ON PROGRESS IN PROCECESSING INTERCONNECTION  
REQUESTS**

Reporting Period: September 26, 2008 to December 31, 2008

Date: February 27, 2009

Baldassarro (“Bill”) Di Capo  
Counsel for the California  
Independent System Operator  
Corporation

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## **Introduction**

### How the Obligation to Report Annually Arises

The California Independent System Operator Corporation (“CAISO”) submits this “QUARTERLY REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR ON PROGRESS IN PROCECESSING INTERCONNECTION REQUESTS” (hereinafter, “Report”), pursuant to the Commission’s September 26, 2008 Order Conditionally Approving Tariff Amendment (*California Independent System Operator Corp.* 124 FERC ¶ 61,292 (2008) (hereinafter, “September 26 Order”).

The requirement that the CAISO submit periodic reports on the CAISO’s progress in processing Interconnection Requests is contained in Paragraph 200 of the September 26 Order, which provides as follows:

First, the Commission directs the CAISO to file quarterly reports with the Commission, to include the following: (1) the number of interconnection requests filed, accepted and rejected; (2) the number and type of studies conducted, i.e., accelerated separately studied, or cluster, along with the number and types (size of project, nameplate capacity of facility if different than size of interconnection project, point of interconnection) of interconnection customers in each cluster; (3) any missed study deadline(s) at each stage of the process; and (4) any withdrawals (along with the reason for the withdrawal) from the queue by interconnection customers. These reports are intended to give the Commission and other interested parties a regular status update on the progress of the proposed reforms.

(September 26 Order at Paragraph 200.)

### Background Regarding the Queue

On May 15, 2008, the CAISO filed the Waiver Petition in Docket No. ER08-960, seeking a one-time waiver of limited provisions of the existing CAISO Tariff governing generator interconnection, in order to facilitate the transition between the CAISO’s original *pro-forma* LGIA and LGIP regime, and the new Generator Interconnection

Process Reform (“GIPR”) process. On July 14, 2008, the Commission issued an order granting the CAISO's waiver request.<sup>1</sup>

In the CAISO’s Petition for Waiver, the CAISO requested a waiver of time deadlines in its LGIP, as well as the permissible duration for a queue cluster window, in order to place interconnection requests into one of three groups:

- (1) A grandfathered Serial Study Group that would continue to be processed under the original LGIP;
- (2) A Transition Cluster subject generally to the LGIP reform procedures but with recognition that those interconnection requests were initially filed under the former LGIP tariff structure. The Transition Cluster includes all LGIP Interconnection Requests pending as of June 2, 2008, which were not assigned to the Serial Study Group; and
- (3) The First Queue Cluster to be processed under the new GIPR procedures. The First Queue Cluster consists of all Interconnection Requests contained in the first going forward Queue Cluster Window, which commenced on June 2, 2008.

In addition to these three groups, there is another category of interconnection requests that pre-date the CAISO LGIP Process approved in July 2005.<sup>2</sup> These projects continue to be processed under the interconnection procedures in place prior to adoption of the *pro forma* LGIA and LGIP (the “Amendment 39” process) (CAISO Currently Effective Tariff, Appendix W; CAISO MRTU, Tariff Appendix W).

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<sup>1</sup> *California Indep. System Operator*, 124 FERC ¶ 61,013 (2008).

<sup>2</sup> The Commission issued its Order Accepting in Part and Rejecting in Part Order Nos. 2003, 2003-A and 2003-B Compliance Filings in *California Independent System Operator Corporation, et. al.*, Docket Nos. ER04-445-005, ER04-445-006, ER04-445-007 and ER04-445-009 (Issued July 1, 2005), 112 F.E.R.C.¶ 61,009...

Overall Status of the Queue

The breakdown of CAISO interconnection requests within the queue is depicted in Table 1.

<b>Table 1 Breakdown of the CAISO Interconnection Request Queue</b>	
<b>Amendment 39 Projects</b>	
Active Projects, in which Participating TO performs studies and are in the process of completing studies	2
Studies and Interconnection Agreements Completed	29
Subtotal	31
<b>For the LGIP Serial Study Group</b>	
Active Serial Studies	75
<b>For the LGIP Transition Cluster (request window period closed on 6/2/2008)</b>	
Transition Cluster eligible Projects as of 9/26/2008 (date of FERC Sept 26 Order)	230
Transition Cluster eligible Projects having withdrawn as of November 25, 2008:	[subtract 122 from 230]
Subtotal: Active Transition Cluster Projects	108
<b>LGIP First Queue Cluster under reformed process (request window opened on 6/2/2008; window remains open through 7/31/2009)</b>	
Interconnection Requests received to date	8
<b>Miscellaneous Information</b>	
SGIP (Small Generator Interconnection Projects)	9
Completed LGIP Projects (on line)	12
Total project withdrawals in queue across all types (including Amendment 39 projects, LGIP projects placed in Serial Study Group and Transition Cluster eligible projects deemed withdrawn)	[251]

The current CAISO queue consists of 486 line items, corresponding to the four categories, as well as several miscellaneous items of information. The line items total 486 as follows:

Amendment 39 projects	31
LGIP Serial Study group	75
LGIP Transition Cluster	108
SGIP projects	9
<u>Completed LGIP projects</u>	<u>12</u>
Subtotal	235

Plus

<u>All withdrawn projects</u>	<u>+251</u>
Total	486 line items

The eight projects that have been submitted in the First LGIP Cluster window under the reformed process have not been added as line items to the queue at this time. This is because they will not be reviewed for eligibility and validated until the close of the request window for the First LGIP Cluster study cycle, on July 31, 2009.

### **Progress in Processing Interconnection Requests**

#### The Serial Study Group

Of the seventy-five 75 Serial Study Group projects, six (6) projects have system impacts studies in progress; fifty (50) have facilities studies in progress, eight (8) projects have executed Large Generator Interconnection Agreements (LGIAs), and, eleven (11) projects are in the process of negotiating and preparing LGIA agreements

#### The Transition Cluster

A timeline chart depicting the timelines for processing of the Transition Cluster and future LGIP queue cluster study cycles is attached to the end of this Report.

The Transition Cluster consists of those LGIP Interconnection Requests that were pending as of June 2, 2008 that were not assigned to the Serial Study Group. (Pre-LGIP projects are also outside of the Transition Cluster).

As of September 26, 2008 (the date of the Commission's Order conditionally approving the GIPR Amendment), the Transition Cluster consisted of two hundred and thirty (230) requests which the CAISO had deemed eligible to progress in this study cycle.

Following the Commission's issuance of the September 26 Order, the CAISO notified interconnection customers, in writing, of any additional information or deposits that would be required to complete their applications by November 25. Depending on the interconnection customer, such required items included an increased study deposit amount so as to bring their total deposit to \$250,000, a demonstration of site exclusivity (or an in lieu of such demonstration, a deposit of \$250,000) and any technical data that had not been previously submitted.

One hundred twenty two (122) projects did not submit further information by the applicable deadline, and, so were deemed to have withdrawn from the Transition Cluster. The CAISO does not know the specific reasons that these customers elected not to proceed. In general, however, in conversations with CAISO personnel, some interconnection customers generally expressed that the increased study deposit amounts and/or increased site exclusivity deposits operated as a constraint on their ability to proceed or that it limited the number of projects which they could move forward. Subtracting the 122 projects from the original 230 projects in the Transition Cluster left 108 projects to be processed in the Transition Cluster.

Transition Cluster study activities commenced on December 1, 2008 and are ongoing. The anticipated completion date for the Transition Cluster Phase I Studies is July 28, 2009. No interconnection customers have withdrawn since the November 25, 2008 milestone, and there have been no missed study deadlines.

The breakdown by technology of interconnection customers who remain in the Transition Cluster is as follows:

Prime Mover	Number	Technology				
		B	G	NG	S	W
Steam Turbine	44	1.5	7		35.5	
Photovoltaic	27				27	
Wind Turbine	16					16
Combined Cycle	13			13		
Combined Cycle/PV	1			0.5	0.5	
Combustion Turbine	4			4		
Reciprocating Engine	1			1		
Other	2				2	
Total	108	1.5	7	18.5	65	16

B=Biomass; G=Geothermal; NG=Natural Gas; S=Solar; W=Wind

### The First Queue Cluster

The attached timeline chart at the end of this Report sets forth the timelines for processing First Queue Cluster and future LGIP queue cluster study cycles.

The First Queue Cluster under the reformed process consists of all interconnection applications received after June 2, 2008. The window period for this cluster remains open until July 31, 2009.

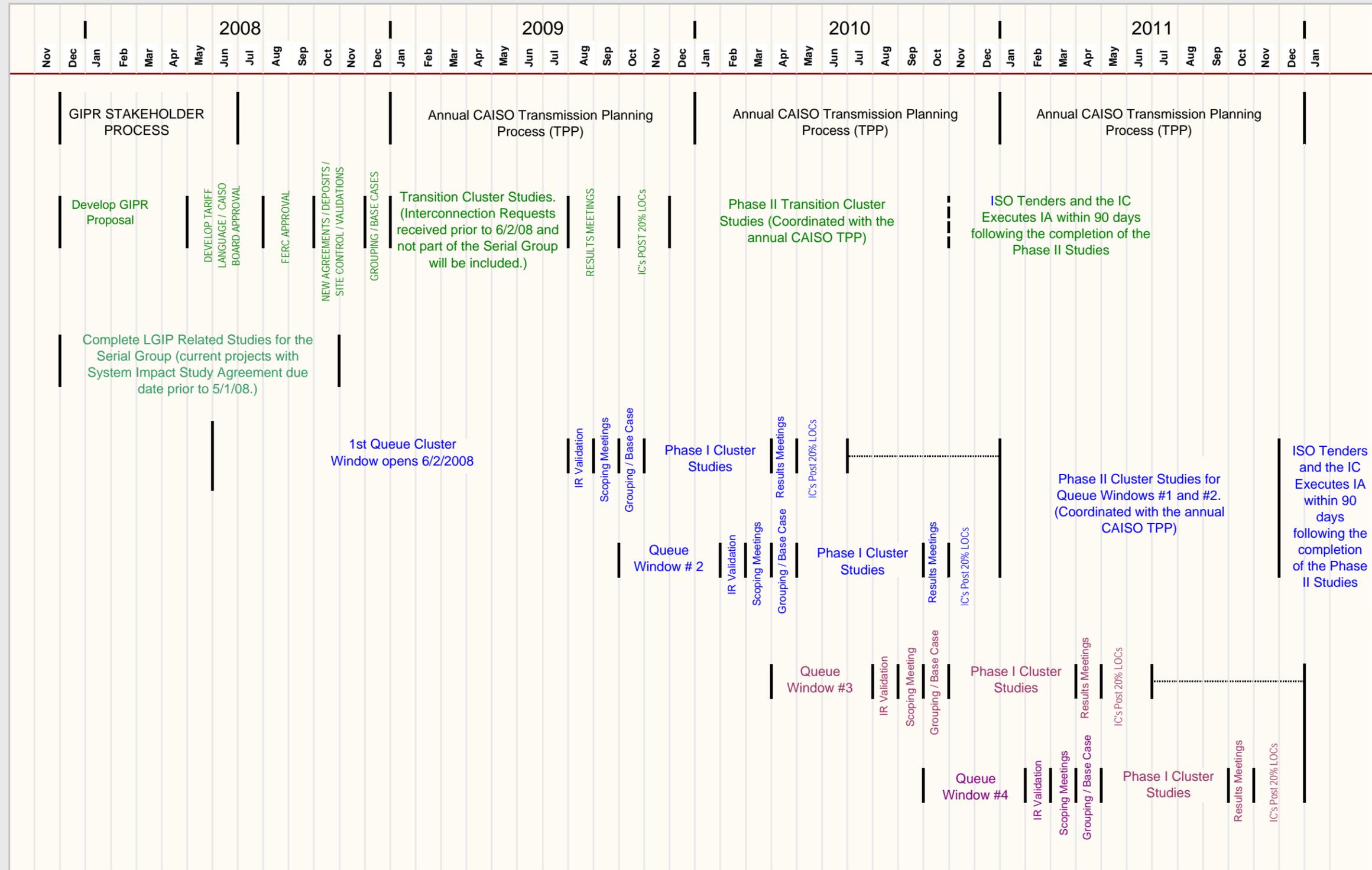
To date, the CAISO has received eight (8) interconnection requests for this study cycle. These projects will not be considered to be “in the queue” until the cluster window closes on July 31, 2009.

**Attachment - Timeline Chart**

**Generation Interconnection Process Reform (GIPR) Proposal Timelines**

**Transition Cluster and Future Cluster Windows**

## Generation Interconnection Process Reform (GIPR) Proposal Timelines Transition Cluster and Future Cluster Windows



## Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 27th day of February 2009 at Folsom in the State of California.

*Is/ Anna Pascuzzo*

Anna Pascuzzo